

# Worcester Redevelopment Authority

Michael P. Angelini  
Chair

Peter Dunn  
Chief Executive Officer



## WORCESTER REDEVELOPMENT AUTHORITY

Monday, August 8, 2022

8:00 A.M.

City Hall, Levi Lincoln Chamber

Worcester, MA 01608

### CALL IN INFORMATION:

+1-415-655-0001 US Toll

Access Code: 2306 001 6022

### Present:

#### *Worcester Redevelopment Authority Board*

Michael Angelini, Chair  
David Minasian, Vice Chair  
Jennifer Gaskin  
Sherri Pitcher  
Sumner Tilton

#### *Staff*

Peter Dunn, Chief Executive Officer  
Michael Traynor, City Solicitor  
Timothy McGourthy, Chief Financial Office  
Julie Lynch, Public Facilities Director  
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 8:00 A.M. on Monday, August 8, 2022

### 1. Call to Order

Mr. Dunn called the meeting to order at 8:04 A.M.

### 2. Roll Call

Mr. Dunn called the roll – Ms. Gaskin, Ms. Pitcher, Mr. Tilton, Mr. Minasian and Chair Angelini. Chair Angelini advised all votes will be taken by roll call.

### 3. Approval of Minutes: August 8, 2022

Ms. Gaskin made a motion to approve the minutes.

Ms. Pitcher seconded the motion.

The minutes were approved 5-0 on a roll call.

## **New Business –**

### **1. Authorize Execution of an Architectural Services Agreement with Nault Architects in the amount of \$11,950.00 relative to Union Station**

Mr. Dunn explained this is authoring execution of an architectural services agreement with Nault Architects in the amount of \$11,950.00 for Union Station. Mr. Dunn referred to the last meeting where there was a similar item listed on the agenda that was characterized as an amendment, but their previous contract expired so it is more accurate to execute a new architectural services agreement. The recommendation is consistent with the City of Worcester's Designer Selection Board which issued a Request for Qualifications for on-call architects and Nault Architects was part of that. The vote of the Worcester Redevelopment Authority recognizes the City of Worcester's Designer Selection Board to approve contracts with a term ending December 31, 2024. We will bring in various scopes for approval of the Board for the finances. The first scope of services is for miscellaneous renovations at Union Station. It includes an ice melt system as well as an infrared roof scanning. The ice melt system is something we are exploring as rock salt has been damaging the paved walking surfaces in front of the main entrance and often requires replacement. The design of an electrical ice melt system under that paved area will eliminate the need for rock salt. Regarding the infrared roof scanning there are a number of systems regarding the reroofing at Union Station to be explored preliminarily and the Board will be informed of the recommendations for consideration. The infrared scanner will identify wet insulation using non-destructive methods. The total fee proposal for those two design elements is \$11,950.00. Mr. Dunn inquired if Ms. Lynch, Chief of Public Facilities, has anything to add to the discussion, Ms. Lynch concurred with the discussion.

Ms. Pitcher offered the following vote:

**Voted that the Worcester Redevelopment Authority accepts the recommendation of the City of Worcester Designer Selection Board to award a contract with a term through December 31, 2024, for non-exclusive, on-call architectural design services for miscellaneous projects at the Union Station Intermodal Transportation facility to Nault Architects, Inc.; and**

**Be It Further Resolved that the Authority hereby authorizes its chair or vice-chair to execute a Design Services Agreement with Nault Architects, Inc., which shall be based on the hourly rates attached hereto as Exhibit A; and**

**Be It Further Resolved that commensurate with the award of this contract, the Authority authorizes the Union Station Miscellaneous Renovations Project in the amount of Eleven Thousand, Nine Hundred Fifty Thousand Dollars and no cents (\$11,950.00).**

Mr. Minasian seconded the motion.

