



Mayor Joshua Garcia

Holyoke Redevelopment Authority

City of Holyoke

December 5, 2022

Holyoke City Council
536 Dwight Street Rm 10,
Holyoke, MA 01040

Dear City Council,

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Holyoke City Clerk's
Holyoke, MA

Please find attached the Holyoke Redevelopment Authority (HRA) Annual Report which was presented to the HRA Board on November 30, 2022 for activities from November 1, 2021 through October 31, 2022.

If you have any questions please contact me at your convenience.

Respectfully submitted,

Aaron M. Vega, Executive Director
Holyoke Redevelopment Authority

Holyoke Redevelopment Authority (HRA)
Summary of Activities
November 1, 2021 - October 31, 2022

The annual meeting of the Holyoke Redevelopment Authority (HRA) takes place at the November meeting for the purpose of electing officers, receiving the annual report and for other business as necessary. The fiscal year of the HRA runs in conjunction with the City's Fiscal Year which is from July 1 to June 30th.

The HRA met on 11 occasions from November 1, 2021 through October 31, 2022:

- November 17
- December 15
- January 19
- February 16
- March 16
- March 30
- May 18
- June 16
- July 20
- September 21
- October 26

Summary of Activities

➤ **November 17**

- The Board was joined by representatives from Winn Development to provide project updates for the Appleton Mills project at 216 Appleton Street. Staff explained that the extension for the parking lot site at 191 Appleton is being reviewed by counsel and the dates will align with the dates for the 216 Appleton Street agreement. The Board approved the agreement and authorized the Chair to execute the documents.
- Denis Luzuriaga provided an update on the Canal Row project struggling to fill funding gaps due to the lack of funding in the HDIP program. He requested an extension for the option agreement while he waits to reapply for HDIP. The Board decided to consider the extension request at the next meeting.
- The Law Department and Staff provided updates on South Holyoke Homes and 123 Pine Street projects. The Law department stated that the Phase II land swaps should be completed by the end of the year. The property disposition agreement for 123 Pine Street is being finalized.
- Staff summarized discussions with Neighbor to Neighbor concerning site maintenance plans to be prepared before moving forward with long-term plans. The Board voted unanimously to extend the existing agreement.

➤ **December 15**

- The Board received updates from Staff on the 216 Appleton Street / Winn Development project. The need for a definitive project schedule from the developer was discussed. Staff noted that Winn Development is reaching out to abutters regarding the process for historic designation.
- The Board voted unanimously for the Canal Row Option Agreement amendment extending the option to June 30th, 2022.
- The Board discussed the recent City Council approval of the transfer of City-owned property located on Clemente Street in South Holyoke that are in Area 8 of the Urban Renewal Plan and intended for the Phase 2 development of South Holyoke Homes. The Board then approved Staff's request to proceed with the disposition agreement to transfer the properties to the Holyoke Housing Authority.

➤ **January 19**

- The Board and Staff discussed the expiration of the license agreement for 772 Dwight Street with Neighbor to Neighbor for the community garden. The Board voted to extend the agreement for a period of 60 days after the expiration on January 28th, 2022. This passed unanimously.
- Chairperson Thomas Creed updated the Board on the meeting that he along with HRA Treasurer John Whelihan had with staff to consider new areas of focus for the Authority. He said the consensus of the meeting was to not lose sight of the need for ongoing efforts in other URP areas but to have more focus on the High Street. This effort will tie in with the program staff has applied for to the MassDevelopment Transformative District Initiative (TDI) for the area for the area on Southern High Street area from about Appleton down to 391 which was dubbed the "So. High District". Board members concurred but indicated more work is needed on current URP priorities such as South Holyoke Homes, 216 Appleton and possibly Canal Row.
- Director Aaron Vega announced that new staff would be starting shortly for both the Development Specialist and Head Clerk positions who would be staffing the HRA.

➤ **February 16**

- Mayor Joshua Garcia was in attendance to meet the Board and discuss projects. Mayor Garcia expressed his support and enthusiasm for the HRA's work especially in South Holyoke.
- HRA Assistant Treasurer Daphne Board expressed interest to participate as the HRA representative to the Parking Advisory Committee that Mayor Garcia is forming.
- Executive Director Aaron Vega introduced the Board to the newest staff members; Jennifer Keitt as Development Specialist and Marie Brazeau as Head Clerk. The Board welcomed new staff and thanked them for joining the office.

