

City of Worcester, Massachusetts

Michael V. O'Brien
City Manager

Timothy J. McGourthy
Chief Executive Officer
Worcester Redevelopment Authority



WORCESTER REDEVELOPMENT AUTHORITY

Tuesday, November 13, 2012

12:00 P.M.

Union Station – CMRPC Conference Room

2 Washington Square

Worcester, MA 01608

Present:

Worcester Redevelopment Authority Board

Robert Diaz
John Donahue
Steven Rothschild
Robert Thomas

City of Worcester

Timothy McGourthy, WRA Chief Executive Officer
Michael Traynor, Deputy City Solicitor
Erin Cahill, Financial Manager, WRA
Paul Morano, Director, Business Assistance
Jane Bresnahan, Executive Office of Economic Development

Pursuant to a notice given (attached), a meeting of the Worcester Redevelopment Authority was held at 12:00 P.M. on November 13, 2012.

1. Call to Order

Chief Executive Officer Timothy McGourthy called the meeting to order at 12:20 P.M.

2. Roll Call

Mr. McGourthy called the roll.

3. Minutes of the October 9, 2012 Meeting

Mr. McGourthy asked the Board to review the minutes. Mr. Diaz offered approval of the minutes with Mr. Thomas seconding the approval.

4. Other Business

a. Monthly Expenditure Report

Erin Cahill, WRA Financial Officer, reviewed with the Board the check detail and monthly comparison summary noting that between October 4 and November 8, 2012 expenses were \$56,130.12. Ms. Cahill advised the Board that an expense of \$9,152.45 was related to the design services for the Wormtown space. The Board requested that they be provided a copy of the design plan.

b. WRTA Monthly Update

See 4. Discussion/Votes e.

c. Theatre District Initiative

Mr. McGourthy advised the Board that he is still in discussions with WBDC and their new planning consultant. The Worcester Public Library Board has been reviewing the plan. Mr. McGourthy stated that he will bring to the Board the new master plan once complete.

d. Tenant Updates

Ms. Cahill noted that every tenant with the exception of Byblos Lounge is current with their rent. Byblos Lounge is 10 days behind.

Mr. McGourthy stated that Maxwell Silverman's has not responded to Atty. Traynor's reply to their inquiry about the awning and rent, and that per the terms of the lease with Maxwell Silverman's the tenant must remove the awning by November 1, 2012.

Mr. McGourthy also noted that Byblos Lounge was issued a cease and desist order from the City of Worcester's Inspectional Services for operating a hookah smoking area without the proper approvals required.

There being no further business, the meeting was adjourned at 1:00 P.M.

Respectfully submitted,

Timothy J. McGourthy
Chief Executive Officer

a., b., & c.

Mr. McGourthy reviewed with the Board the cost fit-out of the tenant space and equipment purchase for Wormtown Brewery. Mr. McGourthy explained to the Board the process of the acquisition of the brewing equipment through the City of Worcester Purchasing

Department, with an estimated cost of \$400,000. The purchase of the equipment is conditioned on an execution of a lease between the WRA and Worumtown Brewery.

Mr. McGourthy also explained that the Board may need to use the City's on-call architectural services firm, Lindgren & Sharples, to provide tenant fit-out design services for Worumtown Brewery, which cost is estimated to be \$430,000. This will necessitate an amendment to the Union Station cooperation agreement for capital funding. Mr. McGourthy and Mr. Traynor noted that they are working on including in the lease charges for the common area and prepayment on the equipment. Mr. McGourthy will send the Board members a draft lease for review with the possibility of scheduling a special meeting to move the project forward.

e. Union Station Capital Program

Mr. McGourthy reviewed with the Board the rent portion of the lease between the Worcester Redevelopment Authority and Worcester Regional Transit Administration. The WRTA will pay rent in approximately \$1.3 million per year from the Federal Transit Fixed Guideway Funds, or any successor funding. Said funds average approximately \$1.3 million per year. Mr. McGourthy explained that the WRA needs to provide the WRTA with a projected budget 60 days (essentially by October 31st) prior to the beginning of the calendar year. The WRTA will review and approve, and work with the WRA as necessary to secure any additional approvals, including Federal officials and the Metropolitan Planning Organization (MPO). The WRTA's rent payments begin 90 days after receipt of a Certificate of Occupancy. The WRTA's estimated occupancy date is March 2013, which means that rent would begin July 1, 2013. Rent is based on a calendar year, which means that as of October 31, 2012, the WRA will provide the WRTA with a Budget for July 1, 2013 through December 31, 2013. Mr. McGourthy reviewed with the Board the FY13 – Capital Projects; FY13 Maintenance Projects, and FY13/14 – Future Phases and Capital Items budget.