

Worcester Redevelopment Authority

Michael P. Angelini
Chair

Peter Dunn
Chief Executive Officer



WORCESTER REDEVELOPMENT AUTHORITY

Thursday, January 11, 2024

9:00 A.M.

City Hall, Levi Lincoln Chamber

Worcester, MA 01608

Join on your computer, mobile app or room device

Microsoft Teams Virtual Meeting: [Click here to join the meeting](#)

Meeting ID: 268 239 197 307

Passcode: hUNayF

Or call in (audio only)

[+1 469-998-7682](#)

Phone Conference ID: 733 980 612#

Present:

Worcester Redevelopment Authority Board

David Minasian, Vice Chair
Sherri Pitcher
Richard Burke
Walter Weekes

Staff

Peter Dunn, Chief Executive Officer
Michael Traynor, City Solicitor
Julie Lynch, Director of Facilities
Paul Morano, Office of Economic Development
Greg Ormsby, Office of Economic Development
Rachel Pressey, 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, January 11, 2024

1. Call to Order

Chair Angelini was unable to attend the meeting Vice Chair Minasian will chair the meeting Mr. Dunn called the meeting to order at 9:02 A.M.

2. Roll Call

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

3. **Approval of Minutes:** November 9, 2023

Mr. Burke made a motion to approve the minutes of November 9, 2023.

Ms. Pitcher seconded the motion.

Mr. Dunn acknowledged an email from Mr. Angelini before the meeting that there was a typo in one of the paragraphs that said conversions and was supposed to say conversations, which has been updated. Ms. Pitcher, good catch and take the vote as amended. The minutes were approved 4-0 on a roll call.

New Business

1. **Authorize Execution of a Revised Amendment to the Commercial Lease Agreement with Maxwell Silverman’s Banquet & Conference Center at Union Station (aka Luciano’s)**

Mr. Dunn explained the purpose of the proposed, revised amendment. The change from the previous vote and previous amendment version is instead of having a two-year base extension with a one-year option, this would grant the full three-year extension to June 30, 2026. During that timeframe over the next year or WRA staff will be putting out a Request for Proposals.

Mr. Minasian acknowledged that he spoke with Chair Angelini who agreed with this proposal but could not attend this meeting.

Mr. Burke offered the following motion:

Whereas, the Worcester Redevelopment Authority (“Authority”) voted on June 29, 2023 to authorize an amendment to the Commercial Lease Agreement (“Commercial Lease Agreement”) entered into July 21, 2008, effective as of July 1, 2008, between the Authority and Maxwell Silverman’s Banquet & Conference Center at Union Station (aka Luciano’s) to provide a two year extension with a conditional third year option, and a requirement that commencing with the rent payment for July 2023, the sum of \$11,995.97 in rent arrearages shall be extinguished by the payment of approximately \$1,000.00 per month, in addition to the monthly base rent, until the arrearage is paid in full; and

Whereas, the Authority desires to amend its June 29, 2023, vote to rescind the conditional option and grant the third year extension;

Now Therefore, Be It Voted that the Worcester Redevelopment Authority hereby deletes the provision in its June 29, 2023, vote providing a conditional third year option and does hereby authorize its chair or vice chair to execute Amendment No. 5 to the Lease Agreement to provide a three-year extension of the term, to expire June 30, 2026. The provision in the June 30, 2023, vote requiring payment of rent arrearages remains in full force and effect.

Ms. Pitcher seconded the motion.

The motion was approved on a 4-0 roll call.

2. Authorize Execution of Amendment No. 2 to the Terms of Conveyance with Washington Square Hotel, LLC

Mr. Dunn provided an overview and background on the pending transaction and potential hotel project. The legal entity has been changed from Washington Square Hotel, LLC, to Washington Circle Realty, LLC and controlled by First Bristol Corporation which is the hotel developer that built the Homewood Suites. Amendment No. 1 was in effect and called for the developer to take title to the property by November 2023.