➤ **March 16**

- Due to a technical error with Zoom this meeting abruptly ended after approval of February minutes and staff presentation of the most recent financial report. The meeting was rescheduled to March 30th.

➤ **March 30**

- The Board welcomed new Ward 1 City Councilor Jenny Rivera and Ward 2 Councilor Will Puello. The Board thanked them for their presence and discussed the Urban Renewal plan especially in relation to their Wards.
- Representatives from Wayfinders including Dianne Smith, Michelle McAdaragh and Richard Harris presented on the potential for development in in the areas around High Street and the purpose of their recent feasibility study.
- The Board voted on and unanimously approved the four property disposition agreements relevant to Phase II of the South Holyoke Homes Project with the Holyoke Housing Authority. The parties to the agreements were the HRA, HHA and the Holy Trinity Greek Orthodox Church.
- Executive Director Aaron Vega announced that the sale of 123 Pine Street to CAN Properties was finalized.
- The Board approved the request for an extension of the Pine and Dwight Street Community Garden Agreement with Neighbor to Neighbor.

➤ **May 18**

- Jorge Colon was present for his first meeting as an official member of the Holyoke Redevelopment Authority Board.
- The Board was joined by Holyoke Housing Authority's Matthew Mainville, Sarah Meier-Zimble and Janara Healy. They updated the Board on South Holyoke Homes Phases I and II, announcing that Phase I is on track for construction to be completed by Winter. They have begun planning for applications to fill the housing units by the Spring. Phase II will be going out for bid soon now that necessary permits and area improvements are complete.
- Executive Director Aaron Vega announced that the 216 Appleton Street (Appleton Mills Apartments / WinnDevelopment) lease agreement will be drafted and that some site work will be started this summer.
- Assistant Director John Dyjach explained that Canal Row requested another extension to their agreement due to delays with the State's Housing Development Incentive Program (HDIP).
- The Board reviewed and approved the release of 10 sets of Executive meeting minutes that were being held.

➤ **June 16**

- Assistant Director John Dyjach presented the HRA's financial report to the Board. The most notable transactions being the semiannual transfer of Jackson Canal loan payments to the Holyoke Economic Development and Industrial Corporation as required for the Parsons Paper Redevelopment Project.

- Matthew Robayna, WinnDevelopment's new manager for the Appleton Mills project, provided an update to the Board. He announced they are making progress on the site plan application for the additional building on Essex Street. They will be before the Planning Board again later this month. He said they also increased their presence on site with some brush clearing and securing openings at the building. The Board also considered and approved WinnDevelopment's request to extend the closing dates which were a stipulation already in the existing agreement.
- The Board was joined by Dennis Luzuriaga who requested an extension of the agreement for the Canal Row project. After some discussion, the Board agreed to extend the Canal Row agreement for one year and to include a stipulation that the HRA could consider alternative development proposals for the properties involved.
- Aaron Vega announced that Avalon is closing and will be submitting a request for the HRA to refund their Center City Liquor License payment since the license was never issued. The Board agreed to the request.

➤ **July 20**

- Michael Moriarty, Executive Director of OneHolyoke CDC, presented information net-zero tiny house gifted to his organization. OneHolyoke requested a temporary lease to store the tiny home at the HRA-owned property located at the corner of Main and Middle Streets. The Board approved the request with for a term until November 1.

➤ **September 21**

- Sarah Meier-Zimblar and Janara Healy from Holyoke Housing Authority explained that South Holyoke Homes Phase 1 will be complete around the end of the year and noted the great interest being shown by prospective tenants. They noted that additional bids will likely be sought for Phase 2 as the only bid that was received did not meet the budget.
- Chairperson Thomas Creed referred the Board to the draft ground lease for the Appleton Mills project. He noted the complexity of the agreement and that legal advice from KP Law will be very important to get this done.
- Development Specialist Jennifer Keitt presented the property disposition agreement for Dwight Street Community Garden/ Neighbor to Neighbor. She noted the caveat that the property must be used as a community garden for five years. She also added that this agreement includes a reverter to include a first right of refusal for the HRA if Neighbor to Neighbor decides to sell the property in the future. After some discussion the Board approved the agreement and authorized the Chairperson to execute the document pending no substantive changes.

