

City of Worcester, Massachusetts

Michael V. O'Brien
City Manager

Timothy J. McGourthy
Chief Executive Officer
Worcester Redevelopment Authority



WORCESTER REDEVELOPMENT AUTHORITY

Tuesday, July 18, 2013

3:00 P.M.

Union Station – CMRPC Conference Room

2 Washington Square

Worcester, MA 01608

Present:

Worcester Redevelopment Authority Board

Robert Diaz
Vincent Pedone
Robert Thomas

City of Worcester

Timothy McGourthy, WRA Chief Executive Officer
Michael Traynor, Deputy City Solicitor
Rick Trifero, WRA Facilities Manager
Erin Cahill, Financial Manager, Financial Manager, WRA
Jane Bresnahan, Executive Office of Economic Development

Pursuant to a notice given (attached), a meeting of the Worcester Redevelopment Authority was held at 3:00 P.M. on July 18, 2013.

1. Call to Order

Chief Executive Officer Timothy McGourthy called the meeting to order at 3:15 P.M.

2. Roll Call

Mr. McGourthy called the roll.

3. Minutes of the June 11, 2013 Meeting

Mr. McGourthy asked the Board to review the minutes. Mr. Thomas offered approval of the minutes with Mr. Rothschild seconding the approval. Mr. Trifero was not listed as a participant of the meeting. His name will be added to the minutes.

4. Discussion/Votes

d.i. Transfer of Parcel 1 – Washington Square

Mr. McGourthy provided the Board with the item submitted to City Council regarding the transfer of Parcel 1 in Washington Square. Mr. McGourthy advised members that it was sent by Council to Subcommittee. The process usually takes one to two months to complete before disposition to the WRA. Mr. McGourthy advised members that he has met with parties interested in the property in the past and has had preliminary discussions with the owner of the Houston property.

e.i. Garage

Mr. McGourthy informed the Board members that a draft Commercial Lease Agreement has been sent to the Off Street Parking Board for consideration. The lease details the portions of the first floor, as defined in Article 1, for the purpose of retail use. Mr. McGourthy emphasized that no funding will be required until a tenant is found but allows the WRA direct negotiating power with future tenants.

e.ii. Commuter Rail

Mr. McGourthy provided Board members with details of a meeting held with representatives of the Boston Surface Railroad Company (BSRC). BSRC expressed interest in using the existing Providence and Worcester platform at Union Station to service passengers. They hope to have daily service initially to Providence and Woonsocket, Rhode Island. Mr. McGourthy will keep the board apprised as plans develop regarding the possible new service.

e.iii. Byblos Lounge

Mr. McGourthy advised the Board that Byblos Lounge arrears have been paid in full. Mr. Lahoud is looking forward to operating the Hookah in his restaurant and working with the WRA on the potential creation of a corridor through the Byblos space to the currently vacant north tenant area. Board members stated that approval is conditioned upon keeping the rent current.

Mr. Thomas offered the following motion:

- **Compliance with all state and city laws regulating a smoking bar operation.**
- **Prior to the commencement of any smoking activities, Fusion Entertainment, LLC shall,**
 - **hire an engineer to design an air handling system that will ensure no smoke or odors will be perceptible beyond the interior spaces of the leased premises;**
 - **submit the planned improvements to the WRA for review and approval prior to construction; and**
 - **install, at Fusion's sole expense, the approved air handling system.**

- **After commencement of the smoking activities, if any odor from the hooka or smoke is detected outside the interior confines of the leased premises, the WRA shall have the right to immediately revoke or suspend its authorization for the operation of a hooka bar within the leased premises.**
- **If Tenant's rent payment becomes more than thirty days past due, the WRA shall have the right to immediately revoke or suspend its authorization for the operation of a hooka bar within the leased premises.**

Mr. Pedone seconded the motion, and it was voted 3-0 on a voice vote.

- f. Authorization to modify FY 13 Operating Agreement*
- g. Authorization to modify FY 14 Operating Agreement*
- h. Amendment to FY 13 Capital Agreement*

Ms. Cahill reviewed with the Board the above amendments to the Union Station Cooperation Agreement. She noted that \$138,000 less in the operating funds from FY 13. Mr. McGourthy offered that at the next board meeting he will provide an updated list of capital improvements to be submitted for FTA funding, while noting that some instances require a 20% match. Mr. Thomas inquired as to the recently approved WRA budget and next steps. Mr. McGourthy stated that a draft outline/RFP for the consultant should be available for the next meeting and that new staff would be starting sometime in January/February of 2014.

Mr. Pedone offered the following motion:

Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute amendments to the Union Station Cooperation Agreement for the following purposes and amounts:

- **for a reduction in the FY13 Operating Funds loan from \$552,720.00 to \$414,540.00;**
- **for FY13 Capital Funds in the amount of \$575,000.00; and**
- **for FY14 Operating Funds in the amount of \$385,667.00.**

Mr. Thomas seconded the Motion and it was voted 3-0 on a voice vote.

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 June 6, 2013 and July 10, 2013 expenses were \$85,766.83. Ms. Cahill noted an increase of \$34,004.58 to the City for salaries and fringe. Mr. McGourthy informed the Board that he hopes to have John Odell, the City's new property management official, attend the next meeting to review the new office and overall plans for Union Station.

b. WRTA Monthly Update

Mr. McGourthy requested that the Board remove the WRTA update from the agenda for the next meeting. A few questions arose regarding the issue of bus schedules.

c. Theatre District Initiative

Mr. McGourthy advised the Board that the plan remains in the City Council's Economic Development Committee.

d. Tenant Updates

Mr. McGourthy stated that Maxwell's has erected the awning on the west platform.

4. Discussion/Votes (continued)

a. Vote – Reorganization of Board – Election of Officers

After discussion by the Board, Mr. Diaz offered the following motion:

Voted that the Worcester Redevelopment Authority hereby elects the following slate of officers for the 2013 fiscal year:

Vincent A. Pedone, Chair

John F. Donahue, Jr., Vice-chair

Steven Rothschild, Secretary

Mr. Thomas seconded the Motion and it was voted 3-0 on a voice vote. The members also expressed their intention to keep the above slate of officers in place for a period of two years.

There being no further business the meeting adjourned at 3:45 PM

Respectfully submitted,

Timothy J. McGourthy
Chief Executive Officer