

**SPECIAL MEETING
BOARD OF MAYOR AND ALDERMEN**

August 18, 1998

6:30 PM

Mayor Wieczorek called the meeting to order.

Mayor Wieczorek called for the Pledge of Allegiance, this function being led by Alderman O'Neil.

A moment of silent prayer was observed.

The Clerk called the roll. There were twelve Aldermen present.

Present: Aldermen Klock, Reiniger, Sysyn, Clancy, Pinard, Shea, O'Neil,
Girard, Pariseau, Cashin, Thibault, Hirschmann

Absent: Aldermen Wihby and Rivard

Mayor Wieczorek stated the purpose of the special meeting is a presentation of a report by members of the Manchester Development Corporation Civic Center Subcommittee. Before we start with the formal part of the program, I would like to call on Alderman O'Neil who is going to make a statement and then he is going to have to leave, so I don't want you to think that he's leaving because he's not interested, but he has something else that he has to do, Alderman O'Neil.

Alderman O'Neil stated thank you, your Honor. I appreciate you're giving me the time to just take a moment to speak. Unfortunately, I have another commitment that I couldn't get out of. With that in mind, I met this afternoon for about an hour with Skip and the members of his committee as well as the representatives of Ogden. A couple of things I ask my colleagues that we take a reasonable time to review this project, we don't want to be too fast nor do we want to be too slow. I encourage that we do have a referendum whether that's in November or at another time and just remind them...I believe we can hold a special meeting sometime in September in order to put, if we decide to go with a referendum question to put on the ballot according to the City Clerk as long as he has the information by October 1st, so I don't believe we necessarily have to rush for the first meeting in September and again I ask my colleagues that we take the proper time to review and that we hear from the citizens of Manchester. Thank you, your Honor.

Mayor Wieczorek stated we're going to call for Skip Ashooh to make the opening remarks. He's the Chairman of the Development Corporation Civic Center Subcommittee.

Mr. Ashooh stated actually at this time what I'd like to do before we start our remarks because of the configuration we have here tonight, I'd like to invite all of the Aldermen to come down here in this row that we have reserved for you. Thank you, it was orderly and hopefully as orderly as the rest of this meeting will go. First of all, it's my pleasure on behalf of the Manchester Development Corporation and the Civic Center Subcommittee to present this final report of a feasibility study on a civic center in Manchester. We've worked long and hard to bring this report to you and we feel we've addressed the concerns of the Board of Mayor and Aldermen regarding this project. Let me clarify first that result that we are putting before the Board tonight. Although this Board asked the MDC to conduct a feasibility study what we did in fact was assemble a project team that has agreed in principle or in fact to the basis whereby a civic center could be realized in Manchester. The members of that team have come together tonight to present this report to the Board of Mayor and Aldermen and to the community and to discuss their commitment in making the civic center a reality. To start if you take a look at about two years ago the Manchester Development Corporation was reconstituted and part of that reconstitution process was to define exactly what the mission was of the Manchester Development Corporation. This mission statement whereby we are charged with the responsibility of seeking the highest and best use of the assets of the City of Manchester for all its citizens is what we adhere to in the work that we do. This is not our only project, it is currently the most prominent one that we have, we intend to use this same measure on everything. The elements of the Phase I work plan for those of you who don't recall, this started February 25, 1997. We took plenty of time to do this report and, therefore, we think we have thorough answers. But, the elements of that work plan were basic and they gave me this toil. First, was to select a project team which we have done. Then, to commission the architects, to select a site, secure a hockey franchise, and most importantly to structure financing. Those are the elements of the work plan and in accomplishing those things we had certain guidelines we had to follow. If I can call your attention to the first one. This was an absolute...no property taxes to be used to build or operate this facility. Significant private investment was a key part of this, protection against operating losses, credit qualified for bond insurance. In other words, the debt that we issue on this facility on the public's behalf has to protect the taxpayer against any recourse. We feel we can do that. Secure a professional hockey league franchise with local ownership as those of you who have seen the paper over the last month or so know a local ownership group has stepped forward, we are working with that group in the pursuit of an NHL franchise. During the time that this committee was first constituted the consulting firm of Arthur Andersen was commissioned to do a study to measure the market demand for a facility of this type in this market and what Arthur Anderson told us in the study was that a facility in Manchester could support nominally 10,000 seats...you will be talking about seating capacity as a whole as this presentation goes on...30 to 40 luxury suites, and their study told us that we can also support a price structure of \$25,000 to \$35,000 a year depending on whether or not you include tickets or not and 500 to 750 club seats at approximately \$1,500 a year and obviously with tickets and without tickets the price would change. This is what they told us the market around here would support. So, we went into our project with this guidance. When we took the Arthur Anderson report we formulated...our plan went out, we secured members of the team, we

believe we put together a team and a concept that will provide the City with a civic center that will catalyze activity in Downtown Manchester and provide a new and vibrant component of the quality of life in this City. This is a quality of life issue as much as it is a construction project. With that we've assembled a team that are our tonight to present their component parts and the first member of that team I'd like to call up here is B. J. Eckhardt. She is Chairman of the Board of the Greater Manchester Chamber of Commerce who assisted us in part of the research that we did and B. J. if I could ask you to come up.