➤ **October 26**

- The Board was joined by David Blood and Mauro Brito from Damavera, LLC who applied for the Center City Liquor License Program for a new restaurant being planned at the Wauregan Building on Dwight Street. They presented

information on the restaurant they will be opening in the next few months in the former Avalon space. The Board voted unanimously to approve the application and to support the project by paying the first-year liquor license fee.

- Executive Director Aaron Vega introduced Kevin Moforte, the Transformative Development Initiative (TDI) Fellow for Holyoke. Mr. Moforte explained his background and the purpose of TDIC and then provided updates on his work and discussed plans that are starting for the High Street district.
- The Board approved OneHolyoke's request to extend the license agreement for the net-zero tiny house located on the HRA-owned property at the corner of Main and Middle Streets. The Board required that the stipulation that OneHolyoke remove the structure with a 30-day notice should the site be required for development remain in the agreement.

HOLYOKE REDEVELOPMENT AUTHORITY
Financial & Real Estate Notes
November 2022 Update

1. **PeoplesBank Money Market Account Balance:** \$145,448.03
2. **Payments Pending:**
 - a. \$5,000 paid to Bennett Franklin for appraisal services for South Holyoke Homes on October 27, 2022.
 - b. \$15,281.95 being held to pay HEDIC representing Jackson Canal loan payments.

3. **HRA Available Funds: \$125,166.08 (see notes below)**

HRA Available Funds Comparison with last update

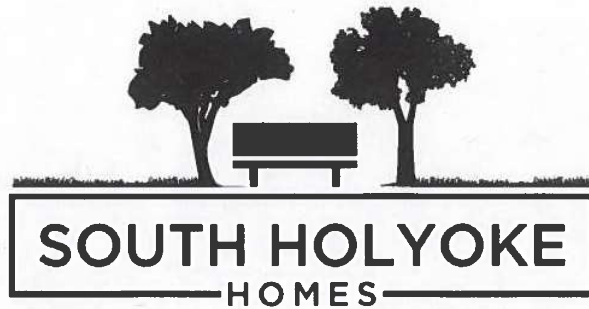
<u>Current:</u>	<u>Last Update June 2022:</u>
\$125,166.08	\$132,931.54

Notable Transactions (pending and since last update):

- a. \$10,000 received in June 2020 from Avalon Café and Lounge for Center City Liquor License was reimbursed to Avalon Café on June 30, 2022, was not considered available funds in previous updates.
 - b. \$5,000 paid to Bennett Franklin for appraisal services for South Holyoke Homes on October 27, 2022.
 - c. \$15,281.95 being held to pay HEDIC representing Jackson Canal loan payments.
4. **Note receivable:**
 - a. Jackson Canal, LLC (Aegis Energy) - \$142,377.28 principal mortgage balance due. 10-year term at 2.45% interest. Monthly payments of \$3,056.39. (Original loan amount was \$400,000 with a \$75,000 payment made at closing.)
 5. **Note Payable**
 - a. HEDIC - \$157,659.23 (principal + interest) due to HEDIC for the Parsons project funding (HRA to transfer principal and interest payments bi-annually to HEDIC).
 6. **Real Estate:** In accordance with the Urban Renewal Plan, a total of forty-one properties to date have been approved for transfer to the HRA from the City (36 properties) and the HEDIC (5 properties). City properties were approved for transfer for no monetary consideration while HEDIC is due 50% of the sale price. Separately, the HRA acquired Main Street parcel # 030-06-002 in 2016 from Nestingly (aka Cubit), Clemente Street parcel # 028-04-008 in 2017 from Holyoke Machine, Main & Appleton Street parcels 030-07-001 & 002 in 2018 from Rodney Realty Trust, 45 Sargeant Street from OneHolyoke in 2018 and 163 Clemente Street from the Greek Orthodox Church in 2022. Expenses related to real estate include appraisals and recording fees. Transactions to date include:
 - a. 182 Appleton St. (URP Area 6) transferred from City and sold to SPS Investments.
 - b. 84 Sargeant St. (URP Area 7 – Parsons) sold to Jackson Canal on 12/9/16.

