

# City of Worcester, Massachusetts

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City Manager

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Worcester Redevelopment Authority



## WORCESTER REDEVELOPMENT AUTHORITY

Friday, March 10, 2017

8:00 A.M.

City Hall, Room 109

Worcester, MA 01608

### Present:

#### *Worcester Redevelopment Authority Board*

Vincent Pedone, Chair  
David Minasian  
Sumner Tilton  
Michael Angelini (By Remote Participation)

#### *Staff*

Michael Traynor, Chief Development Officer  
Heather Gould, Assistant Chief Development Officer  
Erin Cahill, WRA Financial Manager  
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 8:00 A.M. on March 10, 2017.

### 1. Call to Order

Mr. Pedone called the meeting to order at 8:10 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 the February 10, 2017 Meeting**

Mr. Pedone asked the Board to review the minutes of the February 10, 2017 meeting. Mr. Pedone offered approval of the February 10, 2017 minutes and Mr. Minasian seconded approval. By a roll call vote the minutes were unanimously accepted.

#### **New Business**

#### **1. Notice of Proposed Amendments to Regulations 760 CMR 12.00 – Urban Renewal Regulations/Notice of Public Hearing, received from the Commonwealth of Massachusetts Department of Housing and Community Development.**

This item is informational regarding the proposed amendments to the Urban Renewal Regulations by the Massachusetts Department of Housing and Community Development. Mr. Traynor informed the Board that it appears the intent of the changes are to make the regulations more readable and user-friendly. The one substantive change of note is the deletion of the section addressing the Urban Revitalization Development Grant program. Mr. Traynor further explained that the URDG program is established under the General Laws and in order to fund the program the legislature would have to authorize funding.

#### **2. Receipt of Certificate of the Secretary of Energy and Environmental Affairs on the Environmental Notification Form Submitted for the Downtown/Theatre District Urban Revitalization Plan**

The Environmental Notification Form was submitted to the Department of Energy and Environmental Affairs and the Secretary's certificate was received with the decision that no further MEPA review is required. This was the final step of the urban revitalization plan authorization process. Mr. Traynor explained that while the plan had previously been approved, the WRA could not initiate any land takings prior to the MEPA review.

#### **3. Discussion of Urban Revitalization Acquisition/Transfer Parcels**

Mr. Traynor provided a map of the Urban Revitalization Plan area showing the parcels to be acquired or transferred, as well as a table with parcel information including the current owner and proposed reuse. Mr. Tilton asked for the parcels to be coded on the map so that they may be easily matched with the appropriate descriptions in the table. It was noted that the current document does not set out the specifics for each parcel. Mr. Traynor stated that he will provide a revised document. At the prior meeting there was discussion about reviewing the targeted parcels and identifying a reuse for them. Mr. Traynor informed the Board that one of the table with the parcel information contained the proposed reuse for each parcel. This is required as part of the plan approval process. In order to deviate from the document's proposed uses would be considered a major amendment to the plan requiring public hearings and approval by Department of Housing and Community Development.

Mr. Traynor summarized the activity that has occurred in connection with the URP: Heather Gould and staff surveyed several of the property owners. The owner of 517 Main Street/MetroPCS is interested in selling his property and he is currently in discussion a potential buyer. The owner of 17 Pleasant Street, the Olympic Theater, has expressed some interest in selling the property, but wants to retain the commercial space adjacent to the theater. MG2 is renovating the Bancroft Building, and the date of the demolition of the Paris Cinema has not been set but the latest indication is sometime in May. The Plaza Building is in the process of being renovated into 80-90 first class market rate apartments. The City has also maintained ongoing discussions with the Worcester Business Development Corporation with regard to their coordination with MG2 relative to the Allen Court repaving project, and WBDC's buildout of the WOOteria (a permanent pop-up space for the arts) and the Black Box Theater at 12 Franklin Street, and the buildout of a restaurant on the bottom left side of the building along Franklin Street. There is activity for other properties, but those are private negotiations/discussions. Mr. Traynor informed the Board that he is working with Chief Financial Officer Thomas Zidelis on a proposed financial plan to have bonding authorization in place so the WRA could access it in a timely fashion should the need arise. Any bond would be issued by the City and the funds transferred to the WRA through a Cooperation Agreement Amendment. When a property taken by eminent domain is subsequently sold, the sale proceeds will go back to the City to pay down the bond obligation.

