

Worcester Redevelopment Authority

Vincent A. Pedone
Chairman

Michael E. Traynor
Chief Executive Officer



WORCESTER REDEVELOPMENT AUTHORITY

Friday, December 13, 2019

8:00 A.M.

City Hall, Levi Lincoln Chamber

Worcester, MA 01608

Present:

Worcester Redevelopment Authority Board

David Minasian, Vice Chair
Michael Angelini
Jennifer Gaskin
Sumner Tilton
Vincent Pedone, Chair (8:14 am)

Staff

Michael Traynor, Chief Development Officer
Jennifer Beaton, Deputy City Solicitor
Erin Cahill, WRA Financial Manager
John Odell, Energy & Asset Management
Greg Ormsby, Office of Economic Development
Jane Bresnahan, Office of Economic Development
Amanda Gregoire, Office of Economic Development

Pursuant to a notice given (attached), a meeting of the Worcester Redevelopment Authority was held at 8:00 A.M. on Friday, December 13, 2019.

1. Call to Order

Vice Chair Minasian called the meeting to order at 8:09 A.M.

2. Roll Call

Mr. Traynor called the roll.

3. Approval of Minutes: November 15, 2019

Vice Chair Minasian asked for a motion to approve the minutes. Mr. Angelini moved the motion, Ms. Gaskin seconded the motion.

New Business

Mr. Traynor said he would defer to Mr. Odell for Items 1, 2 and 3 who will provide the backup for the change orders. Mr. Odell informed the Board that items 1 and 2 are related to the Cannabis Control Commission work involving some change in scope as well as additional work for issues discovered behind walls. Mr. Odell explained that these are extra expenses to be borne by the WRA. In response to Mr. Tilton's inquiry about the cost of the project, Mr. Odell replied that the project total is about \$2.3 million, covering approximately fifteen thousand square feet, which is the entire second floor of Union Station, so the per square foot cost is approximately \$153.00 per square foot. Mr. Tilton inquired of Mr. Minasian about the square foot cost of development and asked his opinion of whether that number seems high. Mr. Minasian thought it is and asked Mr. Odell if he had any sense why. Mr. Odell explained that the project is more than just a typical fit out, it was a complete renovation of the space from the existing space.

- 1. Authorize execution of Change Order No. 2 to the Owner-Contractor Agreement between the Worcester Redevelopment Authority and APC Development Group, Inc. relative to the Cannabis Control Commission Headquarters project in the amount of \$36,496.56.**

Mr. Angelini offered the following motion:

Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute Change Order No. 2 to the Owner Contractor Agreement between the Worcester Redevelopment Authority and APC Development Group Inc., relative to the Cannabis Control Commission headquarters project at Union Station in the not to exceed amount of Thirty Six Thousand, Four Hundred Ninety Six Dollars and Fifty Six Cents (\$36,496.56).

Ms. Gaskin seconded the motion.

The motion carried 4-0.

- 2. Authorize execution of Change Order No. 3 to the Owner-Contractor Agreement between the Worcester Redevelopment Authority and APC Development Group, Inc. relative to the Cannabis Control Commission Headquarters project in the amount of \$79,919.85.**

Mr. Angelini offered the following motion:

Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute Change Order No. 3 to the Owner Contractor Agreement between the Worcester Redevelopment Authority and APC Development Group Inc., relative to the Cannabis Control Commission headquarters project at Union Station in the not to exceed amount of Seventy Nine Thousand, Nine Hundred Nineteen Dollars and Eighty Five Cents (\$79,919.85).

Ms. Gaskin seconded the motion

The motion carried 4-0.

(Chairman Pedone joined the meeting)

3. **Authorizes its chair or vice-chair to execute Change Order No. 1 to the Owner Contractor Agreement between the Worcester Redevelopment Authority and APC Development Group Inc., relative to the Miscellaneous Renovations project at Union Station in the not to exceed amount of Thirty Three Thousand, Eight Hundred Nineteen Dollars and Forty Two Cents (\$33,819.42).**

Mr. Odell said these projects include the Police Substation, the corridor wall heading toward Harding Street near the parking garage, work in the restrooms, and another corridor that connects the Grand Hall to the proposed Fire Museum space. Leak damage was discovered behind both the corridor wall near Harding Street as well as WPD substation, and the WPD has requested some additional fit out work as they are now contemplating bringing more employees than originally thought requiring which requires some changes for additional data drops.

