

Worcester Redevelopment Authority

Vincent A. Pedone
Chairman

Peter Dunn
Chief Executive Officer



WORCESTER REDEVELOPMENT AUTHORITY

Friday, April 9, 2021

10:30 A.M.

City Hall, Levi Lincoln Chamber

Worcester, MA 01608

Present:

Worcester Redevelopment Authority Board

Vincent Pedone, Chair
David Minasian, Vice Chair
Jennifer Gaskin
Michael Angelini
Sumner Tilton

Staff

Peter Dunn, Chief Development 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 9:00 A.M. on Friday, April 9, 2021

Chair Pedone announced that all votes will be roll call.

1. **Call to Order**

Mr. Dunn called the meeting to order at 9:09 A.M.

2. **Roll Call**

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

3. **Approval of Minutes:** March 19, 2021

Mr. Angelini made a motion to approve the minutes, Mr. Tilton seconded the motion.

The minutes were approved 5-0 on a roll call.

New Business –

6. Canal District Ballpark Project workforce diversity and inclusion report.

Mr. Dunn advised Chair Pedone that guests from the public as well as representatives from Gilbane Hunt are attending the meeting and would like to take up Item 6. Mr. Angelini moved to take the item. Chair Pedone clearly this issue is going to require conversation based on a news article that came out from WGBH and we need to have a conversation. The report indicates that the WRA goals that we have set for women and minority businesses are not being met and the information that we are receiving is not necessarily accurate. Before we jump to any conclusions I think it's important to hear from Gilbane Hunt to speak to their reporting over the past eighteen months on their diversity reports and how those reports don't necessarily line up with what we heard twenty-four hours ago from the WGBH report. Mr. Dunn I think it's important to understand the distinction of the two elements of the monthly diversity report we receive. There are numbers on workforce participation and specific goals on the project for Worcester residents, people of color as well as women in the workforce participating on the job. We also receive a report every month on the ownership of subcontractors including minority owned business enterprises as well as women owned enterprises. The focus of the article was about ownership of firms that are contracted to work on the project. Mr. Dunn reminded the Board that we have a combined goal of twenty percent MWBE participation under the WRA's Responsible Employer & Inclusionary Participation Policy and one of the goals of Gilbane-Hunt the Joint Venture reports on each month. Last month we had a report that showed trending at 17% MWBE participation and this month that goes into more granular detail about what they were trending at when the project began and when they made awards to contractors and where they are at currently as well as the amount paid to date and there are updated figures. Best to have the Joint Venture who is here with us this morning to speak to the updated report that you have and the discussion will be led by Mr. Neil Benner who is the project executive from Gilbane Hunt. We also have Danielle Skilling from Gilbane Hunt who reports each month. Mr. Dunn noted that Christopher Bauer is also on the call who is the project executive for AECOM Hunt, which is part of the Joint Venture Gilbane Hunt.

Mr. Benner advised they have been reporting on the MWBE it's a combined goal of 20%. At the time of buyout and contract establishment with our subs, we were in the 18% range, we have updated that and that is what your current report shows. We are just showing current numbers which is at about 13.5% right now again combined between WBE and MBE and the paid to date is what actually been paid for work expended on the project at this point. Those are the three we break out each contractor, their subcontractor who is a MBE or WBE on the report and those contract values. This is the first report we issued to actually show a current which is the center column in the report where stand right now. Should we have reported that previously, absolutely, we take responsibility for not reporting the actuals versus the originals and keeping the WRA up-to-date and where we stood with that. We feel this is a much better report moving forward and where we stand right now.

Mr. Angelini interjected that the report in today's packet is three or four pages and I want to make sure that we understand what we have and what we don't have. Mr. Benner replied that there are separate reports for the Ballpark and garage. Mr. Angelini there are two pages regarding Polar Park Workforce Diversity and Inclusion, Mr. Benner yes. The