Taking into account all the development projects in the downtown area already underway and planned, the Board requested a one page listing of the existing and planned residential units (market rate and new units coming online), businesses, and unoccupied spaces.

#### **4. Appraisal of Washington Square parcels**

The Law Department is preparing a contract in the amount of \$4,950.00 with a professional appraiser to determine the market value of the Washington Square parcels. Chair Pedone referenced a report that was prepared by the WBDC to redesign Washington Square into a four-way intersection. Subsequent to the publishing of this report, Washington Square was designed into a smaller rotary which Mr. Pedone represented contributes to traffic jams on Shrewsbury Street. Chair Pedone asked if this can be looked at in conjunction with the WRA parcels in order to redesign the square into a four-way intersection. Chair Pedone also asked if the old church building on Summer Street could be included with the other WRA properties.

On the issue of whether the WRA should explore selling or leasing Union Station, Mr. Traynor reviewed the timeline of Union Station before it was rehabilitated and when the public sector stepped in to turn it into the current transportation hub facility. Union Station was identified as a linchpin for all of the development in the downtown area, e.g., CitySquare and The Edge, and this development would have not have occurred without the renovation of Union Station. Chair Pedone commented on the investment by the City, the State and Federal Governments into the building and the moving of the bus hub from City Hall to Union Station. Chair Pedone also advised the Board that there are restrictions to selling the building.

Mr. Angelini stated that he would like the WRA to look forward and not backward, noting that there may be an opportunity related to selling the development rights of non-transportation spaces to a third party that would not interfere with the primary civic objectives of Union Station. Mr. Angelini also requested that the WRA review the tenants in the building and their current leases. Mr. Traynor stated that he will provide a report to the Board with all leases and their length of terms at the next meeting. He noted that Maxwell's is in the fourth year of their first five year extension term with a second five year extension, at their option, that runs to 2021. Chair Pedone mentioned the ongoing discussions regarding the Fire Museum.

## **5. Financial Update Report**

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

Ms. Cahill stated that for the period February 7, 2017 through March 6, 2017 operating expenses totaled \$73,736.98; \$13,000.00 was for urban renewal expenses, \$41,683.50 for snow removal charges, and the balance for the remainder of the operating expenses.

## **6. 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) Bike Rack Update**
- h) Urban Revitalization Plan**

The Digital Signage Project and Harding Street Banners Project are anticipated to be complete in early April. Chair Pedone asked about the request from Mr. Angelini to survey the wayfinding signage at Union Station in a similar fashion to Massport's survey of wayfinding signage at Logan Airport. Mr. Traynor stated that at the next meeting a timetable will be established for the survey.

Chair Pedone expressed that the WRA has failed to market the bays behind Union Station and asked if there are any funds to invest in a marketing plan for both the Urban Revitalization Plan and the areas in the garage. Mr. Traynor advised the Board that there is a broker for the space and numerous parties have looked at the locations.

Chair Pedone suggested that as new members Mr. Tilton and Mr. Angelini would benefit from tour of Union Station. It was agreed that a site visit/tour would be arranged.

Mr. Traynor informed the Board that CMRPC would like to engage in a discussion regarding the renewal of their lease, including a full renegotiation of their lease terms. CMRPC would also like to discuss a list of concerns regarding the security of the building. Mr. Angelini would like to review the WRA leasing policy, explore privatizing the non-transportation spaces, and build some type of termination into new leases. Chair Pedone asked if we would need to go into executive session to discuss the leases. Mr. Traynor stated that is not necessary to develop policy.

Mr. Minasian inquired about the status of the Providence & Worcester Line with Boston Surface Railroad going forward, and the Board was informed that this rail line is no longer viable given the purchase of the Providence & Worcester Railroad by Genesee & Wyoming.

## **7. Adjournment**

There being no further business, the Board motioned to adjourn the meeting at 9:01 A.M.

Respectfully submitted,

Michael E. Traynor, Esq.  
Chief Executive Officer