Downtown Urban Revitalization Plan Amendment 3 – Minor Plan Amendment

Worcester, Massachusetts

April 2016, Amended December 2018, Amended May 2019, Amended May 2022



SUBMITTED TO:

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT 100 CAMBRIDGE STREET, SUITE 300 BOSTON, MA 02114



PREPARED BY:

CITY OF WORCESTER EXECUTIVE OFFICE OF ECONOMIC DEVELOPMENT 455 MAIN STREET, 4TH FLOOR WORCESTER, MA 01608

PREPARED FOR:

CITY OF WORCESTER
WORCESTER REDEVELOPMENT AUTHORITY



Section 1: Introduction

The *Downtown Urban Revitalization Plan, Worcester MA,* dated April 2016, as amended by Amendment 1 dated December 2018 (as so amended the "URP" or the "2016 Plan") and Amendment 2 dated May 2019, is hereby amended by this Amendment 3, dated May 16, 2022 which shall apply to the Urban Revitalization Area (the "URA" or "Study Area") described in the URP and modified herein, to facilitate the development of land pursuant to the URP. Except as amended hereby, the URP shall remain unmodified and in full force and effect. The Worcester Redevelopment Authority ("WRA") authorized the filing of this Amendment by unanimous vote on April 9, 2021.

Section 2: Amendment 3 Overview

The WRA adopts this Amendment as a minor plan amendment in accordance with the provisions of 760 CMR 12.03 (1) as it does not significantly affect any of the basic elements of the 2016 Plan.

The purposes of this Amendment are to:

- Amend the 2016 Plan to identify the Additional Parcels as acquisition parcels proposed to be acquired for future disposition purposes in furtherance of the objectives set forth in the 2016 Plan:
- Amend the 2016 Plan to identify the Additional Parcels as potential parcels for demolition or redevelopment in furtherance of the objectives set forth in the 2016 Plan; and
- Amend the 2016 Plan to identify the Additional Parcels as potential parcels for disposition in furtherance of the objectives set forth in the 2016 Plan; and

Section 3: Background Information

The properties addressed in this Amendment are as follows:

• 484-500 Main Street (multiple assessing parcels due to condominium structure)

The property at 484-500 Main Street was initially identified and targeted for acquisition in the 2016 Plan. Six of the condominium units (first-floor) were targeted as Selective Acquisition for Rehabilitation. The vision was to activate the first-floor with fewer office uses and more retail/restaurant uses. The following is an excerpt from Table 5 of the 2016 Plan:

	Selective Acquisition for Rehabilitation						
CO-NDO-03005 ¹	484 Main Street	N/A	N/A	BG-6.0	Commercial/Office	Commercial, Retail &	
03-20B-U-100	The Denholm Building 1st Floor Units	0.098	PPM V Partnership LP		Condominiums (1st Floor Units), many vacant	Restaurant	
03-20B-U-105		0.040	Denholm Condominium Trust				
03-20B-U-110		0.026	Denholm Condominium Trust				
03-20B-U-120		0.022	Angelou, Sideris & Ekaterini				
03-20B-U-150		0.081	Denholm Condominium Trust				
03-20B-U-170		0.029	Fortier, Joseph J & Naomi R				

The property at 484-500 Main Street overall has the following characteristics:

 36 total units controlled by at least 18 different owners, to be confirmed by a title examination conducted by the WRA as a part of its due diligence.

- Denholm Condominium Trust owns 7 units including the surface parking lot, which is a part of the common area of the condominium.
- Non-profit and religious organizations own 18 units.

A comprehensive list of known owners is as follows:

Assessors Map	Owner
03-20B-U-010	Denholm Condominium Trust
03-20B-U-050	Denholm Condominium Trust
03-20B-U-100	PPM V Partnership LP
03-20B-U-105	Denholm Condominium Trust
03-20B-U-110	Denholm Condominium Trust
03-20B-U-120	Bichotte, Ben
03-20B-U-150	Denholm Condominium Trust
03-20B-U-170	Southeast Asian Coalition
03-20B-U-180	Choice I Realty LLC
03-20B-U-200	Worc. Comm. Action Council
03-20B-U-250	Worc. Comm. Action Council
03-20B-U-280	Worc. Comm. Action Council
03-20C-U-300	United Way of Central MA
03-20C-U-320	Denholm Condominium Trust
03-20C-U-330	Marhefka, Robert
03-20C-U-340	Center for Living + Working
03-20C-U-345	Center for Living + Working
03-20C-U-350	Denholm Condominium Trust
03-20C-U-360	Big Bros. Big Sis. Of Central MA
03-20C-U-400	United Way of Central MA
03-20C-U-420	Cook, Zechariah
03-20C-U-430	Faith Fellowship Ministries
03-20C-U-450	Colleges of Worc. Consortium
03-20C-U-460	Center for Living + Working
03-20C-U-480	Center for Living + Working
03-20C-U-500	Colleges of Worc. Consortium
03-20C-U-510	Feldman, Randy
03-20C-U-515	Colleges of Worc. Consortium
03-20C-U-520	Cataldo, David
03-20C-U-530	Cataldo, David
03-20C-U-535	Choice I Realty LLC
03-20C-U-540	Faith Fellowship Ministries
03-20C-U-560	Faith Fellowship Ministries
03-20C-U-570	Vangella Real Estate LLC
03-20C-U-580	Lostracco, Joseph
03-20C-U-600	Easter Seal Society for Mass

Section 4: Discussion of Opportunity

4.1 Condition of the Building and Owners' Initiation of Discussions with WRA

In the fall of 2019, a group of representatives from the 484-500 Main Street property met with the City officials and the WRA staff to discuss the current conditions of the property and potential pathways to moving forward. The capital repairs and improvements needed at the property were estimated to require multiple millions of dollars of investment. These repairs and improvements have varying levels of urgency, which include activities related to the roof, façade, electrical, plumbing, HVAC, windows/doors, and elevators, among others. That assessment of core and shell type repairs did not include costs for any abatement of hazardous building materials, or any improvements specific to the individual needs of specific owners' units. For many of the owners, these costs are considered unmanageable for their available resources and budget. For that reason, the City/WRA were approached to assist with the situation, including a possible acquisition of the entire property so that the owners and tenants could consider relocating to a location that would provide a more sustainable future, and the WRA could address the substandard property in a manner consistent with the 2016 Plan. Since that time, the owners of the building, led by the Denholm Condominium Trustees, and the WRA have spent many hours and many months exploring this scenario while the condition of the property has continued to deteriorate.

4.2 Acquisition

The WRA now proposes to acquire the entire property at 484-500 Main Street, of which the master deed also includes the noncontiguous surface parking lot where many of the occupants park their vehicles. The 36 condominium units include the original 6 units targeted for acquisition in 2016 along with the addition of the remaining 30 units as outlined in Section 6 below. The WRA has successfully negotiated a non-binding Letter of Intent with the Denholm Condominium Trust, which outlines the terms of the acquisition as well as a draft form of a Purchase & Sale Agreement. The WRA will submit the terms of the acquisition to DHCD for approval.

4.3 Relocation

Consistent with the 2016 Plan and its amendments, and in accordance with 760 CMR27, the WRA intends to provide fair and equitable treatment to parties displaced due to this acquisition. Legal occupants that are displaced will be entitled to relocation assistance and payment under M.G.L. Chapter 79A, as overseen by the Massachusetts Bureau of Relocation (BOR). The WRA also understands that legal occupants are entitled to remain at the property for not less than four months from the date of receipt of the notice to vacate. Prior to acquiring the property, the WRA will retain a Relocation Advisory Agency and prepare a detailed Relocation Plan for review and approval of the BOR. While a more formal inventory will be created as part of the Relocation Plan, based on current available information, the WRA believes there could be 30-35 occupants that will be entitled to relocation assistance.

4.4 Redevelopment

After successful acquisition of the property, the WRA would undertake a disposition process to facilitate the redevelopment of the property. The WRA will request all of the necessary information to ensure completeness with the Redeveloper's Obligation as outlined in the 2016 Plan. After selecting a preferred redevelopment partner, the WRA will negotiate a Land Disposition and Development Agreement and request DHCD's approval prior to execution.