first page is project to date by subcontractors, project to date by category of work and the second page. Mr. Benner the first page is the Polar Park Workforce Diversity & Inclusion report with the people actually working on the project and those are the percentages. The second page of the Ballpark is the MWBE Report that explains where the project stands with those numbers. The same will be for the Polar Park Garage Workforce Diversity & Inclusion report to date and the MWBE for the garage. Mr. Angelini on the first page there are three columns, one a goal with respect to residents, goal with respect to persons of color and the third column female. Mr. Angelini are the numbers reflected on the report for today do they reflect the current percentages? Mr. Benner, yes. Mr. Angelini the prior reports also listed the current percentages which is as of the date of the prior reports have we been told what the percentages were as of those dates? Mr. Benner, yes. Mr. Angelini how does this report differ, if at all from the prior reports? Mr. Benner this report for Workforce Diversity & Inclusion is an update from last month. The next report is the Ballpark MWBE and that's whole set of separate metrics for the project. Mr. Angelini as to the first report which lists the goals of residents, people of color and female as I read the WGBH news report there was some questions as to whether amounts reflected in these categories were accurate. Is it your company's position that the information we've received in the past relative to these categories has been accurate information and current information. Mr. Benner it is accurate as we get it from our subcontractors and this information is from their certified payroll and we believe these are accurate, as accurate as we get from our contractors. Mr. Angelini has it been your practice to audit the numbers you receive from your subcontractors or simply accept them as submitted? Mr. Benner we accept them. The certified payroll is a process that is followed on all public jobs like this project. We do not in real time dive in to every certified payroll or make sure that it's accurate. We count on our contractors to be accurate. Mr. Angelini does your company have any comment on the WGBH report which suggests that these numbers are not accurate? Mr. Benner I would have to defer that to our Communications Department. Mr. Benner we believe these reports are accurate. And not only are they accurate, we are quite proud of these numbers and worked hard to achieve them and they are great numbers that both we and the City should be proud of. Mr. Angelini we would be, but as a member of the WRA we have relied on the accuracy of these numbers and taken some comfort in assuring that we meet them. Mr. Angelini I understand and not trying to denigrate your effort, but understand our concern that there is a report by a reputable news agency either indicating the numbers we've been provided are not accurate – not accusing you of anything, I want to express my concern about this disparity – and my question is about what we can do to resolve it. If the numbers are not accurate it would be a very important matter because we've relied on these. Mr. Benner absolutely. Mr. Angelini do you have any suggestions of what we could do in order to resolve the accuracy or inaccuracy of this information? Mr. Benner we feel like these diversity reports are accurate, there's nothing to be done, and we feel that the MBE and WBE reports have been corrected. As I said we were not reflecting the current numbers on the project which we now are, and feel like everything you have before you today is as accurate as we know of at this point in time. Mr. Angelini why was it that we were not provided with the current numbers in the former reports? Mr. Benner we take responsibility for not doing that properly. This is a very schedule driven, fast paced project and try to execute on everything perfectly and this was overlooked to bring the current numbers into that report.

Chair Pedone I would like clarification as to what we are looking at. Mr. Benner we are looking at the Polar Park Workforce Diversity & Inclusion report and there are two categories. Both are project to-date. One has people of color at 25%, women at 6%, and residents at 21%, those are the total numbers from the beginning of the project. Ms.

Skilling concurred these numbers are cumulative from the beginning of the project. While depending on the trade and the work being performed, the current workforce onsite fluctuates, but each month as we receive additional payroll, we update this information to add those additional hours and its cumulative from day one into approximately two to three weeks prior to the issuance of the report because there is a lag time between when people work, when their payroll is created and that information is submitted to us. Chair Pedone thank you I wanted to make sure we are looking at positive numbers that are cumulative. My question would be to Mr. Dunn or Mr. Benner how is it that these numbers are so different from what we heard and read in the WGBH report? Ms. Skilling the numbers that were questioned in the WGBH report were actually to the MWBE which are the businesses that contract on the project and these numbers were reported in the article, but there was never a question as to these numbers. These numbers have been continued to be reported currently and cumulatively throughout the duration of the project but the workforce numbers which are related to the actual workers onsite are something entirely separate from MWBE which are the numbers that represent the contractor values and business ownership. There are two different items I don't believe that there was actually a question on these numbers I believe the questions were on the MWBE numbers.

Mr. Minasian I think the confusion here highlights the complexity of this issue quite frankly, there are ongoing disparities that get addressed in the construction industry that are bigger than this one job. I will say to clarify: we spend a lot of time talking about the workforce numbers in these meetings, which has been a success. There hasn't been a question as far as I know on those numbers and quite frankly I wish that was highlighted more in the press on who is actually working the construction jobs. There are racial disparities being addressed and gender disparities being addressed. In the construction industry it's not just about the contracts, it's about the thousands, tens of thousands of men and women who are working on construction sites today and who has the opportunity to go there. I want to highlight the City's leadership and the WRA's leadership in really having those goals and meeting those goals and exceeding them with people of color. There are a lot of Worcester residents that have a door open and now a career track through apprenticeship programs to really buy a house and settle down. Those numbers and reading the WBGH article have nothing to do with this it's the contracts with contractors that was sort of the reporting that snafu. They are really two separate things. Again, there are not many places that has this kind of leadership on the workforce. I do not want that great story getting lost in this other reporting. Worcester residents, people of color and women because of those goals, they now have access, doors have been opened. Folks that might not have been working had a good opportunity with tax payer money to work in their home city. That is really a good thing to celebrate. I'm proud of that and I'm proud of the work the WRA, the City, Gilbane and the rest of the companies that have done that. And a point on the reporting, the certified payrolls on a public project, the subcontractors have to sign under the pains and penalties of perjury. I think anyone in the industry when you look at a certified payroll unless there is real malfeasance you trust those numbers. I feel pretty comfortable with the diversity numbers coming from the certified payroll and the work that was done there. Lastly, there's a lot of barriers to small contractors like MBEs and WBEs and these goals have been in place for a long time and I think it's unfortunate that the goals actually haven't changed the bar in the industry. It is anecdotal evidence and I would love to see a study to look at issues such as access to capital, smaller payment schedules, maybe a micro loan that the State could provide or actually float payroll. There's a lot of things we can do to address this and goals are just one piece of this puzzle. And I also want to say that where we are in terms of goals, it is higher than the new State goals so the State just increased the MWBE

goal and where this project lands with the new report is pretty much in line with that. It didn't hit the really aggressive twenty percent goal, which I think it is a good thing to have an aspirational goal. I think following what the City has done in terms of the workforce and again a separate conversation and also having high aspirational goals is a way to move the industry. I think one of the problems is that the State has had the same goals forever.