Mr. Dunn advised the developer has still been working through due diligence and financing considerations. Amendment 2 would provide an additional year, extending the timeline to take ownership of the parcel to November 30, 2024. The concept remains to be a Home2 Suites extended stay hotel with approximately 90 rooms. Mr. Dunn acknowledged commentary with the Board last year about tying up property to consider requesting an additional deposit. Amendment 2 would include an additional \$15,000 deposit, doubling the total deposit.

Mr. Minasian appreciated the summary and acknowledged the impact of the pandemic on the hospitality market. Mr. Minasian asked if the developer has an architect and if they are making progress to submit to the Planning Board. Mr. Dunn advised they have been working more closely with civil engineering at this time before proceeding with the building architectural plans, but a summer filing with the Planning Board seems realistic. Mr. Dunn also commented on continued investigations with the utility companies.

Mr. Burke asked if there are costs to the WRA associated with the one-year extension. Mr. Dunn advised the WRA does not pay taxes on the land, but sometimes there are incidental expenses related to maintenance. we do not have much carrying costs we are tax exempt do not pay taxes on the land. Ms. Lynch confirmed the property is included in the WRA's general landscaping contract. Mr. Burke stated that is helpful to know that there are costs.

Ms. Pitcher asked about limiting the number of extensions if possible, understanding that it has been a complicated site and project considering the pandemic. Mr. Dunn advised that can be considered, but explained that if the Board decides to go in another direction and entertain different project proposals, that would extend the timeframe further as well.

Mr. Weekes offered the following motion:

Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute amendment number two to the Terms of Conveyance Agreement with Washington Circle Realty, LLC, designee of Washington Square Hotel, LLC, for the properties at 0, 20, and 36 Washington Square. Said amendment shall double the Deposit held by the Authority to \$30,000 and extend the Time for Conveyance to November 30, 2024.

Mr. Burke seconded the motion.

The motion was approved on a 4-0 roll call.

3. Authorize Issuance of a Request for Proposals for the Fire Alarm Notification Updates.

Mr. Dunn introduced Item 3 and Item 4 collectively as they are similar for upcoming capital projects. Item 3 is to authorize a request for proposals for the fire alarm notification upgrades. Item 4 is to authorize a request for proposals for the sprinkler upgrades. At this time, no contract is being awarded for the work, these votes are to authorize the bidding. Mr. Dunn acknowledged at a previous meeting, Ms. Lynch gave an overview of the items and the current conditions at the property.

Ms. Lynch advised last spring the designs were initiated for both items. The existing panel in the Station is beyond its useful life and MBTA will also be tying into the panel. Staff are looking to get this work accomplished consistent with the current MBTA schedule.

Mr. Burke offered the following motion:

Be It Voted that the Authority hereby authorizes and requests its chief executive officer to solicit bids pursuant to M.G.L. c. 149, §§ 44A – 44H, inclusive, through the city of Worcester purchasing division, relative to the fire alarm notification upgrades project at Union Station; and

Be It Further Voted, that upon the chief executive officer's determination of the lowest responsible and eligible bidder, the Authority hereby authorizes its chair or vice chair to execute a contract prepared by the Authority's legal counsel.

Mr. Weekes seconded the motion.

The motion was approved on a 4-0 roll call.

4. Authorize Issuance of a Request for Proposals for Sprinkler Updates.

Mr. Burke offered the following motion:

Be It Voted that the Authority hereby authorizes and requests its chief executive officer to solicit bids pursuant to M.G.L. c. 149, §§ 44A - 44H, inclusive, through the city of Worcester purchasing division, relative to sprinkler upgrades project at Union Station; and

Be It Further Voted, that upon the chief executive officer's determination of the lowest responsible and eligible bidder, the Authority hereby authorizes its chair or vice chair to execute a contract prepared by the Authority's legal counsel.

Mr. Weekes seconded the motion

The motion was approved on a 4-0 roll call.