The WRA will issue a Request for Proposals / Request for Interest to market the opportunity to potential developers and identify a preferred proposal that meets the objectives of the URP and

other stated criteria. As outlined in Section 6 below, the WRA will be requesting respondents to identify whether they are interested in redeveloping the building or if they are interested in a new construction project on the site. Based on the condition of the property, the economic challenges anticipated to create a viable financial plan to redevelop the building, and the extraordinary depth of the building which inhibits certain adaptive reuse scenarios, the WRA anticipates that private developers will be more interested in constructing something new on the site, and that new development may be more consistent with the objectives of the 2016 Plan. In either scenario of rehabilitation or demolition / redevelopment, the WRA will ensure the selected proposal advances the objectives of the URP.

4.5 Public Benefit

The property at 484-500 Main Street has experienced years, if not decades, of deferred maintenance which has caused the condition of the property to deteriorate. One owner even donated their unit and walked away from the property in 2018. In early 2022, the entire property suffered an electrical failure, which cause the building to be closed for about a month. There are a number of non-profit agencies in the building that provide critical resources and assistance to some of the city's most vulnerable populations. Unfortunately the existing list of capital repairs, as well as the continued preventative maintenance and other improvements needed has created an unmanageable situation for the current occupants. The continuity and sustainability of these non-profit agencies as well as the services offered by all of the property's occupants are important to maintain for the public benefit.

Upon redevelopment, the WRA and the City Administration anticipate seeing a substantial increase in the assessed value of the site, and thus, the property's contribution to the local tax base. The redevelopment of the property is completely aligned with the URP Vision to build on the current momentum of downtown revitalization through strategic public investments to cultivate a safe and vibrant downtown with a strong and sustainable economic vitality. The project will contribute to the idea of an 18-hour live, work and play environment which offers new opportunities to underperforming properties, connects people and places, and capitalizes on Worcester's unique location and characteristics.

Section 5: Modification of Figures

Consistent with this Amendment, the following URP figures appearing in the 2016 Plan are hereby amended and understood to include the entire property at 484-500 Main Street, as described more particularly in Section 6 below:

Figure G-1 Parcels to be Acquired (expanded)

(Figure F-1 in Amendments 1 and 2)

Figure H-1 Disposition Parcels (added)

(Figure G-1 in Amendments 1 and 2)

Figure I-1 Buildings to be Demolished (added)

Figure H-1 in Amendments 1 and 2)

Figure S-3 Priority Private Redevelopment Sites (removed)

The remaining figures remain unchanged.

Section 6: Modification of Tables

Consistent with this Amendment, the following URP Tables appearing in the 2016 Plan as amended are modified to add the following information which appear as a part of this Amendment:

Table 5 Parcels to be Acquired or Transferred

(Table 5-1 in Amendments 1 and 2)

Acquisition for Rehabilitation and/or Demolition and Redevelopment

Table 9 Priority Private Redevelopment

Table 9-1 Disposition Parcels (as amended)
Table 6-1 Anticipated Relocation Requirements (as amended)

Table 5, as amended Table 5-1: Parcels to Be Acquired or Transferred
Amendment 3 adds the rest of the 484-500 Main Street property and adds Demolition as potential activity