The item was approved on a 5-0 roll call

**2. Amend and restated Authorization of Change Order No. 3 in the amount of \$38,752.92 to the Contract with UEL Contractors, Inc. for the Pickett Plaza project.**

Mr. Dunn advised on the last meeting agenda was Change Order No. 3, but there was a math calculation error. The item before last month's meeting was \$31,000.00. The line items have not changed, but the accurate total is \$38,752.92. Mr. Dunn advised we wanted to have this vote amended, restated, and consistent in the record.

Mr. Minasian offered the following vote:

**Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute Change Order No. 3 in the amount of \$38,752.92 to the contract with UEL Contractors, Inc. relative to the Pickett Plaza project.**

Ms. Pitcher seconded the motion.

The item was approved on a 5-0 roll call.

**3. Authorize Execution of Standard Contract Form with the Commonwealth of Massachusetts relative to the Massachusetts Electric Vehicle Incentive Program in the amount of \$36,071.00 for electric vehicle charging stations at the Green Island Boulevard Garage.**

Mr. Dunn explained this is to authorize a standard contract form with the Commonwealth of Massachusetts relative to the Massachusetts Electric Vehicle Incentive Program in the amount of \$36,071.00 for electric vehicle charging stations in the Green Island Boulevard Garage. This grant will be accepted by the City via the WRA and related to a number of our goals consistent with the Green Worcester Plan. When we set out to construct the garage we wanted to make sure there where electric vehicle charging stations at the garage. The Commonwealth, through Massachusetts Department of Environmental Protection (MassDEP), provides incentives for municipalities who will participate in that effort and will be eligible for a \$36,071.00 grant award to help offset the costs installing the stations at the garage.

Ms. Pitcher offered the following motion:

**Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute a Standard Form Contract with the Commonwealth of Massachusetts under the Massachusetts Electric Vehicle Incentive Program in the amount of \$36,071.00.**

Mr. Minasian seconded the motion.

The item was approved on a 5-0 roll call

**4. Authorize Execution of a Restrictive Covenant and View Easement with The Gold Block Real Estate LLC.**

Mr. Dunn reminded the Board of the sale of surplus land of the WRA around the ballpark in the areas of Green Street, Plymouth Street, Gold Street and Summit Street block area. The buyers have acquired other areas through private transactions and now control the

entire block as well as going through the Planning Board process and set to begin construction hopefully next month, in fact, on foundation work on the project. If you picture along Summit Street we have what we call Container Park as part of the Ballpark and during games we close off Summit Street and there are a few structural elements in the shared space including the Diner, Taste of Worcester, the Wormtown Container that has draft beer available. This restriction will prevent certain structures from being built too close to the lot line. In the future if we were to change what Container Park looks like these are some protective measures so that we do not get in the way of some of the ventilation requirements of the underground garage as well as not build something of an extreme height that would block the building. This is necessary for the final financing they are arranging. Chair Angelini asked if this is in any way disadvantageous to us? Mr. Dunn replied that Container Park has been quite successful and we do not envision any changes to that in the near or long term, but just in case there was a change of direction or a different vision for Container Park, I think it is a logical step that they would want some level of constraint on what could happen there in the future. Ms. Pitcher asked do we know how many people use that back entrance versus Madison Street? Mr. Dunn replied we'd need to speak to the Team for specific numbers, but we know that it has grown in popularity. We have had people park in different parking assets including downtown and really part of our strategy was to see the different entrances and have people become familiar with Pickett Plaza now called Rockland Trust Plaza. Mr. Dunn advised last year it was under construction until the end of last season and was completed in September 2021. This season more people are using the entrance, but I do not have the specific numbers. Ms. Pitcher said it is great to have people parking downtown, walking down Green Street, and entering in on that side of the Ballpark. There are people that have psychological barriers coming downtown to walk anywhere from Green Street Bridge and Shrewsbury Street, and anything that covers that foot traffic is good. Chair Angelini agreed.

Mr. Tilton offered the following motion:

**Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute a restrictive covenant and view easement with The Gold Block Real Estate LLC.**

Ms. Pitcher seconded the motion.

The item was approved on a 5-0 roll call.

