

Worcester Redevelopment Authority

Michael P. Angelini
Chair

Peter Dunn
Chief Executive Officer



WORCESTER REDEVELOPMENT AUTHORITY

Thursday, February 9, 2023

9:00 A.M.

City Hall, Levi Lincoln Chamber

Worcester, MA 01608

CALL IN INFORMATION:

+1-415-655-0001 US Toll
Access Code: 2314 866 8484

Present:

Worcester Redevelopment Authority Board

Michael Angelini, Chair
David Minasian, Vice Chair
Sherri Pitcher
Richard Burke

Staff

Peter Dunn, Chief Executive Officer
Michael Traynor, City Solicitor
Alexis Delgado, WRA Finance Manager
Julie Lynch, Director of Facilities
Paul Morano, Office of Economic Development
Greg Ormsby, Office of Economic Development
Jane Bresnahan, Office of Economic Development

Pursuant to a notice given (attached), a meeting of the Worcester Redevelopment Authority was held at 9:00 A.M. on Thursday, February 9, 2023

1. **Call to Order**

Mr. Dunn called the meeting to order at 9:06 A.M.

2. **Roll Call**

Mr. Dunn called the roll – Ms. Pitcher, Mr. Minasian, Mr. Burke and Chair Angelini.

Chair Angelini advised all votes will be taken by roll call.

3. **Approval of Minutes:** January 12, 2023

Mr. Minasian made a motion to approve the minutes.

Ms. Pitcher seconded the motion.

The minutes were approved 4-0 on a roll call.

New Business

1. Authorize Execution of a Contract with Antonelli Construction Co. Inc. for improvements to Union Station in the amount of \$43,201.00

Mr. Dunn advised this item relates to modest repair work the Department of Public Facilities is recommending at Union Station in the amount of \$43,201.00 related to the common area near the cafe. This café space itself was bid as is, with no support of fit out for any equipment. These repairs are necessary to the building and recommend by the Department of Public Facilities with the funding source of FTA funds for general building repairs and maintenance. Chair Angelini asked if this proposal was as result of an invitation to bid. Mr. Dunn advised in terms of the contract recommended for award to Antonelli, the procurement was three quote process. Ms. Lynch advised that is correct and pricing was solicited with an estimate of \$45,000.00 Antonelli came in at \$43,000.00, Stutman was \$68,000.00, Cornerstone the third contractor did not submit a price.

Mr. Minasian offered the following vote:

Voted, that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute a construction agreement with Antonelli Construction Co., Inc. in the amount of \$43,201.00 for improvements to Union Station.

Mr. Burke seconded the motion. The item was approved on a 4-0 roll call

2. 484-500 Main Street

Mr. Dunn provided an update to the Board. One topic mentioned at the last meeting was an Addendum for extending the due date for the RFP to March 24, 2023, and do not anticipate extending beyond. In terms of the status of the occupants, at the last meeting there were four occupants that remained in the building and two that would still be there by this meeting, and there are currently the two remaining occupants. Both are expected to leave by the end of this month. One occupant Faith Fellowship Ministries might bleed into March with regard to getting the new space ready and built out successfully. Overall, things are going well in terms of getting tenants into new homes and the building vacancy as we prepare for the RFP.

Chair Angelini asked for a description of the level of interest among prospective applicants regarding the building. Mr. Dunn advised some questions came in and an addendum was posted on the website answering those questions. The addendum issued a few weeks ago extended the date while we finalize our responses to questions. Along with the tours that were offered, it's expected that four to five proposals would be a successful outcome.

Ms. Pitcher asked if there was any idea what their thoughts are for the building? Mr. Dunn replied not particularly. When you do the invitations for the tours it is more about letting them see the space and any specific questions that result are submitted afterwards. One question was relative to the Responsible Employer and Inclusionary Participation

Policy. At the last meeting it was updated and amended to include MWBE goals and will have to post the updated version to let them know about those goals. There was one question about the applicable provisions of the REIPP. If you recall in the REIPP there is discussion around Chapter 149 projects, so clarifying this project is not a Chapter 149 project, but all the other applicable provisions will apply. There was also a question about inclusionary zoning. Depending how things turnout and proceed with the City Council it might not be fully adopted by March 24, 2023, but there will be some level of clarity if not fully adopted. Folks are working on their proposals and the assumptions they are using for the underwriting and the proformas they are developing. To your earlier point that signals they are certainly, as expected, looking at residential proposals as the inclusionary zoning is related to housing. As discussed all along it's anticipated all of the proposals if not the majority would be mixed-use with commercial on the first floor and residential on the upper floors. Mr. Minasian asked if any more tours are planned. Mr. Dunn advised no.

