

Holyoke Redevelopment Authority (HRA)
Meeting Minutes – February 5, 2020
City Hall Annex, 20 Korean Veterans Plaza, 4th Floor, Holyoke, MA 01040

Members Present:

John Whelihan, Chairperson
Thomas Creed, Treasurer
Patricia Duffy, Asst. Treasurer

Staff Present:

Marcos Marrero, Executive Director
John Dyjach, Assistant Director
Benjamin Murphy, Development Specialist

Others Present: Councilor Michael Sullivan, Thomas MacQueen, Atty. Martin Dunn, Building Commissioner Damian Cote

1. **Call to order:** John Whelihan called the regular session to order at 5:05 p.m. and stated that the meeting was being recorded. A roll call followed:

<u>Name</u>	<u>Yes</u>
John Whelihan	X
Thomas Creed	X
Patricia Duffy	X

2. **Project/ Property Updates**

a. 216 Appleton Street- Discussion with Building Commissioner Cote

Chairperson Whelihan welcomed City Building Commissioner Damian Cote and asked that he and staff discuss the efforts to preserve 216 Appleton Street. John Dyjach started by providing some background and explained that the efforts to monitor and preserve the building are very important because the project is a year to two away from potentially getting started. Mr. Dyjach said the focus has been to identify feasible repairs to address the deterioration until Winn can start the project. Damian Cote said the property is actually multiple buildings in varying conditions and that deterioration started long ago before the city took ownership. He said that the roof is the biggest issue with water getting in and damaging the upper floor and descending over time to the floors below. He noted that the exterior appears to have good integrity and that the openings on the building actually help by providing air circulation. He said sections of the roof appear okay but there are areas of collapse on the Appleton and Cabot Street sides as well as where the internal roof drains are located. Mr. Cote said that there are ways to slow the damage but they would be very challenging and costly and the effectiveness is questionable. He added that because of the size and age of the roof any repairs would have to be continually be chased throughout the building. Patricia Duffy asked if the concern was about new damage occurring to areas which appear okay. Mr. Cote said not so much but more about the effectiveness of any repairs. John Whelihan asked if certain sections are worse. John Dyjach said the sections with most deterioration are the buildings closest to the Appleton Street side and the far opposite end near the Cabot Street condos. Thomas Creed asked if there was an estimate of how much of the building would be considered unsafe and as collapsing. Mr. Cote said most of the building can be accessed and estimated that less than 10% of the building has areas of roof or floor collapse. He added the damage has to be put in the context of slowly occurring for decade or longer. Patricia Duffy asked if Mr. Cote has walked the building with WinnDevelopment and if so what their reaction was. Mr. Cote said that he had walked it at least twice with them. John Dyjach added the concern seemed to be the deterioration of the floors are increasing the project cost. Thomas

Creed asked about public safety with the building in its current state and secondly would there be an asset left that Winn would be interested in if the project doesn't start until funding is secured in 2021. Damian Cote said no public safety issue has been identified and that as explained most of the damage is interior deterioration. Mr. Cote said that the dialogue with the developer is important because ultimately it comes down to what is needed to keep them satisfied. He added that without a full rehabilitation there's no way to feasibly secure the building because of its size but it is important to monitor and do whatever possible to keep the project going. Patricia Duffy asked what the conclusion was with Winn representatives. John Dyjach replied that a resolution is a work in process as Winn agreed to regularly monitor the property and cooperatively identify ways to preserve the building. John Dyjach noted that in addition to the Building Commissioner, Jose Cruz of the Building Department has been a great resource for inspecting and securing the property. Thomas Creed asked how often the property is checked. Damian Cote replied that it is not on the list for regular inspections but that it would be added. John Dyjach said that the agreement with Winn stipulates quarterly inspections. He added that the property benefits from having high visibility as it is next door to the Police Department, the Green High Computing Center and the 101 Cabot Street condos.