**5. Authorize Execution of a Purchase & Sale Agreement relative to the real property at 484-500 Main Street.**

Mr. Dunn exclaimed this is a milestone with our intention of continuing the objectives of the Downtown Urban Revitalization Plan. We have been making progress over time particularly this spring when the City Council approved the loan authorization for the WRA to have the resources to be able to get to this stage. We had previously executed a letter of intent with the owners of the Denholm Building – 484-500 Main Street. After exhaustive due diligence, which has been quite successful, we are at the stage now where we can proceed to request the execution of a purchase and sale agreement. This ties to the next item on the agenda regarding acceptance of a quitclaim deed for the property as well. The price for the purchase and sale agreement is as intended at \$3 million. We also have a specimen title policy, which is obviously important. As we proceed, there remains a couple requirements and deliverables of the sellers. They achieved 100% consensus of a

dissolution agreement to dissolve the condo and arranged to have the distribution of the proceeds of the sale, which has been executed and was a condition of proceeding with the request for this vote. We are pleased to be at this stage and are working very aggressively to a closing. We are not sure, but possibly by the end of the week we might achieve a closing. More realistically due to some of the logistics of getting the documents executed as well as cutting a check, the closing could be next week. On our side and the sellers' side we are all working aggressively to get all of the documents in order. There are quite a number of documents necessary of all of the owners and some of them have Boards of Directors requiring certificates of good standing, certificates of authority, etc. Good progress is being made.

Chair Angelini requested that we handle Items 5 and 6 together. Mr. Dunn agreed they could definitely be taken together.

Mr. Tilton asked is there anything in the purchase and sale agreement other than what you just explained that is not in the letter of intent? Mr. Dunn advised the LOI framework is consistent with the purchase and sale agreement, which is more exhaustive in terms of the closing deliverables. Mr. Tilton asked is it all standard? Mr. Dunn replied yes, all standard.

Ms. Pitcher inquired about the relocation of the tenants. I know a lot of them have relocated and what about eligibility for assistance for relocation? Mr. Dunn advised at a previous meeting we asked for the Board's authorization for the contract with Foley Hoag as well as their sub consultant, which is LTL Shock Group, who is the relocation agent with the principal person Steven Mollica as well as assistant Nancy Brooks. Under the statute, it is required that we designate a third-party, qualified relocation agent. Following the vote, we've executed the contract and it was also sent to the Department of Housing and Community Development, Bureau of Relocation and approved. They have had initial conversations with some folks to better understand the process and what their entitlement is to the relocation assistance, which is logical before they sign some of the documents in getting to us to this stage. Our official process will begin at the closing, each of the owners and occupants will receive a notice of acquisition as well as the draft relocation plan that has also been approved by the DHCD. It is called a draft because it intends to evolve over time as situations change, so it is a draft of the initial relocation plan for the tenants. Some of them, to your point, have moved in anticipation of the closing and felt pretty confident that we would get to this stage, so they relocated. But, it wasn't something that was requested or obligated by the WRA, because again our process officially begins once the closing occurs. It will definitely continue to unfold and anyone still in the property (any legal occupants) will receive that notice and also receive a use and occupancy agreement from the WRA. What that does is make sure that we have some documentation in place for any of the legal occupants for the time that they will remain in the building. While they look for a location to relocate to, that use and occupancy agreement will also be helpful for us in terms of offsetting some of the property management type of expenses to keep the building open while they are still there. They had all been paying condo fees to support the building management, and so we are keeping that consistent with whatever they were paying before, in terms of the fees that they will pay under the occupancy agreement. It is good question, we are in good shape, and the official process will begin once we close.