Assessors Map	Address	Lot Size (acres)	Owner	Zoning	Current Use	Proposed Use
Acquisition for Rehabilitation and/or Demolition / Redevelopment						
CO-NDO- 03005 ¹	484-500 Main Street	N/A	N/A	BG-6.0	Commercial/Office Condominiums +	First-Floor Commercial Retail / Restaurant
03-20B-U-010		0.231	Denholm Condominium Trust		Common Areas +	
03-20B-U-050		0.183	Denholm Condominium Trust		Parking Lot	Upper-Floors Commercial or
03-20B-U-100		0.098	PPM V Partnership LP			Residential
03-20B-U-105		0.040	Denholm Condominium Trust			
03-20B-U-110		0.026	Denholm Condominium Trust			With Accessory Parking
03-20B-U-120		0.022	Bichotte, Ben			rdikilig
03-20B-U-150		0.081	Denholm Condominium Trust			
03-20B-U-170		0.029	Southeast Asian Coalition			
03-20B-U-180		0.033	Choice I Realty LLC			
03-20B-U-200		0.212	Worc. Comm. Action Council			
03-20B-U-250		0.070	Worc. Comm. Action Council			
03-20B-U-280		0.094	Worc. Comm. Action Council			
03-20C-U-300		0.252	United Way of Central MA			
03-20C-U-320		0.082	Denholm Condominium Trust			
03-20C-U-330		0.063	Marhefka, Robert			
03-20C-U-340		0.045	Center for Living + Working			
03-20C-U-345		0.085	Center for Living + Working			
03-20C-U-350		0.060	Denholm Condominium Trust			
03-20C-U-360		0.074	Big Bros. Big Sis. Of Central MA			
03-20C-U-400		0.180	United Way of Central MA			
03-20C-U-420		0.070	484 Main LLC			
03-20C-U-430		0.267	Faith Fellowship Ministries			
03-20C-U-450		0.060	Colleges of Worc. Consortium			
03-20C-U-460		0.065	Center for Living + Working			
03-20C-U-480		0.096	Center for Living + Working			
03-20C-U-500		0.128	Colleges of Worc. Consortium			
03-20C-U-510		0.036	Feldman, Randy			
03-20C-U-515		0.026	Colleges of Worc. Consortium			
03-20C-U-520		0.037	Cataldo, David			
03-20C-U-530		0.063	Cataldo, David	_		
03-20C-U-535		0.063	Choice I Realty LLC	_		
03-20C-U-540		0.061	Faith Fellowship Ministries	_		
03-20C-U-560		0.067	Faith Fellowship Ministries			

Assessors Map	Address	Lot Size (acres)	Owner	Zoning	Current Use	Proposed Use
03-20C-U-570		0.048	Vangella Real Estate LLC			
03-20C-U-580		0.050	Lostracco, Joseph			
03-20C-U-600		0.387	Easter Seal Society for Mass			

Table 9, Priority Private RedevelopmentAmendment 3 removes the Upper Floors of 484-500 Main Street as Private Redevelopment

Key #1	Building/Common Name	Street Address	Parcel Number
4	Unused Parking Structure	56 Pleasant Street	03-20A-10+11
5	The Denholm Building	484 Main Street Upper Floors)	CO-NDO-03005 (03-20B-U-100, 105 110, 120, 150 & 170)
11	Residential Condominiums	531 Main Street and 17 Federal Street	CO-NDO-02014
13	Surface Parking Lots ²	30 Federal Street and 12 Federal Street	03-013-00021 and 03-013-00012
15	Surface Parking Lot ²	30 Myrtle Street	03-010-00008
16	Printer's Building	44 Portland Street	03-012—49-52
19	YWCA Central Massachusetts	1 McGrath Boulevard and 1 YWCA Way	05-002-00001, 05-002-00002 and 05-002-00003
23	Union Music	142 Southbridge Street	03-006-00013
24	George's Coney Island Hot Dog	158 Southbridge Street	03-006-14+20
27	Sargent Card Factory and Miss Worcester Diner	300 and 302 Southbridge Street	05-012-00013
28	Johnstone Supply, Flea Market, Port of Worcester Tattoos, Worcester Corvette City, Hurricane Betty's	4 Quinsigamond Avenue,328 Southbridge Street and 350 Southbridge Street	05-012-16-21, 05-012-0026A, and 05-012-00027

As amended Table 9-1: Parcels for Disposition
Amendment 3 adds the below 484-500 Main Street parcels for Disposition

Assessors Map	Address	Lot Size (acres)	Owner	Zoning	Current Use	Proposed Use
			Parcels for Disposition			
CO-NDO- 03005 ¹	484-500 Main Street	N/A	N/A	BG-6.0	Commercial/Office Condominiums +	First-Floor Commercial
03-20B-U-010		0.231	Denholm Condominium Trust		Common Areas +	Retail / Restaurant
03-20B-U-050		0.183	Denholm Condominium Trust		Parking Lot	Nestaurant
03-20B-U-100		0.098	PPM V Partnership LP			Upper-Floors
03-20B-U-105		0.040	Denholm Condominium Trust			Commercial or
03-20B-U-110		0.026	Denholm Condominium Trust			Residential
03-20B-U-120		0.022	Bichotte, Ben			With Accessory
03-20B-U-150		0.081	Denholm Condominium Trust			Parking
03-20B-U-170		0.029	Southeast Asian Coalition			
03-20B-U-180		0.033	Choice I Realty LLC			
03-20B-U-200		0.212	Worc. Comm. Action Council			