Mr. Angelini offered the following motion:

Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute Change Order No. 1 to the Owner Contractor Agreement between the Worcester Redevelopment Authority and APC Development Group Inc., relative to the Miscellaneous Renovations project at Union Station in the not to exceed amount of Thirty Three Thousand, Eight Hundred Nineteen Dollars and Forty Two Cents (\$33,819.42).

Ms. Gaskin seconded the motion.

The motion carried 5-0.

4. **Authorizes its chair or vice-chair to execute Amendment No. 4 to the contract for Project Management Services with Skanska USA Building, Inc. in the amount of Seventy Thousand Dollars and No Cents (\$70,000.00) relative to the Canal District Ballpark Project.**

Mr. Tilton was recused from this item.

Mr. Ormsby informed the Board that there are two components to Amendment No. 4. The first is to add a scope of services not currently in Skanska's contract; they are going to supply preconstruction services for Pickett Plaza. The second component is to authorize Skanska to bring on a sub-consultant to perform peer steel review services as required by the State building code.

Mr. Angelini offered the following motion:

Voted that the Authority hereby authorizes its chair or vice-chair to execute Amendment No. 4 to the contract for Project Management Services with Skanska USA Building, Inc. in the amount of Seventy Thousand Dollars and No Cents (\$70,000.00) relative to the Canal District Ballpark Project.

Mr. Minasian seconded the motion.

The motion carried 4-0.

Vice Chairman Minasian took Item #7, Status Report – 521 Main Street, out of order

Mr. Joseph Zou, representing the property owner addressed the Board. Despite two inspections in November they do not yet have an occupancy permit to open the restaurant. At the last inspection on November 27 there were regarding the cleanliness of the kitchen hood/exhaust system. The cleaning company has been called back to address this issue. They were also informed that the stairs from the third to the fourth floor must be constructed. Mr. Zou said the stairs issue was going to take time because the fourth floor plans need to be in place. They are working with the building department to obtain a partial occupancy permit for the restaurant while the stairs issue is addressed. The architect has submitted a letter indicating that they will finish the stairs within three months. If the building department grants the extension and they pass the Fire Inspection they will be able to move forward. Chairman Pedone stated that with the interior renovations proceeding it is time to start discussing the façade and putting resources and plans into the reconstruction of the facade. The Board would to see not only the inside of the building work completed but the outside. Mr. Angelini asked that at the next meeting if Mr. Zou could present a status report on the owner's plans for the façade renovation and a timetable to accomplish those plans. Mr. Zou agreed that it would be possible to provide that information.

Vice Chairman Minasian took Item #7, Status Report – Midtown Mall, out of order

Feliciano Lana provided an update on his projects. 250 Commercial Street – Mr. Lana informed the Board that he had completed the work he was responsible for and was awaiting the reconstruction of the sidewalk by the city. Mr. Lana said has waited for sixty days and is frustrated that the sidewalk has not been completed by the city and that he has concerns about the temporary support. Mr. Angelini expressed his opinion that if Mr. Lana is asked expedite his schedule and incur costs it seems that the City needs to perform as well. Mr. Angelini asked for a report regarding the circumstances around the delay. Mr. Traynor said he would follow-up with DPW&P. With respect to the building at 250 Commercial Street, MR. Lana said he has plans for a renovation of the lobby area. The restaurant space is no longer in business, cleaning the space has begun and he is in the process of advertising the space, and a few individuals have expressed interest. The restaurant space engulfs a large area on the block. Mr. Lana said he will offer the space to only established restaurants with funds in place to operate.

44 Front Street – construction has started and roughed framing for the sixth and seventh floors for studio apartments; rough plumbing and electrical is completed on the sixth floor and moving to the seventh floor. He said his plan is to have the two floors available in late spring, early summer of 2020.