Mr. Tilton is there any time limit in which they have to be out? Mr. Dunn replied the statute requires at least four months and we do of course want to be collaborative and cooperative with the tenants and helping them successfully find a new location. We will

continue to support that process just like we did with the Ballpark project and are very involved in helping some of the folks identify potential locations. We would not be able to request any of the occupants vacate prior to that four-month statutory timeframe. It would be our goal to vacate in that time, but I do think it will take a little bit longer for certain tenants. A realistic goal for having the building completely vacated would probably be more like January/February timeframe more like five to six months is my guess. Mr. Tilton asked if there are certain tenants that have a delay or extension of the four-month period and how many of those do you have? Mr. Dunn we do not know just yet. One in particular has stated that they will be out in January and with the closing potentially next week, the exact four month timeframe and would take us into December. Mr. Tilton said what I'm getting at is if one tenant thinks they can get out by January, but what if they don't get out by January? There has to be a time limit by which they cannot stay any longer and how can we enforce that? Mr. Dunn advised following the four-month timeframe we can obligate the folks to vacate the premises, but we want to try to make this as smooth as possible. Mr. Tilton said I understand that and you always have someone who is dragging their feet for one reason or another and normally for money. Chair Angelini interjected it ought to be clearly our position that four months is the limit and in the absence of stating that, I think we will have more problems than we anticipate. Mr. Dunn, am I not correct and as I understand the law, we need to give them four months and need not give them any more than four months? Mr. Dunn replied that is correct. Chair Angelini stated we need to be clear with these tenants that four months is the limit and the outside limit, we need to be very insistent that be honored. Mr. Tilton replied I agree but we already have one that has an extension or some sort of oral extension into January. Chair Angelini stated our policy ought to be four months. If there are exceptional circumstances, we can consider them at the time but we ought not to indicate now to them that we are considering any extensions. Mr. Dunn is that consistent with your thinking? Mr. Dunn replied there are no official extensions at this point as we have not begun the process. Everyone will receive the same notice with the four-month timeframe and we will take into account on a case-by-case basis as we proceed with the four months. We will be focused on supporting and identifying locations and helping to facilitate that, as well as the relocation assistance claims. So, we can also help ourselves achieve that timeframe by supporting that process. Chair Angelini clarified my point as well as Mr. Tilton's is that we should not indicate now that we will consider an extension. Our policy is four months. Mr. Dunn replied we can do that. Chair Angelini asked Mr. Tilton is that consistent with your view? Mr. Tilton responded I do not want to drag it out for three or four years. Ms. Pitcher added that there is space for people to move to and conversations that have been ongoing for quite some time. There is no reason someone cannot find a location with the four-month period and is reasonable. Chair Angelini concluded in the absence of disagreement it is the four-month policy moving forward.

Contained in the vote for Item 6.

**Voted that the Worcester Redevelopment Authority hereby affirms its approval to acquire the real property at 484-500 Main Street, Worcester on the terms and conditions set forth in the Purchase and Sale agreement, and hereby authorizes its chair or vice-chair to take all actions necessary to effectuate the transaction set forth therein, including accepting a Quitclaim Deed for same.**

**Voted that the chair or vice-chair of Worcester Redevelopment Authority is hereby authorized to execute, acknowledge and deliver any other documents, instruments or agreements, including, without limitation assignments of leases and assignments of warranties and contracts, and to take any and all other action which the chair or**

**vice-chair deems necessary or appropriate to carry out the provisions of these votes; and all actions by said chair or vice-chair shall be conclusive evidence that the same was authorized by these votes.**

Mr. Tilton offered the following motion:

**Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute a Purchase & Sale Agreement relative to real property at 484-500 Main Street, Worcester in the amount of \$3,000,000.00.**

Mr. Minasian seconded the motion.

The item was approved on a 5-0 roll call.

**6. Authorize Acceptance of a Quitclaim Deed relative to the real property at 484-500 Main Street.**

Mr. Tilton offered the following motion:

**Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to accept a Quitclaim Deed relative to real property at 484-500 Main Street, Worcester.**

Mr. Minasian seconded the motion.

The item was approved on a 5-0 roll call.

