

# City of Worcester, Massachusetts

Edward M. Augustus, Jr.  
City Manager

Michael E. Traynor, Esq.  
Chief Executive Officer  
Worcester Redevelopment Authority



## WORCESTER REDEVELOPMENT AUTHORITY

Friday, August 11, 2017

8:00 A.M.

City Hall, Levi Lincoln Chamber

Worcester, MA 01608

### Present:

#### *Worcester Redevelopment Authority Board*

Vincent Pedone, Chair  
David Minasian, Vice Chair  
Sumner Tilton  
Michael Angelini (participated remotely)

#### *Staff*

Michael E. Traynor, Esq., Chief Development Officer  
Jennifer Beaton, Deputy City Solicitor  
Paul Morano, Assistant Chief Development Officer  
Erin Cahill, WRA Financial Manager  
John Odell, Energy & Asset Management  
Jeanette Tozer, 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 8:05 A.M. on Friday, August 11, 2017.

### 1. Call to Order

Mr. Pedone called the meeting to order at 8:02 A.M.

### 2. Roll Call

Mr. Traynor called the roll.

Mr. Pedone read the following statement:

Mr. Angelini has requested to participate in today's meeting remotely because he is out of town. Since his physical presence at today's meeting is not feasible, I have agreed to his request. Please let the meeting minutes reflect that Mr. Angelini's request has been approved and that he will be participating remotely by telephone today. All votes at today's meeting will be taken by roll call.

**3. Minutes of July 12, 2017**

Mr. Pedone asked the Board to review the minutes of the July 12, 2017, meeting and Executive Session Minutes of July 12, 2017. Mr. Minasian offered approval of the July 12, 2017, minutes and Mr. Angelini seconded approval. By a roll call vote the Executive Session minutes and the July 12, 2017 minutes were unanimously accepted.

**New Business**

**1. Release of Executive Session Minutes of July 12, 2017**

By a roll call vote the Executive Session minutes of July 12, 2017, were released.

**2. Approval of Sublease between Greyhound Lines, Inc. and Peter Pan Bus Lines, Inc.**

Mr. Traynor reviewed with the Board the agreement that has been in place with Greyhound Lines, Inc., and Peter Pan Bus Lines, Inc., that allowed Peter Pan Bus Lines, Inc. to be co-located in the Greyhound space. They have implemented a new business model and Peter Pan will now sublease the space with no changes in operation between the two entities. Mr. Traynor explained that this is not the main lease with Greyhound Lines, Inc., but a sublease between the two entities.

Mr. Minasian offered the following motion:

**Voted that the Worcester Redevelopment Authority hereby authorizes Greyhound Lines, Inc. to sublet a portion of its Leased Premises at Union Station to Peter Pan Bus Lines.**

Mr. Tilton seconded the motion; it was voted 4-0 on a voice vote.

**3. Request Authorization to Issue an Invitation to Bid for Exterior Lighting Project and Authorize Execution of a Contract**

Mr. Odell informed the Board that this project will update all of the exterior lighting at the Union Station facility, with the exception of the lights surrounding the clock and several at the street level near Washington Square. The light fixtures that will illuminate the towers will have color-changing capability for special events. Mr. Pedone inquired as to whether the exterior lighting project has any relation to the purchase of lights by a tenant, Mr. Giordano, and Mr. Odell noted that the exterior lighting project that will go out to bid is a separate project and that the lighting equipment purchased by Mr. Giordano is a component of the project.

Mr. Tilton offered the following motion:

**Voted that the Worcester Redevelopment Authority hereby authorizes its chief executive officer to solicit bids pursuant to M.G.L. c. 149, through the city of Worcester purchasing division, for the exterior lighting project at Union Station, and 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. Angelini seconded the motion; it was voted 4-0 on a voice vote.

## **5. Fusion Update**

Mr. Traynor informed the Board that Mr. Selim Lahoud is in the process of moving his belongings out of the leased premises, and his attorney, Sean Murray, requested an extension to August 15, 2017, to finish the process. Mr. Tilton inquired as to how much money is owed by Mr. Lahoud. Ms. Cahill informed the Board that approximately \$18,000.00 is owed for four months of back rent. Mr. Traynor informed the Board that there are no liens on the equipment and that the WRA would have to go to court in order to put a lien on Fusion Entertainment, LLC's property. Mr. Traynor stated that another demand letter will be sent to Mr. Lahoud for the outstanding rent the following week, and if there is no action for payment court proceedings will begin.

Mr. Pedone stated that there may be other lease spaces available at the end of the calendar year. Mr. Angelini suggested that one alternative may be a master lease with some entity that is experienced with development and could determine what uses would be the best fit for Union Station, and noted that the WRA could issue invitations for proposals for leasing the entire building. Mr. Traynor stated that these are topics that can be explored and the WRA could potentially have a planning process similar to that used for the Wyman Gordon site as part of the Urban Revitalization Plan process. A forum could be held to come up with ideas about the reuse of Union Station and become the basis for a planning process.

## **6. Financial Update Report**

### **Monthly Expenditure Report Updated Executed Contracts and Payments**

Ms. Cahill stated that for the period July 8, 2017 through August 7, 2017 there were expenses incurred totaling \$226,306.29. Approximately \$145,000 was for operating expenses and approximately \$82,000 was expended for capital improvements.