Ms. Eckhardt stated thank you, Skip, it's always nice to be the first one up here. Okay, smile you guys. I can't talk if no one is smiling out there. Thank you very much for asking me to be here and good evening, Mayor Wieczorek and members of the Aldermanic Board. Skip said I'm B. J. Eckhardt. I'm publisher of *Business New Hampshire* magazine and I'm pleased to be here this evening as my role of Chairman of the Board of Directors of the Greater Manchester Chamber of Commerce. It is my hope to give you some idea of the interest and enthusiasm that the business and professional community have for this project and their commitment to further help this community invest in this project. We'll also talk a little bit about their interest and their willingness to invest in luxury suites and club seats. First of all, I'd like to state the Chamber's history on the civic center which goes back to 1987. At this time, our organization raised half the monies needed for a feasibility study that was conducted by the Economic Research Associates and SpectaCor. This positive study provided the platform for the Hunter interest when they began their work on developing the report that was submitted to us in December of 1994. While the Chamber has been a long time supporter of the concept of the civic center we have yet to take a definite position on this particular proposal. We've been waiting this report as eagerly as you have and as the general public has. I must tell you, however, after what I've read in the paper and read through the reports I'm very excited about this proposal and I have a great deal of confidence that the Board of Directors will provide a positive response to it. In my years in New Hampshire there have been two very common topics discussed by the people in the business community regarding development opportunities. They have been the Manchester Airport and the potential that a civic center has for impacting the quality of life in this community and helping to generate a healthy, active economy in the Downtown area. We've already seen the dramatic results of the investment we've made in the Airport and again thanks very much to your leadership I believe the same type of potential is there with the civic center. I'd like now to take a few minutes to comment on the information that you have regarding the Chamber's efforts to conduct a sampling of interest in the business community's willingness to invest in this facility. In the reports that you have it is stated that the Chamber conducted one meeting in early May, we invited approximately 30 businesses of various sizes to this meeting. At the meeting we discussed the project, we talked about the luxury suites and the club seating. We told them that there would be approximately 30 sky boxes or luxury suites and about 600 club or premium seats. Each suite would have a 3 to a 5-year commitment at a minimum of \$25,000 per year. Premium seating would be in the neighborhood of \$750 a year, both prices would increase depending upon the ticket packaging. At this particular meeting, there was no commitment that was asked of the businesses. Then

approximately two weeks later the Chamber sent a letter to those same 30 businesses and asked to express their interest in making a commitment. Again, with very little sales pitch, with no strong arming, with no intense follow-up I'm really pleased to let you know that the response was really wonderful. In your report it says 11 businesses responded. Actually, it was 12 who had indicated a willingness to participate in luxury suites; that's a 40% return with no sales efforts and I think I told the Mayor the other day I wish my magazine ads were that easy to sell; that is a lot of potential there for a lot of sales and again we feel that with this, if we had some kind of an effort or actually make an effort the closing ratio would probably be closer to 50% and again this is out of only 30 companies...that prospect list is a lot larger. The civic center also has a potential to create dozens and dozens if not hundred's of long-term jobs. Jobs for people who will be directly involved in servicing such a facility such as distributors of soft drinks, snack foods, paper products, show decorators, media, ticket outlet sales, maintenance crews, caterers, events planners, and many more. And then, add on to this the jobs that will be created beyond the confines of the facility itself and begin to understand what it will do for the business in the heart of this community. In a recent article in the *Grand Rapids Press* that is Grand Rapids, Michigan a City that is very similar in size to Manchester. It was written just recently on August 2nd about their civic center that said "since the opening in October of 1996 seven formerly vacant downtown warehouses have come to life, 14 new restaurants have opened, retail is returning to the main street and moves are underway to renovate, build several other buildings for offices, nightclubs, night spots, stores, and residences. Not even the bullish supporters of the arena expected the place to spark that much downtown revitalization." The interest of the business community for this project is high and intense. We are excited about the positive economic impact that it will have on Manchester, but more importantly we are looking forward to what it will do for the quality of life for its people, enhancing our lifestyles and our well being. On behalf of the Greater Manchester Chamber of Commerce, I thank you very much for your time and interest.

Mr. Barry Brensinger, Lavalley/Brensinger - HOK Sports, stated thank you, B.J. Mayor and Aldermen, as always it's a pleasure to be before you and this evening I would like to supplement the prior presentations I had made to the Board regarding the civic center's design, program, site selection, and building-related issues. I am Barry Brensinger from Lavalley Brensinger, Architects representing the design team which notably includes HOK Sport out of Kansas City, Missouri. For those of you who know HOK, I think it is fair to say that they really are the premier sports and entertainment designers in the world and we are very pleased to have them part of this team. When we set about to undertaking Phase I of the project we really had very few specific goals in mind. It was our charge to work with the MDC Committee to develop a program for the facility...by program we simply mean what kinds of activities should take place in the center and how much space is needed to accommodate those activities. We were also charged to go through an objective site evaluation process, to look at a number of sites in the Downtown area and make a recommendation with regard to a specific site and then finally as I mentioned a moment ago to take program and site and develop through that material a probable building cost for the project so that we can all speak intelligently about how much the project is