Chair Pedone as we are talking about the news article that came out from WGBH, its Gilbane's position that there are two separate issues; one is the Workforce Diversity & Inclusion report and the second is MWBE component to this, which Mr. Minasian just referenced there are other issues at play when it comes to contracts being given in a project this size, smaller businesses and startup businesses. So conflating the two issues is not an accurate representation is what I'm hearing of what the diversity looks like in our workforce in that project. Mr. Minasian I would agree with that there two different dynamics – one is a contract with a contractor and there are public bidding laws associated with that and can get into the details, filed sub bids and related matters. The other is the contractors on site who are hiring and you could technically have a women owned business who doesn't hire any women or diversity goals on them and we've seen that in the industry. So you have two separate metrics. Chair Pedone according to the numbers we've been presented today by Gilbane, they are saying they're accurate, upwards of 25% of the workforce on the site are people of color, upwards of 6% women, and 21% Worcester residents. When we say Worcester residents are we speaking about Worcester proper or greater Worcester area how's Worcester defined. Ms. Skilling stated that we've been tracking only Worcester residents of the actual city of Worcester. Is there a metric to look at the greater Worcester area anything you can share with us the greater Worcester area. Ms. Skilling said the certified payrolls included addresses where we get some of that information. It would be a heavy lift if the data exists, it would be eighteen months' worth and thousands of payrolls. Mr. Benner that was not the spirit of the goal we were complying with. Thank you I wanted a point of clarification of what we were looking at. Chair Pedone inquired if the administration had anything on this. I think one way to best sum it up, I know Mr. Angelini had asked and alluded to some of your comments, and Mr. Minasian's comments I think the best thing to do is kind of sum up compared to last month and to where we are at now. So last month as Mr. Benner mentioned they were looking at what they were trending towards and wasn't an actual reflection of where they were at currently as of that date and that at that time last month we had a kind of report that said combined MWBE at about seventeen percent and as you can see now for this month Mr. Benner mentioned tracking between 13.45% and I think and ask Mr. Benner to comment on this if this is accurate picture of it is that when they gave awards to subcontractors there certain expectations and commitments that subcontractors felt like they could achieve through some of the lower tire contracts and some of those did not fully come to fruition at the full value that they through they could achieve at the time of award and I believe that that's the real main reason dealt between the 17% that we thought we were trending at and the 13.45% we are now trending at today. Mr. Brenner that is accurate for the Ballpark. Chair Pedone requested of Mr. Benner to repeat that. Mr. Benner what you've been seeing the workforce report has not changed, except the numbers have been updated as the project progresses. The MWBE project has been reporting what are original numbers were all along and it was incorrectly implied in the report that these were updated numbers and the project was still trending where established through the bidding process at the beginning of the project and as contractors were brought on. What we have now provided is an accurate update of where we stand now versus when each contractor was awarded the project. And for various reasons we have had some goals by out subset did not work out for various reasons. And

that is the reason why the percentage is lower now than it was at the time of award. That's the reason and that's what we're currently looking at. Mr. Angelini, Mr. Benner is the intimation that what we've been receiving about MWBE compliance has not been accurate? Mr. Benner that is another way of saying that, it's not compliance it's a goal. Mr. Angelini I don't not want to be accusatory I want to be sure what we've received and haven't. As I understand what you said with respect to MWBE compliance, the information that we've been receiving over the course of time reflects numbers which were numbers which were really target numbers but don't reflect numbers that are actual, correct, in this report. Mr. Benner that's correct. How is it, what is the reason why we were presented with target numbers rather than actual numbers during the course of this project with respect to MWBE? Mr. Benner it was an oversight on our part to not properly update, we should have, and that's what we are doing now. Mr. Benner I'd like to add to what Mr. Minasian stated that while it's not the 18% that was originally reported where still quite proud of the 13.5% its higher than where the State combined 10.4% was before and as the project was started and still combined in line with current State goals as well. We feel like that we should have been more forthright in our reporting and we should have given current numbers all the way along but we still feel like where the numbers are now are still good numbers for this project. Mr. Angelini if you understand had we been provided with current and accurate information along the way we would have been having as a Board with your company's representative a different type of discussion that we're been having and engaging in congratulatory discussion it's about meeting a goal which in fact we weren't meeting. I appreciate your recognition that a mistake was made, it's an unfortunate mistake and unfortunately has put us in a position that not as a Board engaging in the kind of superintendence is our responsibility and it's regretful. Mr. Dunn the other piece of the WGBH story they looked at specifically where the project was at for MBE, specifically, so we talked about it had been a combined goal MBE and WBE together and one of the things as where reflecting and looking forward is as Mr. Minasian mentioned do we complete a study on this and we will be looking at whether it makes sense to actually have specific goals for each category because while we feel like the 13.5% on the combined contract value is a pretty good number that Gilbane has achieved and that has been heavily weighted by the WBE so kind of reflect on that as well and set benchmarks for both categories. Mr. Minasian if you look at the workforce goals figuring out a person of color goal, separate goals, resident goals, if you do that, and that is what the State has done and realize if you separate those you're more likely to focus on them and achieve them and better practice and we should look at that moving forward. Chair Pedone, Mr. Minasian given you have experience in this industry maybe it's important for those are tuning into this or read in the paper or online tomorrow maybe you can explain the difference between what the two categories are. We are throwing around MBE, WBE, as letters and industry jargon, maybe it's not you but Gilbane. Mr. Minasian there are attorneys on this call and I'm not an attorney I just play one on TV. Mr. Minasian MBE is Minority Business Enterprise, and WBE is Women Business Enterprise and those registered contractors and employers that have been registered through DCAM through the State and owned by a Minority or Women. That's one of the buckets that we've been tracking and a goal of 20% combined both of them together and that is based on contracts on the project. The other bucket of information that we've been tracking is the actual folks building, literally building the project. The trades people that show up every day that has the tools, erecting the steel, that are moving the dirt and all that trade work those are the other ones and that's where you see the residents goals, people of color goals and the women participation goals and that address racial disparities and gender disparities in different ways and they're tracking two different things two different points of data. Chair Pedone the City through the WRA sets goals that exceed State goals and where close to meeting them in one category

