

# Worcester Redevelopment Authority

Vincent A. Pedone  
Chairman

Peter Dunn  
Chief Executive Officer



## WORCESTER REDEVELOPMENT AUTHORITY

Friday, May 21, 2021

10:00 A.M.

City Hall, Levi Lincoln Chamber

Worcester, MA 01608

### Present:

#### *Worcester Redevelopment Authority Board*

Vincent Pedone, Chair  
David Minasian, Vice Chair  
Jennifer Gaskin

#### *Staff*

Peter Dunn, Chief Executive Officer  
Alexis Delgado, WRA Finance Manager  
John Odell, Energy & Asset Management  
Jane Bresnahan, Office of Economic Development  
Amanda Cornwall, Office of Economic Development  
Paul Morano, Office of Economic Development  
Greg Ormsby, Office of Economic Development  
Robert Stearns, City Auditor

Pursuant to a notice given (attached), a meeting of the Worcester Redevelopment Authority was held at 10:00 A.M. on Friday, May 21, 2021

Chair Pedone announced that all votes will be roll call.

### 1. **Call to Order**

Mr. Dunn called the meeting to order at 10:04 A.M.

### 2. **Roll Call**

Mr. Dunn called the roll – Ms. Gaskin, Mr. Minasian and Chair Pedone

Chair Pedone members Mr. Tilton and Mr. Angelini decided not to attend this meeting given that everything that will be covered is ballpark related and choosing to recuse themselves from voting on these matters.

### 3. **Approval of Minutes: April 9, 2021**

Ms. Gaskin made a motion to approve the minutes, Mr. Minasian seconded the motion.

The minutes were approved 3-0 on a roll call.

**New Business –**

**1. Authorize Execution of an Amendment to the Land Disposition Agreement with Churchill James for 5 Gold Street, 7 Gold Street, 8 Gold Street, 2 Plymouth Street and 85 Green Street.**

Mr. Dunn as the Board probably remembers about six months ago we had a vote to authorize the initial execution of the Land Disposition and Development Agreement with Churchill James LLC. These above listed properties are surplus with the WRA. Reminding the Board, when we did the acquisitions for the Ballpark, there was a portfolio of properties, of which we only needed about two for the Ballpark footprint. Part of a larger portfolio of properties that were negotiated acquisitions of the WRA. The surplus properties were contained under an agreement with Churchill James LLC. In that agreement there is a due diligence period, as well as time to seek approvals for their project. They did receive an approval from Planning Board earlier this month for their project and are continuing to do due diligence as well as arrange for financing. The vote from the Planning Board is still in its appeal period. In order to keep the agreement in full force and effect, we have discussed with them a ninety-day extension for the timeframe for closing. To remind the Board this a \$3 Million Dollar acquisition price all of the parcels collectively. They have in good faith met all of the expectations that we have had on the progress to include all deposits in the original agreement - a series of three deposits with certain deadlines, developed the plans in great detail and sought approval from applicable boards and commissions. In consideration of this extension of the time period of the closing they have agreed to provide consideration of One Hundred Fifty Thousand additional dollars that will be added to the purchase price. We are looking to keep things moving and looking forward to moving aggressively towards the closing. As they are still conducting their due diligence and financing, we are in agreement with the ninety day extension and the consideration is One Hundred Fifty Thousand Dollars.

Mr. Minasian asked about the Planning Board's conditional approval and why we need to give them an extension. Mr. Dunn its two parts there is an appeal period on the Planning Board approval and we are still in the duration of that appeal period. In addition to that, the due diligence on overall evaluation of site conditions as well as arranging for financing is ongoing. Mr. Minasian asked if there is a chance in this period that they might not want to execute this agreement due to some of the due diligence. Mr. Dunn there is always a chance but all conversations with them having been very positive on the due diligence as well as the financing and remain optimistic that they will move forward but there is always that possibility. Mr. Minasian inquired about the backup documents. Mr. Dunn we have not drafted the amendment yet and it would be brief amendment outlining key terms to include the ninety-day extension and the financial consideration. The initial land disposition agreement is available and happy to send an executed copy to the Board members. It is a more extensive document. Mr. Minasian requested of Mr. Dunn to review the eminent domain process to include the responsible contractor policy applies to land acquisitions and part of that process. Mr. Dunn, yes it does, within the LDDA it speaks to the WRA's Responsible Employer and Inclusionary Participation Policy. Mr. Minasian this is a very impactful project, the policy applies, and we received a high price.