likely to cost. The first slide up on the screen speaks to the program issue...I'm going to put the numbers aside for a minute and just talk in generalities about what we think the center is really all about. We have heard consistently throughout all of our meetings, throughout the many gatherings we've had with folks in this community who have had an interest in the project that the project must include something for everyone. It has to accommodate a wide range of activities, not just sports, not just kind of traditional entertainment, but to as my new friend from Ogden pointed out this afternoon to really become a community center, a center of activity that can satisfy so many needs in this community. So, that is really at the core of what our programming effort was all about and to include in our program flexibility, to accommodate crowds large and small and to make them all feel comfortable. To offer a wide range of seating options, BJ mentioned some of the luxury seats but certainly there would be a great many standard, if you will, readily available and affordable seats for anyone who would be interested in participating in a program in the center and then finally as a general program note we also thought it was important that the new center be sized favorably relative to regional competition. In other words, we need to have the right size center so we can attract more and better programs than other competitors in the region and we believe the program accomplishes all of that. In very brief summary, as I'm sure you've already read essentially the program is to have 10,000 fixed seats for an NHL size hockey rink configuration, also be able to convert some of that floor space to seats for basketball and I think those of us who live in this community know that we do have at the collegiate level a strong interest in basketball with several very competitive programs, concerts could range in size from four or five thousand people up to a full house of 13,000 seats. Again, setting up some portable seats on the floor and then to compliment other convention center and meeting space in the City with some floor space for trade shows in a facility which will have a volume, a ceiling height greater than anything that is currently available so we could attract different shows as I said to compliment what already takes place in the City. That seating bowl and the arena and flat floor would certainly be complimented then by all of the support facilities that you would expect to find in a facility like this. What I'd like to do at this point, with help from my coach here, Bob Molloy, is show you a very brief video of some similar centers that our colleagues at HOK Sport have designed and I think perhaps better than I could otherwise communicate, this three minute video gets right to the point of where the energy in these facilities are, what the programming alternative area, and how exciting it can be for a community to have one. This is, I'm sure, obvious to all of you is actually a computer generated model of a relatively new facility HOK Sport just completed and we would certainly as part of designing the balance of this project include computer modeling. The next important component of our work as I mentioned in my introduction was to explore various sites in Downtown Manchester. I say specifically Downtown Manchester because part of the mission of the project as has been pointed out is to encourage redevelopment, additional development in Downtown Manchester so we have felt throughout the process that regardless of the chosen site it's important that it be central to the core of the City. During that process we evaluated a total of 12 sites, we began with a shorter list and as we had various meetings throughout the community folks came forward and said have you thought about this site. In fact, one or two of the sites were initially recommended by the Board of Mayor and Aldermen...they requested that

we would explore additional sites. So, in the end we looked at 12...I'm not going to go into great detail about that because in a prior presentation we had reviewed that with the Board, I think it's important to be reminded, however, that we did do our very best to keep it an objective process, to establish right at the outset criteria by which all of the sites would be equally judged and this is a list of the criteria, they're not in any specific order in the slide. In addition to that, we did highlight a few of the criteria as being particularly important and in order to accomplish that we attached a multiplier to them so we weighted, if you will, a few of the criteria believing that parking in the area of any of the specific sites, impact on Downtown as I mentioned, acquisition costs; that those issues among all the other dozen or so issues stood out as being particularly important so we added some additional weight to them and in the end ended up kind of numerically, if you will, evaluating all 12 sites and as all of you know, at this point, ultimately our recommendation based on reviewing all of this criteria that we work with the Staples site; that we proceed with further development on the Staples site. I think it's important to note, however, that our assessment wasn't just numbers sitting around a table crunching numbers. Once we began to focus on a few of the sites as being the more probable sites for development, we actually got into some conceptual design and if you remember back to last year we conducted a series of workshops around the City and we invited folks, anyone interested in the community to come in and roll up their sleeves and join us in designing on a specific site and I suppose I'll say fortunately that coincidentally it turned out that the actual designs that we conducted also supported the Staples site as the most developable of the sites and there were a series, as I said, diagrams studying each of the sites and if we could have the next slide, we actually did get into some building and site designs. This is actually an aerial view of one alternative for the proposed center on the Staples site, you can see Elm Street to the left and Granite or Lake Avenue across the top and the primary components of designing and developing the site are the civic center, the large block of space about 230,000 square feet and then it needs to be supported by some outdoor space so that there is breakout space during intermissions, we also thought that that external space a plaza or whatever might have some alternative uses for activities in the City and then we need a certain amount of parking for management and teams and loading space. So, on the sites that we explored with actual designs all of those were taken into consideration. As I said, I'm not going to go into great detail about the site process because we've already been there as a group and I think again if I can ask Bob to help me out running the last segment of the video perhaps the best way to describe that site process and to capture a little bit of the essence of what this place might be all about the potential of the building and the site it might be helpful if we showed a segment of the August model building session that we did. We had a couple of hundred folks join us at the Center of New Hampshire back in August of 1997 and this is about a six minute clip of the discussion that took place during that meeting.

Thank you, Bob. That was about six minutes of what turned out to be more than three hours of model building and discussion, it was very productive, we very much appreciated the community's participation and although we like to think our role in the project is a little bit important compared to the management company's, it's modest over the duration of the project

and we have with us this evening, Frank Russo from Ogden Entertainment who is going to talk to us about their very important role. Thank you.