5. Financial Update Report

- a. Report on Prior Month's Executed Contracts and Payments**
- b. Report on Downtown Urban Revitalization Plan Expenditures**

Mr. Dunn advised for the period of November 7, 2023, to January 8, 2024, total expenditures were \$776,246.24. Higher number than average since we did not have a meeting last month, so these expenditures are over a two-month window. Two relocation claims were completed for occupants of the Denholm Building. The tenants have been out of the building for a while, but due the required documentation, review, and approval by third party relocation specialist, it takes some time: Faith Fellowship Ministry - \$118,000.00, South East Asian Coalition - \$94,000.00. For the Denholm overall, the original loan authorization from the City of Worcester was \$6.8 Million Dollars, the WRA also received some tenant income. The initial budget for relocations was \$900,000, and is currently at \$1.1 Million Dollars, which is pretty good shape. Total expenditures associated with Denholm Building is \$5.1 Million Dollars.

6. Status Reports

- a. Union Station**
- b. Downtown Urban Revitalization Plan**
- c. The Cove**

a. Union Station

Mr. Dunn described lots of activity happening at Union Station. The annual StART at the Station event in December was successful again this year. The 961 Restaurant and Lounge had a soft opening on New Year's Eve, grand opening January 12, 2024. Mr. Dunn mentioned staff are working through a potential amendment to their lease agreement to bring to the Board for consideration. The Food Hub lease has been executed in advance of putting on the package for the buildout and closing bids next week. Mr. Ormsby confirmed the general contractor bids are due January 18, 2024, filed sub bids have been closed since December 22, 2023. Mr. Dunn continued and described ongoing conversations with the MBTA relative to the commuter rail service and schedule. There will be a meeting with the General Manager and Secretary of Transportation with City leadership next week.

b. Downtown Urban Revitalization Plan

Mr. Dunn described continued progress at the Midtown Mall with tenants. On Thursday, January 18, 2024, at 3:00 p.m. there will be a ribbon cutting for Worcester Common Fitness, second floor. Board members welcomed to attend. There is also a ribbon cutting for Odd by Nature brewery going on the first floor scheduled for Thursday, February 8, 2024, at 4:00 p.m.

Mr. Dunn described ongoing finalization of the Land Disposition Agreement with Menkiti Group for the Denholm. It has taken longer than expected due to the details of the agreement. Mr. Minasian asked if that would come to the Board for a vote. Mr. Dunn advised the vote to execute the LDA has been taken. Mr. Minasian asked about the project schedule. Mr. Dunn advised part of the process of finalizing the LDA has been to sync the schedule submitted in the proposal from the Menkiti Group to the format and different benchmarks as described in the LDA. All of the related predevelopment activities is approximately eighteen months. The timeframe for construction following that is approximately twenty-four months. Once the LDA is executed we will have monthly progress reports. Mr. Weekes asked if there is a date for demolition. Mr. Dunn advised the property will likely be demolished once they take ownership, which is more than a year from now. Ms. Pitcher asked if the reports will be written reports. Mr. Dunn advised there would be monthly written reports, but there could be periodic visits and

presentation to the Board as well. Ms. Pitcher mentioned the project is very public so having updates and keeping it on track is important.

c. The Cove

Mr. Dunn advised Ms. Porteiro-Cejas was on a site visit and presented the REIPP report. Currently Worcester residents 21%, People of Color 67%, Women <1%. For subcontractors within 30 miles, currently at 25%. Described the progress with the wood framing and weatherization. Currently racking a combined M/WBE contract value of 21%. Mr. Dunn also mentioned certain subcontractors need to be officially certified with the Supplier Diversity Office and have been annotated. If they do not achieve their certification, then those applicable contract values will need to be deducted from the % reported. Mr. Minasian emphasized more work needed for Women participation. Mr. Dunn also acknowledged a co-op partnership happening with Worcester Technical High School.

7. Adjournment

There being no further business, Mr. Dunn called the roll to adjourn the meeting at 9:42A.M.

Respectfully submitted,

Peter Dunn
Chief Executive Officer