Ms. Gaskin offered the following motion:

**Voted, that the Worcester Redevelopment Authority hereby authorizes its chairman to execute an Amendment No. 1 to the Land Disposition and Development Agreement between the Worcester Redevelopment Authority and Churchill James, LLC relative to the project at 5 Gold Street, 7 Gold Street, 8 Gold Street, 2 Plymouth Street and 85 Green Street.**

Mr. Minasian seconded the motion.

The item was approved 3-0 on a roll call vote.

## **2. Authorize Execution of Insurance Policies for Polar Park**

Chair Pedone informed the Board that he is pleased that both the carrier and agent are Worcester entities and requested Mr. Dunn to explain the policies and overview of getting these policies in place. Mr. Dunn I think we can do this in a couple of ways and we have Peter Sullivan from Sullivan Insurance Group who's been our agent for the process and can have Mr. Sullivan discuss. He is available for questions as well as a brief presentation about the process and we have time to do that. I could share my slides with the screen or if you prefer a verbal overview discussion. Chair Pedone in your packet is the presentation that we have in our packet. Mr. Dunn in your packet are the premiums for both policies as well as the policy summaries. Mr. Sullivan has prepared a brief PowerPoint presentation for visual affect that would be helpful but a verbal presentation may suffice. Chair Pedone deferred to his Board members, Ms. Gaskin would like the verbal presentation and be sent the slide presentation to review later. Mr. Dunn presented to the Board that we have two policies for consideration. The first is relative to the property insurance coverage for Polar Park and Hanover Insurance Group, who is a local company as the Chair mentioned. The total annual premium for that policy is \$113,383.00 and that is the more detailed package that you have before you. Mr. Dunn stated that there was important deliberation and discussion that we had with Sullivan Insurance about the right type of coverage and the different risks associated with operating the building so we have come up with a good set of coverage for consideration. The second policy would be for the general liability and excess liability coverage. The carrier for that is Everest Insurance Company, the annual policy premium for that is \$45,301.00, and more details included in your package from Sullivan Insurance Group about your consideration for the liability coverage. Mr. Dunn inquired of Mr. Sullivan to provide additional information before the Board asks questions. Mr. Sullivan will provide a brief summary about the carriers and how they arrived at the great terms that they did.

Mr. Sullivan we started working early with the City, the Red Sox and the JV on risks and exposures as the Park. Since there were no insurance specifications, we created the specifications and forwarded them to about ten different markets to review and provide comments. We also on April 6 and April 7 conducted a loss control visit at the Park, great to bring the whole group around, and actually had eight insurers review the Park and were very impressed with everything going on. We also then did a follow-up master list of qualifying questions and the City was great in replying to that and then asked the carriers to provide their terms. What we then do from an insurance standpoint is we overlay them over about fifty-to-sixty coverage grants that we review and see where the good, bad and ugly is. We then went back to the insurers to see how they can better their programs along with their premiums; we then cut that group from ten to five insurers to