and we have work to do on another. Mr. Minasian I would say on the workforce goals and people of color we've far exceeded the State goals and goals that we've set. The Worcester resident goals aren't goals the State sets and that is something that we wanted to do from Worcester and I think it is impressive 21%, 22% it's almost a quarter of the project those hours going back, because of economic development in the City of Worcester, that's fantastic. The women goals are right there just a little bit under, but pretty much in line with State averages for Workforce, tradespeople on that reporting. For the MWBE the minority business enterprises, women business enterprises and Worcester business enterprises minus the new report that it reflects where pretty much in line with the current State goals as a combined total, is a little lower as the MBE goal would be, when this project started, it is higher than what the State goals were. The State goals have recently changed and I believe at the time the State goals were 10.4% and we're above that and previously combined goal WBE and MBE and we've exceeded that. I think looking at the number separately as WGBH did it clearly show much more women participation what I don't know and would love to find out is how many more women owned businesses there are in the industry and I think the new State goals reflect that, but getting off topic and for future focus.

Chair Pedone inquired as any other members addressing anything in the report or this topic. Mr. Tilton after I listened I'm one of those attorneys referred to but an Estate and Trust guy and beyond my compression, Mr. Angelini did a good job, he cross examines a lot. What I come away with is how is it that WGBH knows something we don't know. What lead that news bureau to seek out these numbers and report them? Why didn't Gilbane know that they were reporting the wrong numbers? And why didn't we know that they were reporting the wrong numbers? As Mr. Angelini said we sit here looking foolish, patting ourselves on the back, achieving nothing more than goals and not actual goals. Apparently actual can be anything if I take everything at face value goals can be actual because that's what's been reported to us. Those are my reflections on what I've heard in the last forty five minutes. Ms. Gaskins I've just listened to Mr. Tilton and I've been quiet about what I wanted to say. To be honest with you I don't feel like we've been lied to and numbers can tell any story that you want them to. You can manipulate numbers to tell whatever story you want. What helps me to sleep at night is to know that we have Worcester residents we have people of color and women who are working on the Ballpark and that is what we set out to do. Whether or not there are businesses that are owned by minorities or the other targeted populations that we wanted to have involved in the project, I think we could have done better, lesson learned by Gilbane and the City of Worcester, WRA we learned our lesson and will figure that out on the next try, but at the end of the day we achieved what we wanted to achieve which was workforce diversity. I guess I'm not as upset about what I'm hearing. I had people reach out to me yesterday all up in arms and to be honest with you I told them exactly what I expressed to the Board. What I was thinking when we started having these conversations about workforce diversity is that the people who are working, earning a living, would be the people in the community that we were worried about and wanted to promote their participation. What I'm hearing this morning is that we did achieve that, so the rest of it to me it's a lesson to be learned yes we should do better in the future but to be honest with you I don't take that as much of a hit that is my opinion. Chair Pedone would you inquire if Gilbane has any further comments or closing comments. Mr. Benner we do not we will be absolutely certain that we are fully transparent with these numbers as the project continues. I would like to add we are confident that we will land in the 13.5 % range hopefully we can get it up a little bit more there are changes associated with the Ballpark that are not yet represented in these numbers and will do everything we can to maximize participation by MWBE, I want to leave it on that note and will be continuing to report in this format. I

would also like to add the paid to date is going to lag and it won't be the current won't match the paid to date until all the subcontractors are closed out on the project which is going to be several months away. The paid to date numbers are going to lag until the very end.