Mr. Frank Russo, Ogden Entertainment, stated we've made many, many trips up to Manchester supporting this project over the last several years and certainly Ogden Entertainment is committed to do everything we can within a sound business framework to help you make this happen. I'm not going to spend a great deal of time tonight talking to you about Ogden. We're a multi-national Fortune 500 company and our entertainment division provides either full management and/or food service to over 140 separate venues, 62 of which we manage totally and 37 of which happen to be arenas and multi-purpose civic center/arena complexes where we have a wide variety of professional and minor league sports as anchor tenants. The very first video that you saw, the first facility that HOK featured was the Arrow Head Pond of Anaheim which is an Ogden managed facility, we have a 33 year contract with the City of Anaheim, so typically our deals run from a competitive bid situation to a tax-exempt financing five years to as long as 33 years in the case of Anaheim. We have quite an elaborate network in the northeast region including New England that includes the Providence Civic Center which is an American Hockey League facility, newly added Rochester Memorial which is a 10-year lease for Ogden, in Wilkes-Barre, Pennsylvania the new Northeastern Pennsylvania Civic Center and Arena, the Mullins Center at U-Mass Amherst, the O'Neil Center in Danbury, Connecticut, the Meadowlands Exhibition and Entertainment Center in Seacaucus, New Jersey, Temple University's the Apollo of Temple, and then close to the northeast region we have the Correl Center in Ottawa, the new Hershey Center in Missisauugus outside of Toronto, and we have a working relationship with the Molsen Center in Montreal. This creates a very strong and effective block booking routing system...northeast network and family facilities for Ogden. Fitting Manchester into this gives us even more confidence since the last time we were here we've added Rochester and Wilkes-Barre to that network bringing major attractions into the City and driving the economics that you need and that we need to make this deal. We know that one of the most critical aspects of concluding this deal would be to get a viable hockey franchise and we're doing everything we can with the committee, the City, and with the various franchise prospects to conclude that deal. But, there is more to this building and I'd like to maybe digress for a couple of minutes to give you a personal example of how I think Ogden's role is to really bring good buildings to life. I had the unbelievably fortunate experience of managing the Hartford Civic Center from 1974 through 1983. I was born and raised in Hartford, I've lived in either Hartford, Weathersfield, or Glastonbury all adjacent towns for my entire life and while I travel the world for Ogden my office is in Hartford and I'm there with my colleague Harold Bannon who's here with me tonight, our Director of East Coast Operations; committed to Hartford totally, born raised there and will retire there. I had the opportunity to manage a new ten to twelve thousand seat civic center that many people in Hartford at first thought would never be viable. In fact, it was defeated twice during referendum. We had a very narrow view at the time of what the building could do and what the city could do, but when that building opened in 1975, we found that it was not only a tremendous asset to the community, but in fact, the major regional draw. We had so many people that were so appreciative and especially many

parents, I remember calling and being so thankful that their kids could now go to a concert in Hartford rather than worry about them going to concerts in New Haven or Boston or Springfield and coming home safely after concerts because people will go to concerts, they travel, you can't stop them from going and many people were concerned about not having their own facility. Well, what we did in Hartford is what you have the opportunity to do here and that is not only bring professional hockey, but NHL exhibition games, college basketball, college hockey, tournaments, Olympic qualifying events, amateur sporting events, the Disney on Ice, Ringling Brothers Barnum and Bailey Circus, Sesame Street, a wide variety of major touring concerts, middle of the road concerts that are supported by corporate community sponsorship and for the benefit of many of your local charitable non-profit organizations, very large banquets, conventions, trade shows, meetings, seminars, religious convocations, high school and college graduations...you name it...this is going to be a public facility, it's going to be a community facility. Our desire in managing it is really to create for you a social gathering place where no matter what you're stature is in the City or in this community you all sit as equals side-by-side and enjoy an event and while you're there hopefully buy a hot dog and a soda, at least. This is what we do, this is what we have the confidence in, this is what we are working towards bringing major event activities to your facility supported by contractually obligated income that is really focused on your hockey team and a contractually obligated income that's critical and that's where your hockey team is critical is your naming rights, your pouring rights for beer and soda, advertising, and especially premium seating and by that I mean your suites and your club seats. So, we've reached a critical point, we have a commitment. You have a theoretical number that now has to be translated into a firm, hard, not to exceed number for construction. We have to evaluate along with Enron what that 20% of private equity actually means, how that works into a hockey deal, and how all of that funnels into a bottom line to determine if in fact this is a reasonable business risk. We think it is, we think it's time to go into Phase II, we've been committed, working hard on this project, gratis I might add to bring it to that point and we are very excited and after the end of this particular presentation we'll be very delighted to answer any questions. Thank you.

Mr. Ashooh stated working in conjunction with Ogden Entertainment on this facility is Enron. Enron comes to us with an innovative approach to the utility part of this building. About eight or nine months ago we were approached by Enron with an idea that we think brings a lot of value to this building, they're going to be working very closely with Ogden to bring to this not only the private investment but a new way of doing things which we think will reward the citizens of Manchester for a long time. Representing Enron here tonight is Rich Nowak, an engineer with the company and we're pleased to have him, Rich.