state that they made the first cut. We then went from those five with a goal of narrowing to two. We then involved the City to go through those and narrowed down to two insurers Salvo Insurance and Hanover Insurance. Hanover had areas that they had to change and Salvo, which does insure various stadiums throughout the country, was really going after this, and we were able to push Hanover who we wanted to have. Senior management had to make decisions to offer coverages that we wanted and they agreed to it which was very good. We ended up with a very good program and have Hanover, one other reason why wanted to go with Hanover is that in the world of insurance we have income coverage and we were very concerned about the loss of revenue that the City would receive from their bond payments that they have to do. We were able to condense them to the right special language both for the Park and for the City's property program that we also have at Hanover to provide an income stream for the loss of revenue that is generated by the newly designated Economic area around the Park. So what we were concerned was if the Park was not open and the nine to ten thousand people not going there and they would not go through the economic developed area i.e. not going into restaurants or parking lots they would see a loss of revenue. We were able to get Hanover to agree to create language if that were to happen then we could trigger the policy coverage. We wanted to designate the Park as tenant property of the City for writing generation, which is very good, Salvo would not do that for us and that was our big determination to have Hanover as our carrier.

Concerning the general liability, we started with five insurers. There are not that many good insurance carriers to provide stadium liability coverage and nuances in the terms. We took those five, presented our terms to them, did the same type of process, laid out of the same characteristics, and tried to get them to better their premiums and we narrowed it down to HDI Global which also insures in the State and around the country and Everest National. Just a footnote Everest National also does the general liability for the Red Sox now, and they wanted this account very much. It's better for the City and the WRA all collectively to have the same insurer all the way through. We reviewed the program, went back, and pushed them and they were able to provide coverage claims that HDI would not offer and they actually offered a lower premium on the base limit. For that program, we have the premises liability; we have section station coverage, liquor liability and power liability on the base coverage for the general liability. We then have a \$10 million excess liability program and the coverage flows through the primary. Mr. Sullivan asked if the Board any other questions. I have asked for the presentation to be handed out as well, and will walk Board members through. Chair Pedone we appreciate the work that you did and further appreciate that there was a lot of interest in carriers looking for this business, thanks for your work and request to have the Board members received the presentation. Mr. Minasian would like to echo your comments about having Worcester companies in particularly Hanover Insurance, who has been such a really good corporate citizen it's nice that we received a great policy and a good deal who happen to work locally

Mr. Minasian offered the following motion:

**Voted that the Worcester Redevelopment Authority hereby authorizes its chief executive officer to bind property insurance coverage in the amount of \$113,383.00 with Hanover Insurance Group relative to Polar Park.**

**Be it further voted, that the Worcester Redevelopment Authority hereby authorizes its chief executive officer to bind general liability and excess coverage in the amount of \$45,301.00 with Everest Insurance Company relative to Polar Park.**

Ms. Gaskin seconded the motion.

The item was approved 3-0 on a roll call.

**3. Authorize Execution of Change Order #2 to the Owner-CM Agreement with Gilbane-Hunt Joint Venture in the amount of \$2,382,393.00**

Mr. Dunn I think it makes sense to discuss the item collectively with Items 4 and 5, the two cooperation agreements on the agenda as well. Change Order #2 are changes that have been aggregated over the last several months. Change Order #1 was in January and these are the changes for the last several months since that time, in preparing for the opening of Polar Park. Some are design related, some are initiated changes by the Worcester Red Sox and some of the pieces that were coming together before opening. It's an aggregation of a number of different changes at the project over the last three to four months. The cooperation agreements, which we will take separately, the first one is for \$850,000, which is a Team contribution. They sent payments to City of Worcester earlier this week so that cooperation agreement as such is the Board mechanism for that payment to go through the City to the WRA for \$850,000. The second piece, the \$1,075,000.00 is from an existing loan authorization that had not yet been transferred over or covered in any of the previous cooperation agreements, which are the mechanism of making sure a loan authorization floats through to the WRA. This is an existing loan authorization. As you know, if there was any need to obtain addition authorization – and we're avoiding any need for an additional loan authorization – that would have to be City Council action. Therefore, this is an existing loan authorization for the cooperation agreement to float the funds through to the WRA. If there were any other specific questions on the changes, Mr. Benner is here to speak to the Diversity Report, so he is here if there were any questions on the backup materials that were provided with the change order. Chair Pedone I know the information that was in the packet was extensive and does the Board have any questions about what Mr. Dunn presented or in your packet. No further questions.