Chair Pedone, Mr. Benner one of the things we do monthly is get a report from the Administration on the progress of the construction and the Ballpark, given that you're here and Manage of the Project, and members are agreeable, can we jump to project update. Are we on time on budget on schedule? Chair Pedone turned to Mr. Dunn on project update and have Gilbane participate. Mr. Dunn since the last month a huge milestone was the achievement of a Temporary Certificate of Occupancy and players have arrived at the Ballpark and now training until the season begins. The first home game is still on pace for May 11, 2021 and looking forward to that albeit smaller attendance figures than we would have loved. We are still in that 12% restricted capacity at this point. It would have been nice to have a more extravagant opening day with full attendance in the stands. Obviously COVID-19 restrictions are not allowing for that. That is the huge milestone and described in a number of ways as we've gone through this project a herculean effort to really maintain that schedule. It has been an aggressive project since the beginning so to achieve that temporary certificate of occupancy last week on schedule is quite an achievement and wanted to make sure that everyone involved with working on keeping it going and gets their due appreciation for that. With that I'm not sure if there are more details. There will be work going on as Mr. Benner mentioned as to amounts paid to date and the closeouts of subcontractors. We will have punch lists and additional work going on throughout the spring and into the summer particularly with the environs around the Ballpark. There will be work on Canal Street for example the new street adjacent to Pickett Plaza and some of the elements in the outfield area that don't affect the fixed seating and don't affect the playing of baseball. A great job to everyone involved in the project to get us to where we are today. Chair Pedone on opening day people will be able to walk into the Ballpark and have access to all the amenities that are expected in a Ballpark? Mr. Dunn that's the idea. I haven't spoken with the Worcester Red Sox about plans for concessions with the limited occupancy. I don't know if they need to have a full operation of all the concessions but I'm sure there will be the amenities expected for those who will have the opportunity to attend some of those early games with the restricted capacity. As you can imagine all of those details are evolving as we go and get closer to that date. Hopefully more people get inoculated and see some of the restrictions get a little more relaxed as we get into the better part of the season. Mr. Benner I'd just love to add it's been a great project and continuing to be a great project its going to be really one of the biggest projects that Gilbane Hunt is proud of and happy to be partners bringing it to the City of Worcester. And I would like to say also that the TCO is truly a team effort between the Team between the City between Skanska between Gilbane Hunt all of our fine contractors men and women it was a huge effort it's not done but we did reach quite a milestone last week. Chair Pedone thank you for joining us thank you for clarification and candor frankly on the report and we look forward to May 11th opening day wrapping this thing up.

1. Authorize Execution of a Lease with Massachusetts Bay Transportation Authority for Union Station

Mr. Dunn this is another milestone for a project that we've been anxiously anticipating and probably the biggest meat of your packet in terms of description of the item. I think it makes sense to take Item 1 and 2 collectively, I believe there are three separate votes. This is the advancement of the center platform project for Union Station in partnership

with the Massachusetts Bay Transportation Authority (MBTA). We have the principal lease terms, as we discussed this the MBTA will be making substantial investments with us in the center platform project and Union Station. Even though they've been operating their commuter rail for several years and now with this additional investment as well as the need for about 200 square feet of office space for two small offices to support their operation of the commuter rail we needed to formalize the lease arrangement between WRA, Union Station and MBTA and we have the principal terms of a lease agreement. The key terms the actual leased premises would be 200 square feet of very small area for two offices. There are significant common areas as you would imagine as it is important to them to maintain the operations and continuity of the commuter rail service they do need to have protections on the common areas as commuters make their way to the platform and get on the MBTA trains. Included in the packet are exhibits that show the delineation of these areas where the small offices will be and common areas that we are all familiar with in the Station. The lease term is thirty year term with lease options to renew ten years each which is expected for the tens of million dollars that they will be investing in the center platform project. The rent is very small for the office space inconsideration of the massive investment in terms of a dollar for the office spaces, they are contributing to the common area maintenance the pro rata share of their leased premises of the building they will contribute to the common area maintenance expenses that we have to operate Union Station. There will be other terms and how the relationship will work if they need to do additional signage for the commuter rail and making sure all that signage is ADA Accessible and some of that includes auditory signage as we've all experienced in. Public Transportation Stations for visually impaired those types of requirements for ADA. Maintenance and cleaning services and we're using that scope of work of the RFP that Mr. Odell described last month in terms of cleaning services provided at the Station as well as the current security services with the help of the Police Substation that's located at Union Station. Long story short these are the principal terms of the lease agreement with the MBTA and a huge milestone for them to finish up the bid package to put out for the center platform project should this be approved by the Board we expect the timeline on that to be the end of May and take about three months to identify and contract with main contractor doing the bulk of the work and expect to get started on the project this calendar year but probably likely in the fall with the three identification will take un until the end of summer. The other two documents we would sign with MBTA one of the Right of Entry Agreement which is a right of entry for the contractors that is ultimately selected for access to our property to carry out the improvements. In the principal terms they will submit to us coordination plan and important to us that we have a review plan, coordination with the contractor as it relates to us granting the right of entry and the last piece a Memorandum of Agreement regarding the FTA funds contributing to the project like we do with other improvements at Union Station. It's really like three documents that are wrapped up into getting the next phase of the center platform project underway. Chair Pedone to say that this is a huge milestone is an understatement. The better part of the last three decades a lot of folks on this screen this Station in a position that the MBTA would partner with us rather than being seen as an adjunct kind of appendage of their operation. This moves that needle considerably forward. A lot of folks in this City have been working really hard over the past three decades to get access to the City of Boston and vice versa with reverse commute into Worcester from inside the Route 128 belt so this is great news and great achievement and great step forward. Mr. Angelini that you Mr. Dunn for a complete report, great. Mr. Dunn thank you and I'll give Mr. Odell acknowledgement he has been working really closely with me on this and a lot of work that went into it, I won't take all the credit for it. Mr. Angelini thank you all.

