

City of Worcester, Massachusetts

Michael V. O'Brien
City Manager

Timothy J. McGourthy
Chief Executive Officer
Worcester Redevelopment Authority



WORCESTER REDEVELOPMENT AUTHORITY

Tuesday, December 11, 2012

12:00 P.M.

Union Station – CMRPC Conference Room

2 Washington Square

Worcester, MA 01608

Present:

Worcester Redevelopment Authority Board

Vincent Pedone
John Donahue
Steven Rothschild
Robert Thomas

City of Worcester

Michael V. O'Brien, City Manager
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 December 11, 2012.

1. Call to Order

Chief Executive Officer Timothy McGourthy called the meeting to order at 12:10 P.M.

2. Roll Call

Mr. McGourthy called the roll.

3. Minutes of the November 13, 2012 Meeting

Worcester Redevelopment Authority
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Mr. McGourthy asked the Board to review the minutes. Mr. Thomas offered approval of the minutes with Mr. Rothschild seconding the approval.

4. Discussion/Votes

a. Strategic Planning

Mr. McGourthy introduced City Manager Michael O'Brien to the Board members. Mr. O'Brien thanked the Board members for their commitment to the success of the WRA.

Mr. O'Brien stated he is committed to bringing new resources, including funding for planning, engineering and land acquisition and including dedicated staffing to the WRA to begin a public process for the accomplishment of an Urban Renewal Plan and a reinvigoration of the WRA. Mr. O'Brien noted that for many years, the WRA's primary responsibility has been property management of Union Station and past urban renewal plans. Mr. O'Brien noted that significant development is underway in Worcester, as illustrated by the construction at CitySquare, Union Station, Franklin Street, and the Canal District. Mr. O'Brien referenced the Downtown Worcester Theatre District Master Plan previously presented in draft form to the Board which identifies buildings and properties in disrepair and opportunities for revitalization.

Mr. McGourthy noted to the Board that only the Medical City Urban Renewal Project and Union Station Urban Revitalization Plan are active. Those two projects support the ongoing development of the Worcester Medical Center/Saint Vincent Hospital complex, the redevelopment of Washington Square, and the operations of Union Station including the construction of the WRTA hub. Mr. McGourthy reviewed the timeline of the Theatre District Master Plan process with the Board.

Mr. O'Brien stated that he is looking forward to a working relationship with the Board with a focus on the Central Business District and downtown block to begin the process for an urban renewal plan and funding. Mr. O'Brien also noted that he would like to explore the possibility of the WRA to assist in the stabilization of neighborhood properties and that, over the next six months, he will bring submit to City Council a plan for the revitalizing the WRA. An initial area will be identified and startup of operations for the WRA.

Mr. Thomas requested that institution of an urban renewal area consider the opportunities for redevelopment in the "Main Middle" area of the city as well.

b. Developed Land

Mr. McGourthy updated the Board on the Canterbury Towers project on Lancaster Street that was developed under the Elm Park Urban Renewal Plan, an elderly affordable housing complex. He stated that a new owner is looking to purchase the property and requires WRA Board approval for the transfer and to remove a reverter clause within the contracts. He will be bringing the required votes before the Board at a future meeting.

c. Undeveloped Land

Mr. McGourthy reviewed with the Board the opportunities around Washington Square. Certain actions will be undertaken in order to determine the boundaries of the project area and the parcels expanded by the reconstruction of the rotary into the smaller roundabout.

d. Union Station

(i) – Staff reached an agreement in principal with Wormtown Brewery as outlined in a letter provided at the meeting. Since the prior Board conversation on the topic, WRA representatives met again with the prospective tenant and reached agreement that the WRA would provide the fit out of the space, including certain mechanical items, while the tenant would provide, own, and operate all brewing equipment. Wormtown Brewery will pay a rent price per square foot of \$10.23, beginning in year four (4) of the lease term. The Tenant will be responsible for any utility costs metered within the leased area. The net lease will be for fifteen (15) years with two (2) additional five (5) year term options. The WRA members expressed their support for the proposed approach and looked forward to final submission of the lease for approval and execution.

Mr. Morano stated that the City’s Architectural Services Division and Lindgren & Sharples will need to move forward with construction documents one the lease is signed by the proposed tenant. The Board voted its approval for the expenditure of up to \$18,000 to Lindgren & Sharples to move forward with necessary design.

Mr. Rothschild asked Mr. McGourthy about property management for the building. Mr. McGourthy advised Mr. Rothschild that the building was managed by City staff (Mr. Rick Trifero), with a portion of his salary (\$38,000.00) charged to the WRA to cover expenses. Mr. McGourthy explained to the Board that the City’s Chief Financial Officer is preparing a budget for a Building Management Division which will require City Council approval prior to implementation. Mr. McGourthy will bring the proposed changes before the Board at the appropriate time.

Mr. McGourthy and the Board also discussed tenant issues in the building related to communication.

5. 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 November 9 and December 6, 2012 expenses were \$71,447.11. Ms. Cahill advised the Board that an expense of \$5,119.50 for Rutland Nurseries was related to snow removal.

b. WRTA Monthly Update

The project remains on schedule.

c. Theatre District Initiative

Mr. McGourthy provided the Board with an overview of the process and a general outline of next steps, including planned public discussion opportunities.

d. Tenant Updates

Mr. McGourthy highlighted issues with various tenants in the Station, including Byblos Lounge and Maxwell Silverman’s.

There being no further business, the meeting was adjourned at 1:35 P.M.

Respectfully submitted,

Timothy J. McGourthy
Chief Executive Officer