Hanover rejected offer to reuse Notre Dame for brewery space

By Bill Shaner
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As the historic Notre Dame des Canadiens Church in Worcester’s CitySquare is set to face demolition, Worcester Magazine has learned Hanover Insurance, the property owner, rejected an offer from a group of investors earlier this year to purchase and rehabilitate the church.
A group of five investors, four from Connecticut, made two offers to purchase the vacant building and convert it into space for breweries, and possibly a restaurant and public market, according to four people familiar with the proposal.

But Hanover, working with the Boston-based development firm Leggat McCall and the CitySquare II LLC, rejected the offer without making a counter offer or meeting in person, according to the sources. In early February, after CitySquare rejected the deal, city officials facilitated a meeting between the CitySquare developers and the investors, according to a city spokesman, but according to multiple people familiar with the meeting, it was ultimately fruitless.

Instead, the CitySquare developers pulled a demolition permit in early March without any specific redevelopment plans. The permit was approved by the city on March 14, according to the city spokesman, and the developers tentatively plan to start demolition in April.

Public comments from both Hanover and CitySquare have long indicated the company is doing all it can to spare the historic church from the wrecking ball. But preservationists say this failed deal – which, until now, had not been made public – suggests otherwise.

“They didn’t even sit down face-to-face and talk with them,” said Jeff Cronin, a planner and preservationist who worked to court the investors. “They didn’t examine all the work these people have done in other places.”

Cronin and others declined to name the investors, saying they’re respecting their wish to not be publicly associated with a failed development proposal. Cronin was one of four people who confirmed the deal was proposed. The rest requested anonymity.

But the Hanover camp saw the offer differently. A spokeswoman for CitySquare II said the offer was “wholly inadequate,” wasn’t economically viable, and developer couldn’t prove they had the financial backing to follow through with the project.

“Simply put, we did not have confidence the offer would result in a project that would benefit the city and the surrounding area, advancing critical economic development efforts in downtown Worcester,” said Pamela Jonah, spokeswoman, in a statement sent Wednesday morning.

She also argued they did not dismiss the project, but rather diligently explored it. In an email sent after the story, Jonah said the investors made only one offer, on Jan. 8, and a second official offer never made it to the Hanover camp.

A response to inquiries about the demolition from Opus Investment, the investment arm of Hanover Insurance, obtained by Worcester Magazine, characterizes the situation with Notre Dame Church as a failure, despite significant investment, to find “a development project that would give a new and productive life to the property.”
“We are encouraged, however, that this decision ultimately will lead to the creation of an unencumbered parcel that we believe will attract viable development projects and help the city advance its master plan,” said Ann Tripp, president of Opus Investment, in the letter.

In the letter, Tripp makes reference to an April 15 deadline date for demolition. That’s the date a one-year demolition delay from the Historical Commission would take effect. If Hanover had not pulled the demolition permit before April 15, they would have had to apply for a delay waiver from the commission.

“In light of the city’s April 15, 2018 deadline, we are now committed to moving forward, with reluctance, to raze the building and focus on finding a use for the property that will benefit the city and the region for many years to come,” said Tripp.

Tripp was one of several people from the Hanover group at the meeting with city officials and the Connecticut developers in early February, sources said. She was joined by Donald Birch, president of Leggat McCall, the development firm charged by Hanover with the CitySquare project, according to multiple people familiar with the meeting.

The Notre Dame Church, at 5 Salem Square, is a small parcel of the larger 22-acre CitySquare project, which includes other developments such as the AC Marriott Hotel, a 170-room project that sits directly behind the church.

The church, built in 1929, has been vacant since 2007, when it was closed by the Roman Catholic Diocese. The 1.3-acre plot is assessed by the city at $875,000, of which the land itself is worth $542,800.

Plans to demolish the church last year fell through after Roseland Construction, the firm developing 145 Front St., withdrew a proposal to build an apartment building on the site.