HRA Financial & Real Estate Notes continued
November 2022 Update

- c. 216 Appleton St. and 191 Appleton Street (URP Area 6) transferred from City and under agreement with WinnDevelopment.
- d. Main & Appleton St. (Parcels 030-06-8, 9 & 10 / URP Area 5) sold to Nestingly.
- e. Main St. Parcel 030-06-002 (URP Area 5) - acquired from Nestingly (Sept. 2016). - Under agreement with Canal Row, LLC.
- f. 37 Appleton St. (URP Area 10) sold to American Environmental 3/24/17.
- g. Clemente St. (Parcel 028-04-008 / URP Area 8) acquired from Holyoke Machine using Urban Agenda Grant funds.
- h. 160 Middle Water St. (Parcel 047-01-011 / URP Area 10) sold to Western Mass Demolition on 3/26/18.
- i. Main & Appleton St. (Parcels 030-07-001 & 002 / URP Area 6) acquired from Rodney Realty Trust then sold with Parcel 030-07-003 to SPS Investments on 6/29/18.
- j. 45 Sargeant St. acquired from OneHolyoke as part of land swap on 11/29/18.
- k. 800 Dwight St. sold to OneHolyoke as part of land swap on 11/29/18.
- l. Race, Main & Middle Street Rail Spurs - Parcels 030-06-001, 015 and 033-07-016 acquired from MassDOT on 4/29/19. Parcels 001 and 015 under agreement with Canal Row, LLC.
- m. 123 Pine St. sold 3/8/22 to Holyoke Pines, LLC (CAN Properties).
- n. Dwight St. Lot 1A (Parcel 062-03-001A) acquired on 9/5/19 from the Estate of John Lajzer. Sold 3/8/22 to Holyoke Pines, LLC (CAN Properties) as part of the 123 Pine Street project.
- o. 780 Dwight St. sold 3/8/22 to Holyoke Pines, LLC (CAN Properties) as part of the 123 Pine Street project.
- p. 772 Dwight St. (Parcel 006-09-019) transferred 6/24/20 from City as part of the 123 Pine St. / Community Garden project. Under agreement with Neighbor to Neighbor.
- q. Race St. (Parcel 030-06-015 / URP Area 5) sale pending to sell to Canal Row.
- r. Race, Main & Middle Street (Parcels 030-06-001, 002, 004, 005, 006 and 014) under agreement with Canal Row.
- s. 624 South East St. (Parcel 029-08-016 / URP Area 8) combined on 10/26/20 with Parcels 029-08-017, 018 & 019). Ownership transferred for City to HRA on 11/3/20. Sold to Holyoke Housing Authority on 6/18/21 for South Holyoke Homes Phase 1.
- t. 60 Hamilton St. (Parcel 028-04-016 / URP Area 8) - Transferred from City and sold to Greek Orthodox Church on 5/5/2022 as part of swap for 163 Clemente St. (Parcel 028-04-001) for South Holyoke Homes.
- u. 163 Clemente St. (Parcel 028-04-001) - Sold to Holyoke Housing Authority on 5/5/2022 for South Holyoke Homes Phase 2.
- v. Clemente St. Parcels 028-04-004, 005 & 006 transferred from City and sold along with Parcel 028-04-008 to Holyoke Housing Authority on 5/6/2022 for South Holyoke Homes Phase 2.