Chairperson Whelihan asked if there were questions from those in attendance. City Councilor Michael Sullivan suggested that the Building Department and Jose Cruz pay special attention to the area where the roof drains are located. He said that although the walls appear okay now, they could become compromised because of damage to the interior carrying beams that push out on the exterior. Damian Cote said Councilor Sullivan is correct but damage to the beams and columns has not been evident from what he's seen. He noted that it's important to remember this building was built for heavy industrial uses and that the floors held very heavy equipment. He noted the floors would likely need to be replaced because it's probably not feasible to remove all the nails and equipment supports that accumulated over the years. Chairperson Whelihan thanked Mr. Cote and said that although the building has a lot of challenges its size is also what attracts a developer like Winn. Thomas Creed expressed his appreciation and wanted to emphasize the priorities of public safety issue and the need to monitor the building to determine if any shoring up is necessary. He added that it's important to know there are eyes on the property and that he wouldn't want anyone to spend an extended amount of money or effort if there no was no immediate safety or asset preservation issue. Damian Cote replied that what you ask about safety and monitoring building conditions is what the Building Department does on a regular basis. He said that although this property is not on the list of problem properties it would be added because of its importance. Patricia Duffy also expressed her appreciation and asked that Commissioner Cote attend future meetings to provided updates.

b. 37 Appleton Street- Update from American Environmental

John Dyjach introduced Tom MacQueen of American Environmental and Atty. Martin Dunn who are in attendance to discuss the status of the redevelopment of 37 Appleton Street. Atty. Dunn said that except for some material left on site the demolition is by and large complete and the company has been using the property for some storage. He said the company is aware of the restrictions in the sale agreement that development of the property occur within a couple of years and they have been a little behind schedule but are developing site plans with Associated Builders that would include a truck repair facility. He said that the company is rapidly growing and although there have been some neighborhood frictions around 18 Canal Street, they are

resolving those as well as offering career opportunities for local residents. Atty. Dunn said the company hired him for the permitting of the truck repair facility and to again explore a transfer station at 37 Appleton Street where construction debris could be brought to the site and made into a product that would classify them as a manufacturer. He didn't think the purpose of this meeting was to debate that and they heard loud and clear from City Departments that they wouldn't be receptive to this use. Atty. Dunn said there's also been some interest in the site by cannabis companies but those did not proceed. He said that American Environmental understands its commitment to develop the site and the request is to give the consideration of additional time. Thomas MacQueen then described the work of the company and the very large equipment that is used. He said these are very expensive machines and that's why a maintenance and repair facility is needed. He said they are looking to build the facility near the center of the site extending to the northeast. Mr. MacQueen noted they are outgrowing their Canal Street location and they intend to locate much of their truck parking and equipment staging to the Appleton Street location to keep them from being an issue. He then described their industry challenges with transfer stations and landfills being more rigorous in requiring data on the waste streams they bring in. He said the cost is increasing and sometimes their loads are rejected because of the new standards being imposed. He said that's why they are considering another building closer to the Appleton and Canal intersection to be a complimentary element to their primary business where select waste stream could be brought in, conditioned and have value added. The material could be a saleable product or disposed of at the lowest possible cost for the company. He described wood and masonry products as products that could be cleaned and sold as a product to the aftermarket. He said anything that would be done would be an enclosed environment and permitted properly. Chairperson Whelihan thanked Atty. Dunn and Mr. MacQueen and opened the discussion to the Board. Thomas Creed said he has driven by the site and appreciates the work done but questioned the work that appears to still be needed and if there was any role for the HRA. Marcos Marrero noted the restrictions which Atty. Dunn referred to include a deed restriction prohibiting a transfer station were a result of the HRA's concern when the sale was approved. He said this deed restriction is on top of the IG zoning which does not allow a transfer station. Mr. Marrero said the meetings with Atty. Dunn and the company were to review proposed plans and uses at the site. He said we are aware of the pressures facing companies involved in waste stream management and the idea of bring value added to a material is something looked at favorably. He said there are other zoning considerations but there is a bigger picture industry issue and that the material reuse concept is important. Patricia Duffy asked about the future plans for the building at 18 Canal Street. Thomas MacQueen replied it is to stay as offices and possibly some specialized materials sales related to their industry. Ms. Duffy asked about employment and Mr. MacQueen replied they maintain about 100 employees and estimated 15 to 25 new positions. She said it would be good to receive an update as the project proceeds this spring. Mr. MacQueen also wanted to address the condition of 37 Appleton and said they are fully committed to proceeding with the project but there was a lull after spending over a million dollars on the demolition and they needed to put their focus on to customer jobs. Councilor Michael Sullivan said that it's not always mentioned but the company pays significant excise tax to the City because the expensive equipment the company has registered in Holyoke.

c. South Holyoke Homes

John Dyjach said that as part the standard grant acceptance process Marcos presented information to the City Council Finance Committee on the \$6.56 million MassWorks grant and it