Now the CitySquare developers say they plan to demolish the building even though they have no development offer for the lot. The demolition, if it starts in April, is likely to be complete by August.

“The last thing Worcester needs is another empty lot,” said Cronin.

He and other preservationists have long fought to keep the structure intact, arguing it’s an irreplaceable piece of architecture, a Worcester landmark, and a link between the city’s past and present that was somehow spared from past urban renewal efforts.

“I don’t think the downtown will ever recover from the loss of Notre Dame,” said Cronin. “I think it’s an unforgivable, premature demolition. It’s unnecessary.”

That the demolition is unnecessary, Cronin said, is proved by the Connecticut investors and their pitch to rehabilitate the property. He added that the church, if filled with amenities, would itself be a destination that would benefit the whole of downtown, including the other CitySquare developments.
“This could be a huge attraction,” he said. “Generations to come, people would be grateful that somehow in 2018 the city would be able to save that building.”

The CitySquare developers and Hanover have argued that the building’s condition poses considerable challenges to development. In the statement sent Wednesday morning, CitySquare officials argued rehabbing the space could only be completed with “enormous, uneconomical cost.” Jonah said CitySquare didn’t feel confident the investors could come up with what they estimate to be at least $8 million.

But a report from the engineering consultant Structures North obtained by Worcester Magazine argues the building may be in more stable condition.

The firm, contracted by Preservation Worcester, a group that has long fought to preserve the church but would not comment for this story, outlined some structural concerns due to lack of maintenance. But, on the whole, the report made the case the building is structurally sound and fit for development.

“My general impression of the structure is that it is in relatively sound condition,” aid John Wathne, president of Structures North, in the report, issued last September.

The building has several signs of deterioration due to age, he wrote, including shifted stairways, collapsing stonework, leaking roofs and rust.

“However, there do not appear to be any global ‘deal breakers’ that would render the building unrestorable,” he said.

The bid by the Connecticut investors would have kept much of the structure intact, and wouldn’t have involved adding any floors to the interior, according to Cronin and others familiar with the proposal.

The bid, Cronin argued, was further hampered by a request from the CitySquare group that it remain private. The investors and preservationists agreed to the request for confidentiality throughout the process, but Cronin said he decided to break it after the company had pulled a demolition permit.

“We were always at a disadvantage here. Hanover told us this all had to be confidential, that we could not share with the public,” he said.

The confidentiality barred the investors from drumming up and leveraging public support, he said.

“We would have more propulsion for this effort, more public involvement, other people who may have come forward and said they were interested,” he said.
In an email sent after the initial publication of this story, CitySquare spokeswoman Pamela Jonah argued it was the investors that asked for confidentiality, not the property owners. She said the request for confidentiality was written into an offer submitted Jan. 8.

City Councilor Moe Bergman, who also serves on Preservation Worcester’s board, was at the meeting with city officials to facilitate the negotiation. The meeting, he said, was to discuss both the proposal and the looming April 15 date for the renewed demolition delay from the Historical Commission.

His impression from the meeting was that, on Hanover’s side, the offer was too low to be seriously considered, but Bergman said he felt the investors were willing to go higher. The discussion was also couched in a time crunch, he said, given the impending timeline.

Now, with the deal off the table, Bergman said his feelings are mixed. On the emotional side, he wants to believe there’s more time for an offer to come in.

“This is a spectacular historic building,” Bergman said. “No one in their right minds would want to see it go.”

Whatever replaces it, he added, would be an inferior landmark. But, he said, on the logical side, it’s going to be difficult to save the building given the time constraint.

“I’m imagining they can’t keep it for another winter,” he said, and other developers on the block may be waiting for the building to come down.

“I never want to say never,” Bergman said, “especially when dealing with such an important building, but it’s going to be extremely difficult.”

*This post was updated to reflect new information provided by CitySquare after the initial publication of this story that disputes which party asked for confidentiality and how many offers the investors made. This story will appear in the print edition of Worcester Magazine, out this Thursday, without the new information.*