



## COMMERCIAL REAL ESTATE INSIGHT & NEWS

The Bowditch & Dewey Real Estate Blog

### Bowditch's Economic Development Summit: A Showcase of Worcester's Cultural Strengths and Unrealized Potential

BY SAMANTHA P. MCDONALD • DECEMBER 2, 2019

Bowditch's 5th Annual Economic Development Summit on November 14 brought together some key players in Worcester's redevelopment: Bo Menkiti, Founder & CEO of The Menkiti Group; Edward Augustus Jr., Worcester City Manager; Lauren Liss, President & CEO of MassDevelopment; and Dave Traggorth, President of Traggorth Companies LLC. The Economic Development Summit highlighted the changes that are already happening to Worcester's downtown area and those that are on the way.

Everyone has an idea of what any downtown is historically – the center of activity, culture and commerce. These once-vibrant downtowns have been weakened over the years by residential relocation to the suburbs, creation of shopping malls and the rise of online business. Worcester has been no exception: When I started working downtown 10 years ago, the streets were eerily quiet when I left work any time after 5:30 pm. I longed for there to be enough people out and about for me to feel safe walking to my car, and for someplace to be open in the evening so I could grab a bite for dinner when I worked late.

The discussion at the Economic Development Summit confirmed my feeling that the neighborhood is changing. In fact, so much has changed in the last 10 years that I hear "old timers" say that downtown is starting to feel like it did in the 1950s and '60s – this is "the place to be." The vision of a vital, exciting downtown Worcester, a place where people want to come shop, eat, be entertained and live, is becoming a reality again. Within just the last year or so, we've seen new sidewalks poured, fun happenings on the Common, the redevelopment of the Printers Building, the Business Improvement District, the opening of City Square and the opening of the apartments at 332 Main. We know a lot is in the works: the (now official) WooSox, the improvements in traffic in the Canal District and a fair amount of new housing, just to name a few.

Menkiti's firm has purchased numerous buildings in the downtown Worcester Theater District area, including the former Shack's building at 406 Main, as well as 201 Main, 536 Main, 554 Main and 6 Chatham. These properties will be mixed use, with retail, office space and residential units.

While other developers may have decided that the return on investment available on some of these properties made redevelopment economically unfeasible, these considerations have not daunted the Menkiti Group. “Sometimes it’s the small project that makes no economic sense that unlocks the authenticity and the energy of a neighborhood,” Bo Menkiti shared with the *Worcester Business Journal*.

At the Summit, we learned just how much MassDevelopment is part of the redevelopment of this area, particularly the Theater District, making the creation of a mix of uses in this District, including thriving commercial corridors and lively culture, financially possible. MassDevelopment has been involved in numerous downtown projects, including the complete overhaul of the former *Telegram & Gazette* property on Franklin Street, now housing Quinsigamond Community College; the Hanover Theatre; and the development of the new Worcester Public Market, which will house retail, food shops and residential housing. The redevelopment of the Central Building at 332 Main, made possible in part by MassDevelopment, includes mixed-income housing and will house a new grocery store highlighting local foods.

All the panelists discussed how critical public-private partnerships are to successful development in Worcester. Traggorth and Menkiti confirmed that the economics of redevelopment, particularly in downtown areas, usually require some type of partnership, such as tax credits from the Commonwealth or loan assistance from MassDevelopment, among other possibilities.

Liss, Traggorth and Menkiti were unanimous in their praise of Worcester City Manager Augustus’s work in ensuring that all departments in the City of Worcester work together to make the permitting and development processes transparent and predictable. As a panelist mentioned, that is not the case everywhere.

Augustus highlighted that Worcester’s increasing desirability, along with the public-private partnerships, made the redevelopment of the Mission Chapel by the Traggorth Companies feasible. Built in 1854 by prominent Worcester industrialist Ichabod Washburn, Mission Chapel is an example of an unusual type of Victorian architecture and has been vacant for many years. Traggorth is converting this property into seven market-rate apartments. In his remarks, Traggorth discussed how important it is to make residential uses part of the neighborhood, and how residents supporting local businesses creates vibrant, exciting places to live.

When I moved here 25 years ago, I was often asked “why Worcester?,” usually said in a disbelieving tone. Back then, my answer highlighted how welcoming the people of Worcester are and its affordability. People still ask that question, but not in the same way. They are not confused by my decision, but curious – it’s more of a “I’ve been hearing about Worcester — tell me more” tone.

This city is moving in the right direction. We have a great geographic location, a diverse economic base, phenomenal higher education opportunities and the City is relatively affordable compared to larger metropolitan areas. As Menkiti told the *Worcester Telegram & Gazette*, “there are cultural, dining, and entertainment offerings that are increasingly enticing people who work here to actually live here.” Downtown now has many wonderful options for dinner for those that work late. As Menkiti mentioned, there is still work to do: “The city must continue to push the idea of an 18-hour downtown, and needs to think of ways to retain the city’s robust population of college students after they graduate...the city should explore ways to connect downtown to other neighborhoods, and has to engage small businesses. They provide the authenticity and coolness factor that makes a neighborhood attractive to a younger, educated demographic.”

I can no longer fool myself (or anyone else) into thinking I’m part of that young demographic, but I love that there are so many exciting things happening in downtown Worcester – and that people from Boston and DC, among others, recognize it too. It was a joy to hear all the good news at the Economic Development Summit.