Mr. Angelini offered the following motion:

Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute a Lease Agreement between the Worcester Redevelopment Authority and Massachusetts Bay Transportation Authority for 200 square feet of office space located on the first floor of Union Station along with certain common areas related to the MBTA center platform project.

Mr. Minasian seconded the motion.

The item was approved 5-0 on a roll call vote.

2. Authorize Execution of a Memorandum of Agreement and Right of Entry Agreement with Massachusetts Bay Transportation Authority Relative to the Center Platform Project

Mr. Angelini offered the following motion:

Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute a Memorandum of Agreement and Right of Entry Agreement between the Worcester Redevelopment Authority and Massachusetts Bay Transportation Authority relative to the MBTA center platform project.

Mr. Minasian seconded the motion.

The item was approved 5-0 on a roll call.

3. Authorize Amendment 3 to the Downtown Urban Revitalization Plan Relative to 484-500 Main Street

Chair Pedone expressed that this item is a great opportunity for the Board to speak again about the work that we've been able to do over the past five or six years with our Urban Revitalization Plan. Thank you Mr. Dunn for giving us the report where we stand with projects identified in your reporting on the Urban Revitalization Plan. This is obviously one of those projects 484-500 Main Street a/k/a the Denholm Building and in our plan identified a few of the condos. This motion would expand the Urban Revitalization Plan to include the entire building, this is big news, great news about a property right in the heart of our downtown and make headway on making that property viable. Mr. Dunn just to recap from last month and the status of the building, we have been for over a year and half now having conversations with the Condominium Trust, as well as some of the individual owners and organizations that are located at that property getting a sense of the current conditions are, what kind of pathway forward would there be, exploring options both for, can the building be rehabbed, what does that look like are there a lot of challenges associated with trying to come up with sort of a reuse or improvement to a rehabilitation plan for the existing structure. We know there are a lot of challenges with the way it is laid out, the configuration, dead space in the middle due to the escalator and its use as a former department store. They're looking at what options there may be and what this would do. This would be a Minor Plan Amendment with DHCD to expand the scope of what we targeted in the initial Urban Revitalization Plan, which were the seven condo units on the first floor for rehabilitation, revitalization. In order to have this meaningful conversation with the Trust, the rest of the owners of the building, we need to expand the scope of that to include the whole building and that's the essence of the

amendment. Mr. Dunn gave an overview to DHCD about the plan and confirmed that this would be a minor amendment and does not deviate from the initial objectives set out in the Plan. They agree with the approach and the way to have good conversations with the WRA to potentially assist with this project that we should look comprehensively at the whole building. Happy to take the next step and continue the conversation with the owners and the trusts on what our partnership and involvement might look like in that regard. Chair Pedone that you for the work and the Administration and your office has done with DHCD to facilitate a conversation about a minor change plan amendment it's helpful to us here in the City and helpful to the WRA and thanks for the good work.

Mr. Tilton asked how many owners are there in the Denholm Building. Mr. Dunn advised there are thirty-six units and those are controlled by eighteen owners. Mr. Tilton asked who controls the common areas. Mr. Dunn advised the trust. Mr. Tilton asked if you decide or whoever decides that rehabilitation, remodeling is not feasible because of the way it is constructed and in its condition, and that it has to come down and there are two or three of these owners that disagree with you and say no and not ascent to that how does that work? Mr. Dunn replied I believe that is a step ahead. I think first what we would do would be talk about acquisition. If the WRA were to consider getting involved in that regard we could potentially assist with acquiring the building and that would involve discussions with them. There are a lot of hypotheticals of what the owners could say, what the Trust wants, and there are condo documents outlining the majority interest of the Trust. It's really tough to go down a direction of a particular hypothetical without really having the set of facts leading to that circumstance.

