

Worcester Jobs Fund Oversight Committee

August 15, 2019

1:00 p.m.

MassHire Central Region Workforce Board, 340 Main St. Suite 400 Worcester, MA 01608

Meeting Minutes

WJF Oversight Committee Attendance: Isabel Gonzalez-Webster, Karen Pelletier, Maritza Cruz, Jeffrey Turgeon, Thomas Maloney, and Janice Ryan Weekes

WJF Staff: Kelsey Lamoureux

Guests: Peter Dunn, Bruce Ellis (R.P. Masiello Inc.), Mark Rengel (Menkiti Group)

- The meeting was called to order after a quorum was established.
- All attendees introduced themselves, their positions and their organizations.

Project Discussion

- M. Rengel provided an overview of the Menkiti Group's focus to serving urban neighborhoods through economic and real estate projects. Under the leadership of Bo Menkiti, \$180 million has been invested in LMI communities in Washington, DC and Worcester, MA with \$500 million more in the project pipeline. M. Rengel provided details of previous housing and commercial projects in Worcester, MA and Washington, DC that spurred economic development within neighborhoods. M. Rengel provided an overview of the Menkiti Group's experience with affordable, workforce, mixed-use, and senior housing projects, including experience with Low-Income Housing Tax Credits and Veteran's housing projects. Additionally, the Menkiti Group has experience assisting 2,200 families as they purchase their homes, including educating and consulting for first time homebuyers. M. Rengel noted that in addition to the development of physical structures in Worcester, the Menkiti Group is also able to provide small businesses in the area with financial advice to promote more economic and local job development.
- J. Weekes inquired about the process for gaining access to small business' financial information to assess whether they are a good candidate for financial advice. M. Rengel stated that the successful building of personal relationships and trust between small businesses and the Menkiti Group has allowed this collaboration.
- M. Rengel described the Menkiti Group's commitment to honoring the legacy of Ifeanyi Anthony Menkiti, who had spent his life as a community leader, entrepreneur and professor. Mr. Ifeanyi Menkiti had owned properties in Worcester, MA with the hope of creating a space for the philosophic, academic, artistic, and cultural community to meet and share ideas. In order to honor the late Mr. Menkiti's vision, the Menkiti Group is committed to a long-term investment and development in Worcester that builds on the academic, architectural, and property assets as well as building the entrepreneurial spirit across the City.
- M. Rengel presented information on 5 properties the Menkiti Group has purchased in Worcester, including 554 Main St, 526 Main St., 403-405 Main St., 204 Main St., and 17-23 Chandler St.

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These projects encompass a range of uses including residential, retail, office, and co-working spaces. Some of the projects are vacant and being reimagined with other spaces having existing clients and tenants.

- M. Rengel described the 6 Chatham St. project that is currently under review for a Tax Increment Exemption plan with the City of Worcester. The project plans to invest \$9.6 million into the building and convert the property into 24 market-rate apartments. The bid process for general contractor included 12 bidders and R.P. Masiello Inc. was awarded the general contractor role due to his history of working on other similar projects in Worcester and its establishment locally. B. Ellis provided an overview of R.P. Masiello Inc.'s corporate identity and contractor experience and noted that all subcontractors, union and non-union, will be invited to bid on the work at 6 Chatham St.
- K. Lamoureux inquired about the projected price on the market-rate units. M. Rengel stated that rents are expected to be between \$1,600 and \$2,000 and are consistent with HDIP requirements because they are accurately within the market-rate range. M. Rengel noted that these rents have to be approved and consistent with market-rate, but other properties, such as the property on 17-23 Chandler Street, may be a candidate for mixed pricing levels.
- M. Cruz noted that the rental prices for properties in the City of Worcester are significantly different than the rates for Worcester County and inquired about which data set will be used to calculate market rate. M. Rengel explained that these rates will be based on City of Worcester Average Median Income. M. Rengel also noted that work will be conducted with community groups to assess affordability in the City of Worcester versus Worcester County.
- I. Gonzalez-Webster inquired about the process for renovation and proposed rent structure at 17-23 Chandler St., highlighting the need for affordability and continued housing for existing tenants. M. Rengel noted that the tenants currently living at 17-23 Chandler St. will need to temporarily move from the apartments during renovations and that they will be able to move back into the renovated apartments after work is complete. The apartments will be renovated using any available Tax Credit programs and will still be at affordable rates for the tenants to return. M. Rengel highlighted the Menkiti Group's experience with affordable, workforce, mixed-use, senior housing projects, and Low-Income Housing Tax Credits. M. Rengel explained the process for applying for waivers that have assisted with the economic feasibility for providing affordable housing for seniors.

Worcester Jobs Fund Related Items:

- K. Lamoureux provided an overview of the Worcester Building Pathways Pre-Apprenticeship Training Program as a pathway for local residents, especially those who are demographically underrepresented in the trades, an opportunity to learn the skills necessary to begin careers as building trades apprentices. It was highlighted that many graduates are currently in apprenticeships and would be a strong candidate pool for contractors looking for diverse candidates. K. Lamoureux also provided information on the Tradeswomen Tuesday series of panel presentations that will be presented monthly in Worcester. These opportunities provide women an opportunity to engage in a Q&A discussion with current tradeswomen to learn more

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about careers in the trades and could be a source of potential employees for subcontractors on the project.

Adjourn:

- A motion to adjourn was made by J. Ryan Weekes, was seconded by J. Turgeon and was unanimously approved.

The next monthly meeting will be held Thursday, August 22, 2019 at 10:00 a.m.

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