3. Financial Update Report

a. Report on Prior Month's Executed Contracts and Payments

b. Report on Downtown Urban Revitalization Plan Expenditures

Mr. Dunn highlighted from the report that total expenses for January 7, 2023, to February 7, 2023 were \$665,637.06.

4. Status Reports

a. Union Station

b. Downtown Urban Revitalization Plan.

Mr. Dunn advised the space across from Luciano's Restaurant, is under renovation now with things going fairly well in terms of renovations. There are also ongoing negotiations with the Food Hub with the design progressing at an advanced stage and may have for the March meeting the terms of the lease agreement for the Food Hub to present for consideration. The MBTA project continues with no specific updates from the MBTA.

Chair Angelini said he heard the Cannabis Control Commission is meeting and asked if they are meeting in Worcester. Mr. Dunn asked Ms. Lynch to comment. Ms. Lynch advised the Board that they will not be returning in person until March at the earliest. Chair Angelini reminded the Board's ambition in attracting them to Worcester was not only to receive rental income but to add activity at Union Station and would be disappointed to learn that they are meeting somewhere else. Hopefully by March we will be back to normal but should keep an eye on this. Chair Angelini asked Mr. Dunn to keep the Board informed regarding that.

Ms. Pitcher asked about the Owl Shop being sold. Mr. Dunn affirmed there have been articles regarding that and the sale to Markopoulos Development. Mr. Dunn spoke with the owner George Markopoulos yesterday. He is very excited to have that opportunity downtown. He does not have definitive plans yet with one occupant in the upper floors currently. Mr. Dunn stressed to Mr. Markopoulos to keep the first floor active and engaging with the pedestrian environment, retail or service based retail rather than office and he has the same vision that the Board has.

Another update Mr. Dunn mentioned was the proposal from MG2 Group at 35 Portland Street, which is in the Downtown Urban Revitalization Plan. It would be an infill development which is currently a surface parking lot. MG2 has submitted a preliminary or definitive site plan application for an infill development for housing and first floor

commercial uses as well and Mr. Dunn will keep the Board updated as that progresses through their Planning Board meeting along with permitting process. Mr. Minasian inquired as to how many units and will research same.

Chair Angelini asked about updates relative to increased attention for activity on Main Street. Mr. Dunn advised a working group of folks from the economic development ecosystem will be coming together including the City, WBDC, the Chamber and the Business Improvement District as well as owners in particular. Conversations have started with those owners to introduce the concept and invite them. One concept is trying to package some of the spaces in a way that is clear to prospective tenants, along with a targeted recruitment strategy, as well as identifying and marketing the support systems that are in place. Chair Angelini asked if there is any role the WRA could play or should play with respect to that. Mr. Dunn advised yes if WRA board member would like to be included. Ms. Pitcher, Mr. Minasian and Chair Angelini expressed interest to join the meetings.

Mr. Burke asked if public parking is another tool the city has in its toolbox since it owns the parking. Mr. Dunn confirmed yes, both for supporting retail in terms of customers that need to find parking to patronize retail type business, but also to support remaining underutilized properties downtown in terms of upper floors. Whether that is for employees or residents and making sure there is parking available to make those projects marketable and feasible. It is delicate balance because the public parking assets can be used to drive economic development, but at the same where we are spending over \$20 Million Dollars on that garage, we also need to have the revenues to support the debt service on the garage as well. Ms. Pitcher agreed that assessing the parking options would be helpful as there is a perception that there is no parking. Ms. Pitcher also suggested a potential invitation to Mike Jacobs and Todd Alexander from commercial real estate brokerage that could contribute to that working group.

Mr. Minasian inquired about Synergy and the vacancy of their building. Mr. Dunn advised they have had some success on tenancies on the upper floors but are looking to grow that. On the first floor the Food Hub is a demonstration. Sort of short-term, temporary type use where they have some of their members selling food products including hot food for lunch. They would like to have something more substantial in terms of build out, they are targeting food and beverage for uses for that space. They also have a second potential retail/commercial space on the other portion of the building towards the back, set back from the street towards the green space on the left. Ms. Pitcher mentioned the owner is also doing the top floor of the Plaza for events and spoke with him two weeks ago.

5. Adjournment

There being no further business, Mr. Dunn called the roll to adjourn the meeting at 9:32 A.M

Respectfully submitted,

Peter Dunn
Chief Executive Officer