Mr. Tilton I've heard, but not looked at the condo documents or discussed them with anybody, but I understand there is a provision in there that if seventy percent of the owners ascent to a sale and that the other thirty percent have to go along, is there any truth to that? My understanding with that is that there is a provision about majority interest and the ability for a majority stake of the owners to make a decision on behalf of the whole building, but again I would not want to comment on the sort of specifics of that kind of legal transaction at this time. Mr. Tilton but there are perceived pathways to get to where we want to go, correct? Mr. Dunn, yes and I think based on their discussions with other buyers that may have been interested over the last year and a half, that this could be necessary. As I mentioned, we've been exploring opportunity for them to partner with another entity to look at the building, work with a buyer that might be able to bring the building to a new level in terms of its contributions to the downtown and kind of aesthetics and overall conditions of the building. In a number of those conversations it seems it could be helpful for the WRA to play a role with a transaction in that regard and the challenges associated with building. Like any other challenging property, there have sometimes been public private partnerships where the public sector, in this case through the Worcester Redevelopment Authority, could get involved to see if we can help make a transaction more feasible. I think that's the direction we are going in. Mr. Tilton that's good to hear and it's an important acquisition and an important project and agree that's it an eyesore. Thank you for the information.

Mr. Angelini I'd like to echo Mr. Tilton's observations and I think this is an extraordinary step and reflects and is a meter fore on how economic development is being approached in our community and I'm very enthusiastic about the City's leadership, the WBDC. I think as many of us know this is a troubled building in all kinds of ways populated by many nonprofits none of which are well served by the space they are in. It's inefficient space, and my encouragement is that we take advantage aggressively of the economic situation in Worcester now and move ahead with this project as promptly as

possible. I visit this building often because nonprofits as many of us work with, this has to be solved it needs to be solved now, now that a developer is interested, not in this building but in this space. I have no doubt that any study of this building will be a recommendation for the building to be demolished, and that's not a word anyone of us has grown to like as an alternative to rehabilitation but I'm convinced as an amateur and with respect to this building its right in the heart of our City and needs urgent attention and the tenants of this building need and the owners need our help. I'm delighted by this progress by work of the WBDC, the City and want to encourage us to be very, very aggressive but moving as quickly as possible as we can regarding it. Thank you Mr. Dunn for your leadership on this.

Mr. Tilton offered the following motion:

Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice chair to file a minor plan amendment to the Downtown Urban Revitalization Plan, as amended, to expand the targeted properties for acquisition at the Denholm building, 484-500 Main Street.

Mr. Angelini seconded the motion

The item was approved 5-0 on a roll call.

4. Authorize Execution of an Easement with Eversource relative to the Pickett Plaza Project

Mr. Tilton offered the following motion:

Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute an easement with Eversource relative to the Pickett Plaza Project.

Mr. Angelini seconded the motion.

The item was approved 5-0 on a roll call.

5. Authorize Execution of Amendment 11 to the Downtown Urban Revitalization Cooperative Agreement in the amount of \$2,525,080

Mr. Dunn this is the Cooperation Agreement for the financial transactions flow from the City of Worcester to the Worcester Redevelopment Authority. This dollar amount \$2,525,080.00 and comprised of a couple of components; one mainly due to the City's successful grant application to the State's MassWorks Program we received \$1.5 Million from the MassWorks Program for the construction of Green Island Boulevard which is the new public roadway that's across the street from Polar Park, on the south side of Madison Street and that project had been carried out by the Worcester Redevelopment Authority as part of the contract with Gilbane Hunt, so this reimburses the WRA for that because the grant award was to the City of Worcester since it is a public street. Another key piece of the dollar amount is \$800,000.00 with the City of Worcester and DPWP also for work on the south side of Madison Street. DPWP had a stock pile of soils on one of their properties for quite a while that they had a need to dispose of and as part of the grading work we did on that south side of Madison Street for Green Island Boulevard. We first tested the soil to make sure the conditions were okay to use that as backfill for

Green Island Boulevard and that was done and carried about by the WRA and this is a dollar amount that would have incurred by the DPWP to dispose of off of their property to some other disposal site and a reimbursement to the WRA because WRA incurred the cost to carry out and transfer the soil.

Mr. Angelini offered the following motion:

Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute Amendment 11 to the Downtown Urban Revitalization Cooperation Agreement between city of Worcester and Worcester Redevelopment Authority in the amount of Two Million, Five Hundred Twenty Five Thousand, Eighty Dollars and No Cents (\$2,525,080.00).

Mr. Tilton seconded the motion.

The item was approved 5-0 on a roll call.

7. Financial Update Report

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

Mr. Dunn the totals 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've seen in previous months.

8. Status Reports:

- Union Station – Vendor & Maintenance Performance**
- Union Station – Miscellaneous Renovation Projects**
- Urban Revitalization Plan**
- Midtown Mall**
- Great Wall**