Annual Report

OCTOBER 2022

Prepared by the
Holyoke Housing Authority



For the

Holyoke Redevelopment Authority



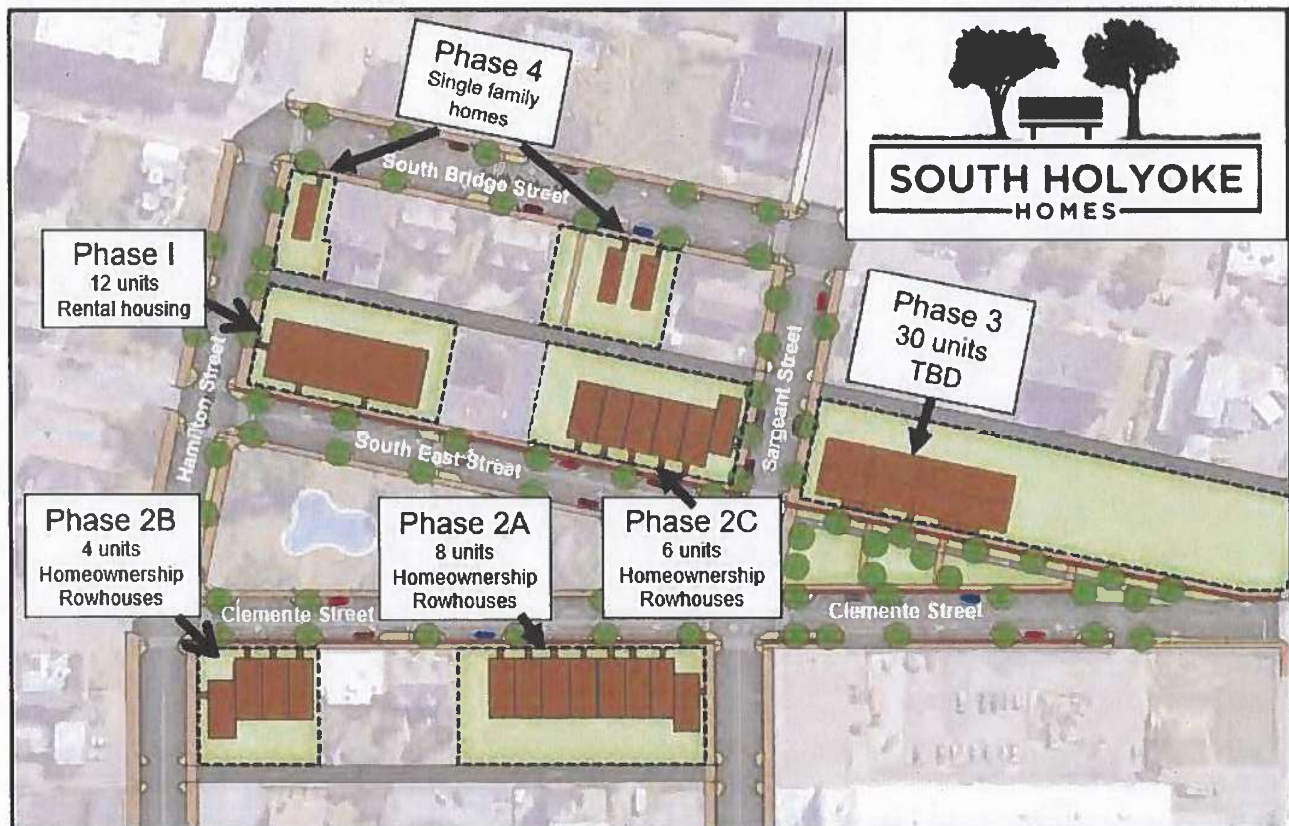
Development Update

The Holyoke Housing Authority (HHA) is proud to partner with the Holyoke Redevelopment Authority (HRA) on the ambitious and much needed goal of providing outstanding housing in South Holyoke. Since the HRA designated the HHA as lead developer of the project in the spring of 2018, we have been advancing the goals that are defined in the Urban Renewal Plan for Area 8, which include: redeveloping vacant property, adding more density, improving housing options, improving housing stock, and increasing home ownership opportunities.



Attendees of the Phase 1 lottery information session at El Mercado

We are proud of the work we have accomplished since our last annual report, most importantly starting construction on Phase 1. We have turned the idea of developing housing around Carlos Vega Park into a well developed plan, broken into realistic phases, and begun implementation. None of it would have been possible without the input and support of the community and local stakeholders. We look forward to our continued work together to bring the entire plan to fruition.



Community Engagement

After a successful Community Celebration in October of 2021, to mark the ground-breaking of Phase 1 and the ARPA award for Phase 2, our community engagement has focused on preparing local residents to apply and live in the buildings we are constructing. We held a Credit workshop in the Spring of 2022 to prepare residents for upcoming homeownership opportunities. We also regularly hold First-Time Homebuyer Workshops for the same purpose, in English and Spanish.