Mr. Nowak stated like everybody else it's a pleasure to be here tonight. We're very excited at Enron about this project. A little bit about Enron before I get into the project itself...Enron, I don't know if you people are aware but we've been in the State of New Hampshire for a while now starting with the Pilot Program about two years ago. We're a large international energy company, \$15 billion revenues last year, about \$23 billion assets. What this basically means to

the Manchester community is that we're going to be around for a while, we're not just a fly-by-night company that is going to dry up and be gone tomorrow. We're involved in all aspects of energy from the sale of commodities, trading of commodities, design and construction of energy infrastructures, we have in-house financing capabilities, we have energy services in the form of energy conservation and we're even heavily involved in renewable energy such as solar, wind power, hydro power, and green power, in general. We are an international company but we definitely have a presence here in New England. We have local offices in Peterborough, New Hampshire in South Berwick, Maine, and one in Burlington, Massachusetts as well. Those offices are staffed by local people who are committed to the local economy and dealing with local issues. Why would Enron want to be involved in a civic center. Quite simply, it's a good business decision, it's a desirable market, and a desirable project. We all know that the City of Manchester is a desirable place to live. There are several publications out now whether they be *Money* magazine or whoever that consistently ranks New Hampshire in the top places to live in the country. It's the largest City in northern New England with over a hundred thousand population, it can easily support a civic center, and technically there's natural gas available. What that basically means is that we can use the natural gas for many innovative type of energy infrastructures options for the civic center. It's a high visibility, it's public entertainment. Enron is a high visibility energy company and we feel that we can use our involvement in the energy field to help leverage the deal and make it very attractive for the City. The civic center is a large scale project, has many complex energy needs exactly in Enron's interest. We're involved in many complex energy projects and that's where we thrive. It's a new facility. We would like to take this and use it as a model for coming up with a very cost-effective energy efficiency type of infrastructure and we feel we can do it. The scope of Enron's interests...we're an energy company so we want to be involved in all of the energy infrastructure and that involves air conditioning systems, ice making systems, heating systems, electrical power distribution, and even power generation (on site) with a co-generation system we think is a viable option. We'd be using all sorts of proven energy efficiency technology such as high efficiency lights and computer controlled systems to accomplish that. Enron's involvement...we're a total energy company as I mentioned before. We'd like to develop the energy infrastructure through out engineering and construction capabilities. With our in-house financing we would like to be able to finance it, operate the energy infrastructure and to make sure that it is maintained as a high efficiency energy system, we'd also like to maintain it over a long-term commitment of 15 years. The benefits -- through the use of Enron's in-house financing there would be a reduction in the capital cost for the civic center to the Manchester community, we'd also have reduced utility costs and you would certainly know what your commodity prices are going to be for the next 15 years. Overall, we think it's a win/win situation, it's a high visibility project, a civic center project can be supported by a population of a hundred thousand, it's definitely a win situation for the City, it's a high visibility City renowned for being a good place to live and work and certainly having a civic center would make that even more of a desirable place. We're a high visibility company, Enron is a leader in the energy field and is very innovative in their approach to energy solutions. So, we look

forward to continuing on with this and hope that you'll go forward with the civic center. Thank you, I'd like to welcome on Mr. Richard Murray who is going to talk about the hockey team.

Mr. Richard Murray stated one of my other roles in life I'm the managing member of Riverman Associates which is an organization that's been developed to try and bring an NHL franchise to Manchester. First of all, let me thank you for the opportunity to provide you with a status of where we are in our efforts to secure an NHL franchise for Manchester. There's been a number of articles written lately as I'm sure you're aware and there's been an endless number of rumors of where in fact we are in that process. So, in our effort to be very clear on our progress to date, I've prepared a statement that I'd like to read from and I have copies of this if anybody would like it after I'm done.

Riverman Associates I is a locally-owned corporation that was formed in July of this year. We have submitted an application to the American Hockey League for an expansion franchise and have been in discussions with the League's management and legal advisors. Based on the discussions we expect our application for membership will be considered by their Board of Directors on or around September 1st of this year.

We've also entered into a formal consulting agreement with Peter Cooney of Cooney Management Company. Under this agreement Mr. Cooney has been providing consulting services to us and has been in contact with existing franchises that may be for sale. In addition, we are drafting a Memorandum of Understanding with National Sports Services which will outline the terms and conditions under which they would provide comprehensive management services for the team and become a financial partner in our hockey team. Finally, we are engaged in preliminary discussions with Ogden Entertainment concerning the draft Memo of Understanding they prepared which summarizes the terms and conditions they would like to see incorporated into a lease. While we are very hopeful that we will come to some conditional agreement with Ogden and that we will either be granted a conditional franchise or purchase an existing one there are still many significant issues that have to be overcome before we can consummate any one of these transactions.

We believe the Manchester market has the appropriate demographics to support an AHL franchise and that the operations of the hockey team will benefit the region from both a quantitative and qualitative prospective. We have been and will continue to work very aggressively to bring a professional hockey team to Manchester. Although we are currently unable to provide you with a reasonable estimate of the timeframe required to accomplish this or the probability that we'll be successful we are firmly committed to working with all parties in an effort to make professional hockey a reality in this community.

In summary, we are committed to securing an AHL franchise for Manchester and we are equally committed to operate that franchise as an active and integral partner in the community.