22 Front Street - Mr. Lana presented written materials to the Board. He informed the Board there have been two meetings held with the Historical Commission relative to his filing for a demolition delay waiver so work on demolishing the building's facade can begin sooner rather than later. At the first Historical Commission Mr. Lana stated that his plan received pushed back and the Commission expressed concern over the loss of the art deco façade since it was the only building downtown with that type of finish. The Commission at that time requested a report on what it would take to restore the existing façade. At the second meeting with the Historical Commission, which took place the night before, the Historical Commission tabled the petition until its February meeting.

The board members discussed their general disagreement with the Commission's position and expressed their collective opinion that the waiver should be granted. Upon a question from Vice-Chair Minasian, Mr. Lana said restoring the façade would cost approximately \$730,000, while his proposed new façade would cost approximately \$980,000 to \$1.1 million.

Mr. Lana told the Board that a Request for Information and a Request for Proposals were issued to several developers to gauge interest in partnering on redeveloping the building and he thanked the Worcester Business Development Corporation for help with this process. One tour was given of the building and documentation requested. Mr. Traynor informed the Board that he received an email from Roberta Brien, Vice President of Project, Worcester Business Development Corporation, stating that the RFI had been sent to ten developers but to date only one developer toured the property. Mr. Traynor will provide the Board a copy of the RFI at its next meeting.

The Board discussed informing the Historical Commission that the WRA supports Mr. Lana's proposed project and his request for a demo delay waiver. Upon a motion by Ms. Gaskin, seconded by Mr. Tilton, the Board voted to have the administration prepare a letter to be signed by the chair or vice chair expressing support of approving the waiver for the demolition of the façade of 22 Front Street, and forward that letter to the Historical Commission.

12 Front Street - Mr. Lana reported that he informed the Historical Commission his plan is to try to restore the façade of the five story building, with new glass storefronts, and he is working on renderings for apartments above.

(Mr. Angelini left the meeting during the discussion on 22 Front Street)

Vice Chairman Minasian took Items #6 – Financial Report and #7, Status Reports, out of order

**6. Financial Update Report
Report on Prior Month's Executed Contracts and Payments
Report on Downtown Urban Revitalization Plan Expenditure**

Ms. Cahill presented the financial report. She informed the Board that the expenses for the period of November 6, 2019 through December 10, 2019 the WRA incurred a total of \$7,457,322.96. Of this amount approximately \$7.1 million in Ballpark related expenses, approximately \$180,000.00 was for capital improvements at Union Station, approximately \$25,000.00 was for tenant fit-out work and approximately \$154,000.00 was for operating costs at Union Station.

7. Status Reports:

**Union Station – Vendor & Maintenance Performance
Union Station – Miscellaneous Renovation Projects
Urban Revitalization Plan
Midtown Mall**

Mr. Odell informed the Board that the Cannabis Control Commission has moved into their space the week of Thanksgiving and are pleased with their space and are in the closeout process of the project.

Mr. Tilton was recused from this item and left the meeting.

5. Canal District Ballpark Project workforce diversity and inclusion report for October, 2019.

Mr. Ormsby stated that results have been positive and relayed the following information: The Joint Venture of Gilbane-Hunt (JV) continues to work closely with its subcontractors to achieve the goals. The Project numbers to date numbers are 23% total for Worcester residents and trending upward; people of color 14.5%, working towards the goal of 15.3%. There are initiatives in place working with the Joint Venture and the subcontractors with respect to bringing in more people of color. With respect to women the participation is 12%, almost 5% above our goal of 6.9%. Mr. Ormsby stated that increasing the participation of people of color is a priority. Ms. Gaskin noted that category is the only one not meeting its goal. Ms. Gaskin requested that Ms. Skilling, from the JV, attend the next meeting and speak to what initiatives they are taking and the efforts to hire people of color. She encouraged the contractors to use community organizations that represent people of color in that effort.

8. Adjournment

There being no further business, the meeting adjourned at 9:28 A.M.

Respectfully submitted,

Michael E. Traynor, Esq.
Chief Executive Officer