**7. Authorize Execution of a Property Management Services Agreement with Glickman Kovago & Jacobs Management in the not to exceed amount of \$50,000.00.**

Mr. Dunn advised Greg Ormsby, our project manager has done a brief procurement in terms of requesting three different firms to submit proposals for a potential agreement to manage the property and the lowest qualified bid was Glickman Kovago and Jacobs Management who have been the private management company working with the Trustees for over ten years. Their proposal is included in your packet for the Board's review. There is a base fee with add-ons in terms of additional requests for services or a request for repair, which is in addition to the base fee. Not knowing the exact timeframe, or how long we might need them, rather than establishing a specific term we felt like the best way to structure this was a not to exceed amount of \$50,000.00. For whatever reason, if we are approaching that limit and they are on longer than we had anticipated, we would come back to the Board for an amendment to that contract, but we feel that this is the best way establishing this initial not to exceed amount of \$50,000.00.

Chair Angelini requested a discussion about the marketability and interest in the project. Mr. Dunn explained what we intend to do is work with the occupants vacating the building and not lose any ground. This fall, we intend to release and Request for Proposals and will bring in the draft for the Board's review and discussion before being released. We do know just through informal conversations that there is bona fide interest in the site. That is a good thing and we wanted to know that before getting to this stage. It's obviously not our intention to hold the property long term. It is good to see that there is interest in the site and this formal process will help get the best deal and the best project for the WRA and the City. The Request for Proposals will have a number of

different comparative evaluations and criteria as it relates to that. We will share the draft with the Board before we release it to have the discussion about those criteria and what we expect to receive from proposers. Ms. Pitcher asked will we have that for the next meeting? Mr. Dunn replied the draft will likely be at the next meeting. Chair Angelini expressed appreciation for that and would like a full discussion regarding that. Chair Angelini added there are a lot of rumors circulating in the Worcester way of this project. Ms. Pitcher agreed.

Ms. Pitcher offered the following motion:

**Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute a property management services agreement with Glickman, Kovago & Jacobs Management in the not to exceed amount of \$50,000.00.**

Mr. Minasian seconded the motion.

The item was approved on a 5-0 roll call.

## **8. Financial Update Report**

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

### **b. Report on Downtown Urban Revitalization Plan Expenditures**

Mr. Dunn advised not a whole lot of expenses for the period July 12, 2022 through August 5, 2022 total expenditures total \$160,743.38 with the biggest share to the City of Worcester for real estate taxes along with typical monthly expenses for utilities at Union Station. Not a lot of expenditures over this latest period.

## **9. Status Reports**

### **a. Union Station**

Mr. Dunn explained our office has been focused on the design with the Food Hub for the lower level and as a reminder, the Food Hub has been paying directly for the design. My goal for next month would be to bring in the draft lease terms as we start to figure out the details of that arrangement. As I mentioned previously, we will not proceed with any bids, documents or buildouts before we have the lease terms finalized and under consideration of the Board.

### **b. Downtown Urban Revitalization Plan.**

Mr. Dunn explained we have been pretty focused on the due diligence items and progressing with the Denholm Building. I know at the last meeting I described the updated from Mr. Lana regarding his progress. As we continue to make progress and move along, we can certainly look at other objectives that we have with the plan and continue to advance other elements of that plan. Mr. Tilton asked is there an update with Mr. Lana or the Great Wall? Mr. Dunn replied I do not have an update since last meeting where we through a number of Mr. Lana's properties. On the Great Wall, we do not have a specific update and I know there is continued interest to work with them for a successful financing strategy for the upper floors. We also spoke about 517 Main Street next door. The Mayo Group (MG2) has completed that project and listing for tenancy, which is a good sign. Regarding the former Money Stop, I do know that the Menkiti Group is also making progress with MassDevelopment on trying to proceed with the



acquisition of that as they were designated as the preferred developer under MassDevelopment's RFP for that property. Those are the updates I have for today.