Mr. Murray stated I'd be pleased to answer any questions people may have when all the presentations are done, but in an effort to get the presentations done, I would like to introduce Mr. Stern who is going to talk about the financing of the project.

Mr. Steven Stern stated when Carl Scheer and I were here in February of '97 we outlined and presented what we thought was a practical although as it turned out only 15 month optimistic plan for how a determination of feasibility of the civic center of the entertainment sports facility could be accomplished or could be judged and the process that we have, in fact, engaged in and

if nobody else does, I want to acknowledge and recognize the credits of John Snow and Skip Ashooh the Chairmen of the Sub-committee of the Development Corporation because it is really their unpaid community and charitable leadership under which all of us who are presenting to you tonight, we all get paid for this sooner or later, I hope, but they don't and it's out of their willingness to see something better grow in your community that we are all here tonight. Amongst others John and Skip provided to Carl and myself some very clear and some very explicit directions and objectives under which we would attempt to create the financing plan and they are not really quite in the right order. I would say that there are two absolutes that we had to do and that we have to do is we're going to do this the way it is our understanding that you, the elected officials and the community wishes to be done and those two rock bottom financing objectives or development objectives are never use property taxes and do not expose the community to risk and within those constraints maximize the capital contributions that you can in the project and conservatively structure the public investments and that's what we've attempted to do. Let me outline for you briefly the elements of the financing plan and go through a few numbers and then be available to answer questions as Rich and Frank have said. But, the financing plan and the development plan, if you will in a simple sense before the details is truly and this phrase is overworked a great deal and I know that it can be a political buzz word phrase, but I believe genuinely that that's what we have here tonight and what we have is a genuine public/private partnership and it is a partnership where the City will own the building, the City will acquire the building, if you will, for somewhere between 70 and 80 cents on the dollar; that is it will contribute between 70 and 80 percent depending on how well we can do of the capital cost of the building. The City will exchange the financial benefits or the vast majority of the direct financial benefits from the building to the private sector namely Ogden and Enron and the team in return for a guarantee or a set of guarantees against any risk, the building will create a possibility if the building does very well of getting something back on its return and I'm talking directly out of the building, but because of the investment if you will the "hole in the donut" that is Downtown, the one area of this greater community whose property tax base has been declining the City investment in that hole, it will turn around and the development benefits, the tax benefits, the revitalization benefits will all accrue to the City and in a sense that's the public/private partnership. Now, what are the specifics of the public/private partnership. One, where we start you can't use property taxes so there are no property taxes involved in any aspect to this financing whether it is in the capital cost or the money used to pay off the bonds or the monies used for the operation of the facility. The City through the MDC will own the building, the City will contribute through either...and always through the increment in the Rooms & Meals Tax either through cash collected during the construction period or through bonds that are secured by that increment in the Rooms & Meals Tax. The City will contribute a maximum of 80 percent of the capital of the building. Those bonds will be insured by a triple A bond insurance company, I can't tell you which one today because frankly...and we've had conversations with several of them who have indicated an interest in doing it, but frankly, we're going to go out and do it and get the best deal for you and it's the company that give us the best conditions at the lowest price is the ones that will insure the bonds, but they will be triple A. They will take the risk that if the increment in the Rooms & Meals Tax falls short

they have to make the payments to the bond holder. We've structured the payment on the bonds, the debt service on the bonds so that we've never used more than 70 percent of the increment to pay off the debt service, we have at least a 130 or better coverage ratio in other words, so that there will always be if our numbers are right and we've tried to be conservative in our numbers in terms of the assumption of the growth. If our numbers are right, you will always have and I will show you some of these numbers, you will always have excess incremental Rooms & Meals Tax monies to appropriate for other uses after the debt service on these bonds are paid. You've heard some of this...the City will lease...and some of this was...some of the details...Frank's work...the city will lease the building to Ogden for 15 years, Ogden will collect all the revenues, Ogden will pay all the expense, Ogden will and we've tried to be conservative in our numbers in terms of the assumption of the growth. If our numbers are right, you will always have and I will show you some of these numbers, you will always have excess incremental Rooms & Meals Tax monies to appropriate for other uses after the debt service on these bonds are paid. You've heard some of this...the City will lease...and some of this was...some of the details...Frank's work...the City will lease the building to Ogden for 15 years, Ogden will collect all the revenues, Ogden will pay all the expenses, Ogden will, with the exception that I'll come back to, Ogden will get the bottom line of the building; that means that Ogden will get the upside of the building and Ogden will get the downside of the building. There will be a limit on the upside of the building in that if or when Ogden and this will be negotiated, Ogden does well in...the building does well and Ogden receives a fair return on its investment for the capital investment that it's made in the building and for the risks that it's sustained and we will work this out. There can be, there could be some sharing of the bottom line beyond that but any private investor is entitled to return for risk that he or she takes and Ogden is no different, but after that the City could share in a net cash flow or an excess cash flow of the building. Ogden will subcontract to Enron the utility energy infrastructure of the building. This is somewhere in the area of 15 to 20 percent of the capital costs of the facility and you've heard the Enron proposal, so I don't need to go through it. And so, in total, at a minimum private businesses which will primarily be Enron and Ogden, but I don't think that either Ogden or I want to foreclose the possibility today that another portion of the building might not be subcontracted if the right deal appears or...I just don't know what it could be yet because we haven't explored other hard and soft aspects of the building that can be capitalized or monetized but at a minimum 20 percent of the capital cost of the financing of the structure will be privatized. I've said that Ogden will share on the upside and Ogden will guarantee the City against the downside of the building...in addition to the operating risk there are construction risk during the project and what we will do is through a bid process select a construction manager who will provide us and this will be an absolute requirement of the financing...will provide us with a guaranteed maximum price contract with a guarantee of a completion date and liquidated damages in the event...will equal debt service...liquidated damages in the event that either of those fair. We will also build into both the guaranteed maximum price and the project budget adequate contingency and I think Ogden will...and Lavalley Brensinger/HOK Sport will all be able to be helpful in sizing the contingency to protect the public sector and to protect the building and to protect the financing. I guess the last