We did considerable outreach for the Phase 1 lottery, including partnering with Nueva Esperanza and the South Holyoke Neighborhood Association. We also held a hybrid information session for the Phase 1 lottery via Zoom and in person at El Mercado.



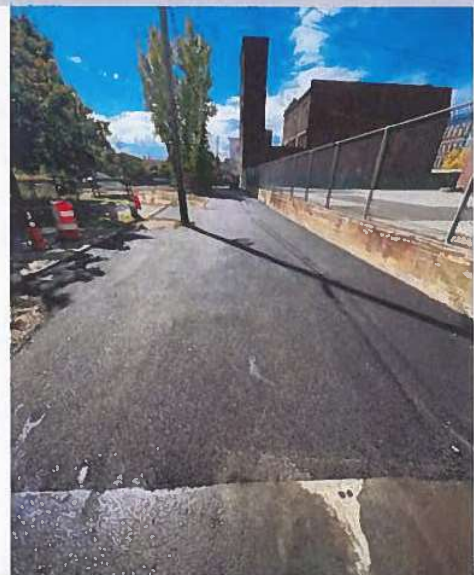
MassWorks Progress

In December of 2019, Governor Baker announced a \$6.5M MassWorks infrastructure grant to support the project, the largest award in the Commonwealth. The funding includes utility upgrades for water and sewer; streetscape improvements including new sidewalks, streets, bike lanes, lighting and trees; improved alleyways with new lighting; and a new greenspace at the intersection of Sargeant, Clemente and South East Streets.

The HHA designed the project to support our housing plans, and the construction is being managed by the City of Holyoke. Ludlow Construction was selected as the contractor, and work is wrapping up with an anticipated completion of June 2023.



Above, see new greenspace at Sargeant/Clemente/South East Streets
Below, see new raised crosswalks and improved alleyways



Phase I Updates

We received funding for Phase 1 from the Department of Housing and Community Development (DHCD) and MassHousing's Community Scale Housing Initiative (CSHI) to construct a 12-unit rental building on the corner of Hamilton and South East Street. Other funding sources for the project include the City of Holyoke's HOME program, HHA equity and PeoplesBank financing.

The building will serve low and extremely-low income individuals and families using HHA's Project-Based Section 8 vouchers. The 3-story building consists of 4 one-bedroom, 4 two-bedroom and 4 three-bedroom apartments with two accessible units. The building was designed by Abacus Architects + Planners and the HHA selected Inglewood Development Corporation as the contractor for the project with an anticipated completion of early spring 2023. We received over 900 applications for the building and units will be awarded via a lottery to be held in December.



Phase 2 Updates

With our Phase 1 plans moving forward, we have also been progressing on Phase 2, the homeownership component. We brought on ICON Architecture, who have strong experience with green design and have done other affordable homeownership projects. We were awarded \$1.3M from the City of Holyoke through the American Rescue Plan (ARPA) for 8 units of homeownership on the corner of Sargeant and Clemente Streets and identified additional funding through MassHousing's CommonWealth Builder Program.

We went out to bid for the 8 unit project over the summer of 2022 and unfortunately our bids came back \$2.5M over our construction estimate. We are currently planning to go back out to bid this winter and are hoping to start construction in the spring. We are also exploring expanding the scope to include other vacant lots around Carlos Vega Park.



To ensure the project is successful, we will also be ramping up marketing efforts. We will continue our First Time Homebuyer and credit classes, continue to reach out to the mortgage and real estate broker communities, and continue outreach to identify potential homebuyers as the landscape of the housing market continues to change.

Next Steps

Our first step is to finish construction on Phase 1 and move tenants into the building. We will simultaneously be working on Phase 2 to bring homeownership units around Carlos Vega Park. This includes going back out to bid and starting construction on the 8 units. We will also begin design and permitting for the other vacant parcels around Carlos Vega Park as we anticipate building 10 additional homeownership units for a total of 18 around the park.

In the next year we will continue to work with the HRA on site acquisition for Phase 3 and start conceptualizing our plans for development.



HRA Board and staff tour the Phase 1 site

We will continue to work, phase by phase, to transform the vacant lots into a dense, urban neighborhood that fits the needs and maintains the strength of the local community. We look forward to continuing to work with the HRA to advance our shared goals.

Thank you to our partners!