Mr. Dunn advised we did speak about the center platform project and will keep the Board updated as we move forward maybe not by next month but hopefully the next and the project out to bid if their schedule is met. As it relates to the vote last month the Board voted to do an Access Agreement with the Worcester Regional Food Hub for them to get into the ground floor space as the loading dock has been mainly used for storage historically to view the area with their consultants, architects and engineers to develop construction plans, construction budget, design plans to get their arms around the total costs for their buildout. We toured the space yesterday, the Access Agreement has been signed we did join them for that visit with their architect and continue to move forward progressively. Mr. Minasian who is responsible for the cost of the buildout? They are going to raise as much funds for everything but they can include if there are some things i.e., fire suppression work that may need to be done. We'll ultimately as we receive the plans from them and look at the budget and delineate what a landlord responsibility versus tenant responsibility and will work collaboratively with them on the fund raising efforts. There are a number of different sources that can be looked at both public and private, grant sources as well as Federal funds coming in for food security issues. They've done a great job with some of the food security efforts in getting fresh and healthy produce to all families in Worcester and will be able to work collaboratively on

their fund raising budget and how successful that is and what it comes down to and any investment required by the WRA would certainly inform the lease terms. Were very early on right now and continue to come back to the Board to provide updates and financial participation looks like and how that informs a lease at that time. Mr. Tilton inquired about who the organization is or people in charge of this project? Mr. Dunn informed Mr. Tilton that we can invite the organization to a future Board meeting for a presentation. This started as an initiative with the Worcester Regional Chamber of Commerce and the Health Foundation of Central MA. The Health Foundation of Central MA has been their primarily financial support to date, but the Worcester Regional Chamber of Commerce through their nonprofit is there fiscal agent. They have a full-time staff of about two or three at this point, the Director's name is Sean Rainford and have been around for about four or five years, closer to five years and they started at the Worcester County Food Bank in Shrewsbury, MA. They wanted to make sure they are accessible as possible to their target population which is Worcester residents in particular, and have been operating temporarily out of the Greendale People's Church as well as a storage facility. They have two components of their operation, they do a shared kitchen which helps remove the barriers for entry food entrepreneurs because it is very costly to have a fully commercial permitted kitchen and they rent out and have membership with food entrepreneurs to use that shared kitchen and also have an aggregation and distribution operation that helps the local farms in the region by connecting them with buyers, including institutional buyers like the colleges and universities, Worcester Public Schools, hospitals. Typically those institutional buyers have significant order sizes so they work with the smaller farms to put the produce they have together to fulfill those larger orders and that is the aggregation and distribution part of the plan. The operation has been pretty successful since Shon Rainford has been around, leading for about three years as Executive Director. This is the background and who is involved with the initiative. Mr. Tilton thank you. Chair Pedone I'm aware of the project and would like to have them come before the Board and this is very preliminary and there is a hope that we will be able to move this project there are State and possibly Federal funds looking to be accessed and without support of those entities it's going to be a heavy lift for this project to actually get off the ground but it might not be a bad idea to have the group before the Board and understand where they are and what their plans are. Mr. Dunn will have them before the Board. Chair Pedone requested a status update on the two main tenants of the building and area near the garage available and get back on track with marketing this building. We had a conversation before the pandemic about developing a long term plan for the space in the building. We do have a long term lease with the Cannabis Control Commission there is the Great Hall and two main components of the first floor that we should be discussing as well as the three bays facing the Canal District and would like to have on the agenda for the next meeting a master plan for Union Station. Mr. Dunn informed the Board that there are activities at two of the properties, the façade work is underway at Midtown Mall and Raymond James Restoration is performing the work and has done phenomenal work on other historic buildings. MG2 has started work as well on their renovation at 517 Main Street. As I described last month upper floor residences about eight units with a \$3.5 Million Dollar investment. The Great Wall is really about working with them on a more feasible financing strategy I think they have good intentions that they would like to pursue renovating those upper floors for residential but I think we can help them come up with a good financing strategy to accomplish that because I don't think they have a formal plan in place right now. Mr. Minasian inquired about the Washington Square demolition project Vacuum Cleaner Building. Mr. Dunn advised F&D Truck was awarded the public bid for the project and the Board had seen before a couple of agreements regarding that bid. Due to the nature of the building as well as the condition it was deemed a public safety hazard at the time and

has to move through the State Chapter 139 process as terms of designating it for demotion when it becomes a health and safety hazard for the public. We may have a change order and will keep the Board informed. Once you demo a building you might find surprises. Mr. Minasian can you update us on the land project. Mr. Dunn advised one of the things we've been monitoring with the hotels, since some of the hotels have TIFs, are employment figures. When they submitted employment figures for the end of June, 2020 and December, 2020 the numbers were down in occupancy and that affected their employment levels at the hotels. But since then it's really great to see they are recovering quicker than they expected, better than average and really great to see that trend continue as it will be helpful for the overall project schedule for the Home2 Suites at Washington Square. We continue to communicate with that developer but he was certainly waiting for occupancy rates to stabilize as it relates to the financing for that project. The best guess I would say now is that we're hoping the project can get started in 2022. I don't see any pathway getting started before then and hopefully if conditions continue to trend in the right direction to try to maintain that schedule but it's tough to predict these days. If we have any kind of unexpected waves of the new variant of the virus or anything like that. Chair Pedone when have meetings scheduled for May 14, 2021, June 11, 2021 and July 9, 2021 and we might want to check our July 9, 2021 meeting and what summer meetings might look like. Chair Pedone we might want to look at in person meetings or some hybrid model of meetings and a conversation for our first fall meeting.

9. Adjournment

There being no further business, Mr. Dunn called the roll to adjourn the meeting, the meeting adjourned at 10:38 A.M.

Respectfully submitted,

Peter Dunn
Chief Executive Officer