thing is really where we started on the finance plan that it will be because of these projections because of these assumptions of risk by other parties whether it is Ogden or the construction manager or the bond insurer neither property taxes will be used nor and the project will be non-recourse to the taxpayer. So, what's the project look like and this is a rough and I have been told and I am going to try very hard not to get into the place where you got a couple of weeks ago with the Airport and what's the project cost and what's the total financing cost, so I'm going to try and do this right and if I don't Kevin will slap me around on this. This is a rough as respects the subdivisions of these costs, a rough estimate of the project budget costs. This isn't the total cost, this is the project budget cost. Now, what is firm in our minds on this sheet is the bottom number, we won't go above \$57 million on this line. If something changes here it's got to come from someplace else on this page, it's got to come from somebody's fees, it's got to cut back the size of the building, it's got to come out of the contingency fund, it's got to come from somewhere. So, that the \$57 million is the amount of money that we are going to spend on the project. What we're going to spend in total...it's going to cost us, if you will, \$2 million to raise that \$57 million so that the total costs for the project and the financing costs are \$59 million and if you build it backwards and this is kind of an abbreviated sources and uses of funds and if we go backwards on the...from the bottom up, what we use the money for first the six hundred something thousand dollars are the lawyers, are the underwriters, are the technicians in putting together the financing. I have an interest in that line, I want to tell you. The line above that is the capitalized interest line...we have an anomaly in that the Rooms & Meals Tax money comes in every December we hope to issue bonds in March so that the December 1999 payment has to cover the period of interest from December '99 through the...excuse me, it has to cover the July 1999 and the January 2000 and the June 2000 interest payments. So, we don't have enough coming in in one payment to cover three payments, it only happens in the first year and it's only because of when the bonds are issued. So, that's the capitalized interest line, the \$770,000 is our estimate of the amount of money that we need to spend on the bond insurance which we talked about and so the \$57 million is the project funds and it comes from the four sources above the line the private investment of \$11.4 million, the Rooms & Meals Tax money that has been collected, that has been set aside and will be collected before the bonds are issued, all of the money, the bond proceeds, all of that money goes into a...not the \$11.4 million by the way we didn't over estimate the investment income that goes into a project fund and it earns interest, so that what this says is your \$57 million project or your \$59 million of total costs is financed by you for \$44 million that you need to issue only \$44 million of bonds to get your \$59 million deal and fortunately it balances and this is the table that shows in the first...what I was talking about before about how if the numbers come in the way...if the Rooms & Meals Tax numbers come in the way we expect that they will with modest assumptions of growth and the debt service tables in detail are back in your appendices of the report there will always be excess Rooms & Meals Tax incremental monies above the debt service requirements. The first column is the cash flow that we expect out of the incremental Rooms & Meals Tax money, the second row is the debt service payments themselves and the third column which could be just as easily a number rather than a ratio, but it's a coverage ratio it's how much more you have left over in percentage terms, it's what the rating agencies do and I will tell you that some facilities in

Florida, some facilities in some other states with this kind of, with this type of tax securing the bonds with actually more aggressive assumptions about increases in the bonds have been insured at one-ten and one-twenty coverage ratios by lower rated cities than Manchester, New Hampshire. So, that this is very conservative and a very insurable financing structure and it says from year one that there's probably a half-a-million dollars or so in incremental tax revenues above the debt service requirements. We went out seven years, by the way. The maximum debt service requirement is any year is about \$3.8 million, so if you assume that the growth in Rooms & Meals Tax money flattened out and never grew again, no inflation, no growth, no nothing after 2004 there'd still be enough money to pay the debt service on the bonds without recourse through the insurer. That's a summary of the finance plan, it works, it is supported by and what will be make it so receptive to the market is that it is not only a public/private partnership but the partners...the American Hockey League, Ogden, Enron...are investment grade credible, effective, experienced partners who have long histories of successfully accomplishing this project and I'm simply honored and pleased to have helped bring this to this point and hope that I can work with you to see it to the end and to be there on opening night, it would be fabulous and so with that, I'll turn it back to Skip who can bring this to a conclusion and I'm here to answer any questions you might have.