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was approved by the committee as well as the full City Council. Marcos Marrero then described other planning work that has been ongoing and noted City Engineer Robert Peirent who is coordinating the infrastructure work. Mr. Marrero said there has been work on modifying traffic patterns and designs for walkways and bicycle lanes. He said that public outreach continues and noted the new SouthHolyokeHomes.org website and project logo. Thomas Creed asked if there was any sense about the community feedback. Marcos Marrero said that he missed a recent meeting but thinks the feedback has overall been supportive and about getting alignment of interests together. He added that he's heard the desire for more home ownership especially in Phase 3 but people seem to understand it's a matter of feasibility. Patricia Duffy commented that she thought the recent public meetings were productive. John Dyjach referred the Board to the memo from the HHA which provided their update.

d. Urban Renewal Plan Update - Discussion on Next Steps

Benjamin Murphy presented a conceptual schedule of the URP plan change process as well as DHCD guidelines. He noted the schedule appears ambitious but we wanted to outline the process for the Board's awareness and feedback. Marcos Marrero agreed that it is aggressive but the process is not as involved as when the plan was first rolled out. He also thinks that elected officials and the public now have more familiarity with the HRA and the URP. Thomas Creed suggested we consider outreach to councilors and other stakeholders before the official process starts. John Dyjach said another consideration to provide updates on what has occurred with the plan since it was approved. Ben said staff would continue to move this forward but this discussion was important to receive feedback.

3. HRA Board Business

a. Meeting Minutes of December 18, 2019

A motion was made by Thomas Creed and seconded by Patricia Duffy to approve the December 18, 2019 meeting minutes. All were in favor.

4. Other Business

a. Community Garden

Benjamin Murphy presented the Holyoke Gas and Electric's request to locate a utility switchbox on the parcel. He estimates that it would be no larger than a 20 x 20 foot space but it would cause a redesign. Marcos Marrero said staff is recommending the Board approve the request which would require the HRA to provide an easement to the HG&E. He added that because it will cause a slight redesign of the garden, we would ask for some compensation from the HG&E in the form them providing an electric service hookup at the site. Thomas Creed said it appears the switchbox has nothing to do with the site itself and asked if there was a specific reason as to why the equipment needed to be placed in this location. Marcos Marrero said he believes there are underground utilities nearby and this was the most convenient location for the HG&E without causing other complications and costs. Thomas Creed said he's sees no objection as long the design is not impacted and get some value for it. Ben Murphy said the next step is to provide the Board with an easement for consideration.

b. 800 Dwight Street

Marcos Marrero said that OneHolyoke CDC has agreed to participate in a design challenge with Leadership Pioneer Valley and they are having a public charrette on February 27 to consider redevelopment options for 800 Dwight Street. He said the Board will recall this is the

property adjacent to 123 Pine Street that the HRA swapped with OneHolyoke for the parcel in South Holyoke.

c. Aegis Energy

Marcos Marrero suggested that Aegis Energy be invited to an upcoming HRA meeting to provide an update the Board on their project. He said that Aegis is working to finalize renovations to the former Parsons Paper building and that staff recently learned the company made their 55 Jackson Street location available for lease. Mr. Marrero said that staff reached out to Aegis and was told the renovated building is much larger and can accommodate the entire business and have the same employment growth that was projected.

On another matter, John Dyjach explained the company asked staff to reconsider the approval of the HRA's subordination to Florence Bank of a second mortgage. He said that instead of approving a second mortgage they are asking that we subordinate to an amendment of the existing mortgage. Mr. Dyjach said the amounts remain the same just a different structure for the loan. A motion was made by Thomas Creed and seconded by Patricia Duffy to amend the original approval of a second Mortgage to accommodate a modified Mortgage for Jackson Canal under the same terms and conditions that were approved previously. A roll call followed:

<u>Name</u>	<u>Yes</u>	<u>No</u>
John Whelihan	X	
Thomas Creed	X	
Patricia Duffy	X	

5. Adjournment


With no other business, a motion was made at 6:45 p.m. by Thomas Creed and seconded by Patricia Duffy to adjourn the Regular session. A roll call followed:

<u>Name</u>	<u>Yes</u>	<u>No</u>
John Whelihan	X	
Thomas Creed	X	
Patricia Duffy	X	

Respectfully Submitted,

John Whelihan, Chairperson
Holyoke Redevelopment Authority

Documents presented at meeting:
HRA December 18, 2019 Meeting Minutes
South Holyoke Homes Memo Update


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