Assessors Map	Address	Lot Size (acres)	Owner	Zoning	Current Use	Proposed Use
03-20B-U-250		0.070	Worc. Comm. Action Council			
03-20B-U-280		0.094	Worc. Comm. Action Council			
03-20C-U-300		0.252	United Way of Central MA			
03-20C-U-320		0.082	Denholm Condominium Trust			
03-20C-U-330		0.063	Marhefka, Robert			
03-20C-U-340		0.045	Center for Living + Working			
03-20C-U-345		0.085	Center for Living + Working			
03-20C-U-350		0.060	Denholm Condominium Trust			
03-20C-U-360		0.074	Big Bros. Big Sis. Of Central MA			
03-20C-U-400		0.180	United Way of Central MA			
03-20C-U-420		0.070	484 Main LLC			
03-20C-U-430		0.267	Faith Fellowship Ministries			
03-20C-U-450		0.060	Colleges of Worc. Consortium			
03-20C-U-460		0.065	Center for Living + Working			
03-20C-U-480		0.096	Center for Living + Working			
03-20C-U-500		0.128	Colleges of Worc. Consortium			
03-20C-U-510		0.036	Feldman, Randy			
03-20C-U-515		0.026	Colleges of Worc. Consortium			
03-20C-U-520		0.037	Cataldo, David			
03-20C-U-530		0.063	Cataldo, David			
03-20C-U-535		0.063	Choice I Realty LLC			
03-20C-U-540		0.061	Faith Fellowship Ministries			
03-20C-U-560		0.067	Faith Fellowship Ministries			
03-20C-U-570		0.048	Vangella Real Estate LLC			
03-20C-U-580		0.050	Lostracco, Joseph			
03-20C-U-600		0.387	Easter Seal Society for Mass			

As amended Table 6-1: Anticipated Relocation Requirements Amendment 3 adds 484-500 Main Street to the previous table (to be supplemented by Relocation Plan)

Parcel ID	Business Name	Type of Business
03-20B-U-100	USPS	Postal Service
03-20B-U-120	Denholm Coffee Shop (Ben Bichotte)	Café
03-20B-U-200 03-20B-U-250 03-20B-U-280	Worcester Community Action Council	Non-profit agency – office use
03-20C-U-300	United Way of Central Massachusetts	Non-profit agency – office use
03-20C-U-320	Mass Commission Against Discrimination (Denholm Condominium Trust)	State Office
03-20C-U-330	Marhefka & Jablonski, CPA	Accountants Office

03-20C-U-340	Center for Living + Working	Non-profit agency – office use
03-20C-U-345		
03-20C-U-460		
03-20C-U-480		
03-20C-U-360	Big Brothers / Big Sisters of Central MA	Non-profit agency – office use
03-20C-U-420	Bulfinch Boston Realty (Zechariah Cook)	Realtor
03-20C-U-430 03-20C-U-540 03-20C-U-560	Faith Fellowship Ministries	Religious
03-20C-U-450 03-20C-U-500 03-20C-U-515	MassEd Co (Colleges of Worcester Consortium)	Non-profit agency – office use
03-20C-U-510	Randy Feldman	Law Office
03-20C-U-520 03-20C-U-530	Law Office of David Cataldo Law Office of J. Todd Mathieson Law Office of Ellen L. O'Connor Law Office of Erica Tibbets Law Office of Mark S. Maynard Law Office of Richard W. Withstandley Law Office of Michael Brothers Law Office of Neil Davis	Law Offices
03-20C-U-535	Omama Home Healthcare (Choice I Realty LLC)	Healthcare office
03-20C-U-570	Law Office of Christopher J. Grady Law Office of Chester V. Shea, III Law Office of Malcolm L. Burdine Law Office of Sean M. McGinty Law Office of Robert E. Amorello Law Office of Mary Yanneth Bermudez Camp	Law Offices
03-20C-U-580	Joseph Lostracco	Law Office
03-20C-U-600	Easter Seals	Non-profit agency – office use

Section 8 Other Matters and Integration

Except as specifically set forth in this Amendment, the 2016 Plan is ratified and confirmed in all respects.

[END OF AMENDMENT]