## **7. Status Reports – Miscellaneous/Improvement Projects**

- a) Union Station Harding Street Improvements Project**
- b) Union Station Interior and Exterior Signage Project**
- c) Union Station – Vendor & Maintenance Performance**
- d) Union Station – Leak Remediation Project**
- e) Tenants Updates**
- f) Security Update**
- g) Urban Revitalization Plan**

Mr. Traynor informed the Board that the appraisals on two properties in the Urban Revitalization Plan (URP) that the Board authorized at the last meeting are underway. Both property owners have given permission to the appraiser to access the interior of the buildings, therefore it will be a complete appraisal and not just from the street level. Mr. Pedone inquired about the Midtown Mall and the cost for completing an appraisal on that property; Mr. Traynor stated that the price for the two current property appraisals was about \$2,500.00 each, and it would likely be a similar price for an appraisal of the Midtown Mall. Mr. Traynor explained to the Board that the price for an appraisal does not change by the size of the building but rather by the estimated number of the hours it will take to complete the appraisal, including the title search. Mr. Minasian inquired about the staging behind the Midtown Mall, and Mr. Traynor explained that is from an Inspectional Services for a code violation related to loose mortar and bricks, though not to the extent that existed at the Great Wall property. A Housing Court order was entered thus necessitating the repairs. The owner of the property appeared before the Historical Commission for a demolition delay in order to start the work, which includes removing some of the parapet and replacing some the old bricks that have come loose. Mr. Pedone inquired about the number of code issues existing at the Midtown Mall, and Mr. Traynor responded that he understands that Code visited the building a month ago but did not know how many violations existed. Ms. Beaton informed the Board that there had been some issues with flooding in the basement and boiler issues, and that the property has been referred to Housing Court.

Mr. Traynor provided an update on the Urban Revitalization Plan (URP), referring to the purchase of 526 Main Street, one of the targeted properties, by MassDevelopment. Mr. Minasian inquired if the Library façade project includes only the building or the area around it as well, given its importance as a major targeted area for the URP. Mr. Traynor informed the Board that the City is looking to move the front entrance to face the Common. There is also interest in creating a greenway between the Library and YWCA that links the two buildings, but that no plans have been developed thus far. Mr. Odell stated that the Library is a City project that is focused on the entry of the building, and they are trying to line up the interior work involving the Children's Room that could connect to the YWCA across the greenway space between the two buildings. This work could potentially provide an entrance to the Children's Room on the third floor of the Library from the YWCA. The Board stated that it makes sense to coordinate efforts for the two projects given that they are both in the design phase.

Mr. Pedone inquired about the proposed private train service from Union Station to Providence, Rhode Island. Mr. Traynor informed the Board that Mr. Bono of the Boston Surface Railroad Company is now looking at a business model that will extend service north to Nashua, New Hampshire from Providence, which will allow him to access a federal formula based grant that weighs track mileage. This service model would allow certain allocations to his company, and each community that has stops would also receive a percentage of those funds. Mr. Bono is looking at including stops in Nashua, Lowell, Worcester, and Woonsocket, along with another community, and the Boston Surface Railroad Company is exploring the possibility of putting together an MOU with these communities.

Mr. Angelini asked to return to Item 6 on the agenda, and inquired about the process that was used to hire the two architectural firms with whom the WRA recently executed contract amendments. Mr. Traynor explained the Designer Selection Board process through which the City and WRA selected Nault Architects, a process that has to be used because of State requirements. Both the City and the WRA have executed three-year Design Services Agreements with Nault for miscellaneous design projects in order to avoid the need to go through the Designer Selection Board process for every project. It is not an exclusive contract, rather it allows the WRA to have the firm on retainer and execute amendments as new projects are added. The contract with Lamoureux Pagano & Associates for the leak remediation project used the same the designer selection process. Mr. Angelini asked about the process to execute

contract amendments and reach agreements; Mr. Odell informed the Board the he reviews the scope of the design proposal and negotiates a fair price to bring back to the Board as a recommendation. Mr. Angelini asked if the cost proposals are based on hourly rates, and Mr. Traynor informed that Board that the Design Services Agreement has hourly rates attached and that contract amendments are based on those rates and the hours that the design firm anticipates they will spend on a particular project.

**4. Request to meet in Executive Session to Discuss the Lease of Space in Union Station**

**Whereas, the chair has declared that an open meeting may have a detrimental effect on the negotiating position of the Authority;**

**Now Therefore, Be it Voted that the Worcester Redevelopment Authority hereby convene in executive session for the purposes of considering the lease of real property located at Union Station and reconvene in open session.**

Mr. Pedone moved to go into Executive Session. Mr. Traynor called the roll: Mr. Angelini, Mr. Tilton, Mr. Minasian and Chair Pedone voted 4-0 to convene in executive session at 8:26 A.M. and to adjourn the meeting at the end of the executive session. Mr. Angelini stated that no other person is present and/or able to hear the discussion at the remote location, unless presence of that person is approved by a simple majority vote of the public body.

**8. Adjournment**

The Board reconvened into open session and there being no further business, the Board motioned to adjourn the meeting at 9:25 A.M.

Respectfully submitted,

Michael E. Traynor, Esq.  
Chief Executive Officer