Ms. Gaskin 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 Construction Manager Agreement between the Worcester Redevelopment Authority and Gilbane/Hunt, a joint venture, in the not to exceed amount of Two Million, Three Hundred Eighty Two Thousand, Three Hundred Ninety Three Dollars and no cents (\$2,382,393.00) relative to the Canal District Ballpark Project.**

Mr. Minasian seconded the motion

The item was approved 3-0 on a roll call.

**4. Authorize Execution of a Cooperation Agreement Amendment in the amount of \$850,000.00**

Mr. Minasian offered the following motion:

**Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute Amendment 12 to the Downtown Urban Revitalization Cooperation Agreement between city of Worcester and Worcester Redevelopment Authority in the amount of \$850,000.00.**

Ms. Gaskin seconded the motion.

The item was approved 3-0 on a roll call.

**5. Authorize Execution of a Cooperation Agreement Amendment in the amount of \$1,075,000.00**

Mr. Minasian offered the following motion:

**Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute Amendment 13 to the Downtown Urban Revitalization Cooperation Agreement between city of Worcester and Worcester Redevelopment Authority in the amount of \$1,075,000.00.**

Ms. Gaskin seconded the motion.

The item was approved 3-0 on a roll call.

**6. Authorize Execution of Amendment 10 for D'Agostino, Izzo, Quirk Associates, No Cost Amendment**

Mr. Dunn stated that a letter in your packet relative the contract that we have with the Architect for the project D'Agostino, Izzo, Quirk Associates, has a timeframe associated with it and in order to have that contract continue for the duration as we wrap up the project through the next several months. As the Board is aware we are doing some of the environs of the Ballpark: Summit Street Terrace area, the Children's Play Area and centerfield berm, DAIQ was onboard for the design and as we do the punch list for the Ballpark, it allows the duration of the contract to remain in effect, and recommended that we go through the end of the calendar year. We will probably be done before that, but it's just to make sure the duration of the contract is in effect while we wrap up these remaining pieces, this vote is necessary to do an amendment to the contract, there is no cost associated at this time.

Mr. Minasian offered the following motion:

**Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute Amendment No. 10 to the Design Services Agreement with D'Agostino Izzo Quirk Architects, Inc. to extend the contract term.**

Ms. Gaskin seconded the motion.

The item was approved 3-0 on a roll call.

**7. Canal District Ballpark Project workforce diversity and inclusion report**

Mr. Dunn I will turn it over to Mr. Benner from Gilbane-Hunt the Joint Venture. Just a note that I would make is that we are wrapping up the Ballpark now, as you might remember from last month, consistent in your packet today, is two separate reports, one for the Ballpark and one for the Garage. I do not anticipate a lot of change happening with the Ballpark because so much of the contract value has already been spent. As we move into the next few months during the summer, it is likely we will be focused more

on the garage project as that is ongoing. Mr. Benner reported on the Workforce and Diversity for Polar Park. The update for this month shows 21% for project to date for residents; 25% for project to date for people of color and 6% for female. Whether that is sorted by contractor or whether sorted by trade, the numbers are consistent. Mr. Benner stated we've been very impressed with our subcontractors with the unions helping to maintain the workforce diversity even as the project is winding down and these numbers do have somewhat of a lag to them and we still have reports coming in are encouraged to see the numbers remaining strong.

**8. Financial Update Report**

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

Mr. Dunn the total expenditures from the last report from March 16, 2021 through April 6, 2021 were \$538,323.00 not as many expenditures for this period we did not have a major requisition for the Ballpark project which tends to drive a lot of our expenditures month over month. Still mostly Ballpark related and was to Skanska OPM and DAIQ the architects not the significant volume we have seen in previous months.

**8. Status Reports:**

- i. Union Station
- ii. Urban Revitalization Plan

**9. Adjournment**

There being no further business, Mr. Dunn called the roll to adjourn the meeting, the meeting adjourned at 11:01 A.M.

Respectfully submitted,

Peter Dunn  
Chief Executive Officer