Worcester courthouse developer races clock for tax credits

The former Worcester County Courthouse at Main and Highland Streets. [T&G File Photo/Christine Hochkeppel]

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WORCESTER - The developer of the former Worcester County Courthouse is in a race against the clock to take ownership of the property by the end of this year or risk losing out on federal historic building tax credits.
Because of the threatened elimination or reduction of those tax credits, City Manager Edward M. Augustus Jr. said, Trinity Worcester Development is ready to proceed with the acquisition of the property.

Trinity Worcester Development, a subsidiary of Boston-based Trinity Financial, has agreed to purchase the courthouse from the city for $1.3 million and to convert it to 114 units of mixed-income rental housing.

As part of the financing for the $53 million project, Trinity intends to seek federal and state historic tax credits.

But tax overhaul bills pending in Congress propose to eliminate the federal historic building tax credits or significantly reduce their value.

Mr. Augustus pointed out, however, that bills pending in both the Senate and House provide so-called grandfather rights for qualifying buildings owned as of Dec. 31.

For that reason, the manager said, Trinity wants to take ownership of the former courthouse before then.

Mr. Augustus will ask the City Council Tuesday night to authorize him to execute a deed for the property with Trinity at the agreed-upon sale price of $1.3 million.

The city has committed $500,000 in HOME funds for the project, according to Michael E. Traynor, the city chief development officer.

Of the 114 units of rental housing, he said, 50 percent will be market rate and 50 percent will be “income restricted” units suitable for artists.

In addition to housing, Mr. Traynor said, Trinity has agreed to incorporate a small retail component into the redevelopment, also with a focus on the creative economy.

The courthouse was built in 1843, with additions constructed in 1878, 1898 and 1955. It consists of about 250,000 square feet and is located on 4.28 acres at Main and Highland streets.

It has been vacant since 2008, when a new court building opened at 255 Main St.

When the state conveyed the courthouse to the city, it also provided a $3 million grant for environmental remediation.

While the city has completed a substantial amount of environmental remediation, Mr. Traynor said, some work remains and will be coordinated with Trinity after transfer of the property.

He said the outstanding work includes the removal and abatement of windows and a portion of the roof, as well as removal of a limited amount of remaining hazardous materials.
Michael Lozano, senior project manager with Trinity Financial, said all 313 windows in the courthouse complex need to be removed and replaced because they are rotting after years of neglect.

In addition, all the windows are suspected of having PCB caulking. For that reason, they are considered unsalvageable.

Trinity plans to remove and replace all the windows, replace selected doors, clean and restore granite masonry and install a handicap-access ramp, and the Historical Commission has approved those plans.

Those plans also have been submitted to the Massachusetts Historical Commission for its review and to Preservation Worcester, which supports the project.

As part of its agreement with the city, Trinity has agreed to keep the Gen. Charles Devens Civil War Memorial/Equestrian statue in front of the courthouse.

Mr. Traynor said Trinity intends to begin construction in fall 2018; the project is expected to take 18 months.

“The preservation and adaptive reuse of this historic building is critical to unlocking more activity in the North Main Street/Lincoln Square area, and I look forward to its successful completion,” Mr. Augustus said.