Ms. Pitcher asked about the Registry of Motor Vehicles (RMV). They are moving today and what are the plans for the existing building that is downtown? Mr. Dunn replied I know they are moving today to the Route 20 location. The MassDOT Office of Real Estate and Asset Development is handling the disposition of that current property at 611 Main Street. It is not going through DCAMM like some state properties, it is going out to RFP directly through MassDOT. The timeframe is literally the next week or so. They developed an offering memorandum to go along with the RFP. Last time I checked in with the staff person at MassDOT last week, he advised that the RFP was fully drafted and in their legal review and estimated that time within two weeks. I do know one of the reasons supplied by the RMV in leaving that location they felt like it was their best interest and more economical to just go to a new location because of the current condition of that building and what it would cost to bring that building to their standards. It is a little speculative, but I think bidders would likely propose something in its place and demolition of the building. We do not have a specific role in reviewing the proposals, but we have asked the MassDOT to consider the Urban Revitalization Plan goals and objectives when they evaluate proposals. Hopefully they will keep in touch if there is a potential role for us. That would be great, but I do know they have their processes and procedures. I do not think they typically have outside reviewers in terms of their proposals but we express our Urban Revitalization Plan is a public document and to take that into account as they review potential proposals for them.

Chair Angelini described walking around Main Street it shows how important it is to commercialize space downtown and bring in small business. Ms. Pitcher agreed. Chair Angelini said I do not have an answer to that problem and I'm sure you think about it all the time. What comes first the demand or the supply and have you given any thought as to what we can do to attract more small businesses downtown. Mr. Dunn replied, definitely a good question. I know we discussed first-floor office and how we cannot control what a property owner will do with their first floor. One of the things we have been doing is trying to create the right tools in the toolbox and incentives in order to encourage more retail type businesses in those first floor spaces. Two of the important tools in the toolbox include: a small business grant program, depending upon the size of the space we can provide grants ranging from \$10,000 to \$20,000 for furniture, fixtures and equipment to help that small business with some of their startup expenses. We have seen great success with that in certain areas of the city including downtown. We also need to make sure we continue to make sure property owners are aware of that and as well as telling prospective tenants. In fact, in some cases it could close the gap and make an occupancy more feasible by providing that support. The other tool is the Massachusetts Vacant Storefront Program, which we have adopted extending along the Main Street corridor from courthouse-to-courthouse and down Pleasant Street to Park Avenue as well as down Chandler Street to Park Avenue. The Commonwealth of Massachusetts a few years ago wanted to expand the tools they have in their toolbox to help municipalities with filling those vacant spaces. We had to designate a certain corridor that was somewhat walkable, had a degree of vacancy, and that district was approved. It provides an additional \$10,000 tax credit against their State Income Tax liability, which is helpful and it requires some municipal support for those applicants seeking that tax credit. Our Small Business Grant program is a great coupling of those two things to meet the eligibility. A good example would be Maker To Main Market at 332 Main Street. A woman-owned enterprise with Lynn Cheney running that operation and she was able to take advantage of both our program as well as the tax credit at the

State. The last thing I would say is our Business Improvement District. Having another entity there with the enhanced beautification and maintenance certainly makes some of these storefronts in the district more attractive to potential retailers as well as providing other kinds of support like marketing. They do not provide financial assistance right now but providing the other support, advocacy for the owners and other assistance is certainly helpful. Another example, Ziggy Bombs, a steak and cheese shop located in a food truck run by a well-experienced chef who worked in a number of different restaurants in the city, is coming downtown. He has recently signed a lease with MG2 to take over the storefront at 76 Franklin Street and will be a nice addition. Those are the kind of things whether by connection, helping people be aware of space, along with financial assistance and round out some of those tools. This is an ongoing effort, remain focused, and look to achieve those goals. Ms. Pitcher responded those are great programs, my question is how do people find out about the programs unless you are going and researching the city website to find out if we have those programs. I feel like we could be doing more outreach to take advantage of these programs through property owners, real estate brokers. I think we can do a better job of letting people know that we have these programs available. Mr. Dunn great point.

## **10. Adjournments**

There being no further business, Mr. Dunn called the roll to adjourn the meeting at 8:48 A.M.

Respectfully submitted,

Peter Dunn  
Chief Executive Officer