Mr. Ashooh stated first of all this seems a little awkward...they told me two things before I started tonight. One, is I can't hold the microphone and two is I can't leave the lectern because I like to wander and I wave my hands when I talk. So, they told me to stay right here just like this. But, Steve (Stern) brought us to a point where there is an important factor that you need to consider and we started this. This whole project was geared toward economic development and there were certain quantifiable items that I think you need to consider. The financial and economic benefits...not the least of which and one of the first things that we were asked to do was to come up with significant private investment. We're talking about \$11 million in cash or in-kind upfront into this facility and that's \$11 million that bears the risk of the operations of this facility. This is significant because if you take a look at buildings of similar size in facilities across the country this is one of the largest private capital contributions ever considered, ever done. We are pleased to be able to report that this type of contribution is being considered for Manchester, New Hampshire. The second item on this there was a study done a few years ago by a professor at UNH which his results parallel very, very interestingly enough the Hunter Interest Report done in 1994 and during the construction phase there is some very real benefits to the City. There are 130 local construction jobs, these are people that go to work on a two-year project to build probably the most significant construction project in southern New Hampshire outside of the Airport. There are 367 additional jobs with suppliers, retailers, architects during this two-year construction phase and they may translate into long-term jobs as well. There is a creation of a permanent increase of \$14 million a year in the State's level of gross income, I was going to say revenue, but it's income once the civic center opens. We're expecting this facility to add \$14 million worth of business each year that it's available and we hope that that would grow. There is a creation of 250 to 300 permanent jobs, those are local jobs, those are real jobs. When your unemployment in this City is as low as it is right now, this

may not seem significant...think about the times you go through when a couple extra hundred jobs kicking around here wouldn't be all that bad...these are real jobs that would spin off of this type of project. In addition, we're talking about using the Rooms & Meals Tax money to finance the public portion of the bonds. Well, somebody asked us the question what happens when you do this, what is the impact, do we get an increase in the Rooms & Meals Tax. The projection is that there would be an increase of \$456,000 per year in the State Rooms & Meals Tax receipts. Obviously, that is something that would come back to us on the same formula that they give to us now. So, we would also be adding to the State stream there. But, these are...before we get to this let me just say a couple of things. These are the quantifiable dollars and cents things that we were talking about on this issue, there's is an additional thing that's happened here and this committee as its done its work has come to recognize that this is more than just a bricks and mortar facility. This is a quality of life issue. I've had the pleasure of watching the Board of Aldermen work, the Mayor and Aldermen work over the last year or so attending some of the meeting, working with the committees and in the last couple of weeks you've considered a couple of issues that are key to what people consider quality of life in Manchester, I've watched the debate about the anti-cruising ordinance in Manchester and I thought it was an interesting ordinance, but the debate was do we need an anti-cruising ordinance or do we need an anti-loitering law, do we need to enforce laws, the fact of the matter is the situations exist because nobody's using our streets after five o'clock at night during the week and no one's using our streets on the weekend except those who have nothing better to do than to cruise the streets and hang around Downtown and that's because there's nothing to do Downtown. We're talking about a facility that will give people the opportunity and the reason to come Downtown. We're not trying to bring back retail, we're trying to create a gathering place in the center of town that will improve the quality of life. Now, we can go back to the slide because we all feed into all the things that are left to do to improve the quality of life in Manchester. We have to finalize the site selection, we have to select the contractor and owner's representatives to participate in the final building design and costs, these pieces are key. We can't negotiate our contracts until we know what the scale of the project is. The building needs to be designed, we need to finalize construction costs and formalize lease negotiations. I was told that if you thought that this last 18 months was fun wait until you get to the contract stage and that's what we're looking for now. We need to prepare the associated business and financing documents and we have just about every lawyer in southern New Hampshire thinking about this part, we have financing to execute, and we have to build a civic center. These items are important to us, but what you need to stay focused on is the fact that it's quality of life, it's Manchester, and what we're finding out in addition is people are watching what we're doing here, they watched what happened at the Airport...I saw a gentleman address the Board about the Airport a couple of weeks ago and his comment about every major airline and their home offices were watching what happened with Manchester Airport...we're being approached now. As recently as today, I was approached by three additional companies that are looking very, very hard at investing in Manchester, they want to be involved in this facility. They believe that we have reached a point of critical mass with a project like this. They want to be part of Manchester, they've heard that we're the number one best small City in the east, they know that

that makes good business sense for them, they see this as a facility that is important for them and they want to be involved in it. We're not soliciting additional interest, it's coming to us at this point. So, people are watching outside of the City. The City's investment in this facility is going to pay dividends for years to come. The vision of a civic center now means many things to many people. Indeed this Committee's vision has changed significantly. We've learned that a civic center is now more than just a sports and entertainment facility. It is indeed a gathering place for the community, a place where we can celebrate the graduation of our children, we can congratulate our elected officials. It was resolved this morning at the Manchester Development Corporation Board meeting that all parties have agreed to the aforementioned terms in principle or in fact, the MDC strongly recommends that the Board of Mayor and Aldermen proceed with the civic center project. We have completed our feasibility report, our committee, the project team we have assembled here that you've heard speak tonight now look to the Board of Mayor and Aldermen for their guidance in the next steps that we take. Thank you very much.

Mayor Wieczorek stated thank you very much, Skip. I'm going to ask that the Aldermen get back up to their seats with the microphones here and while they're doing that I really want to express my thanks, Skip, to you and to John Snow who was part of the team here before he moved to Maine and he's back here tonight, so he can check on the progress that's being made and Dick Charpentier and Ray Pinard who has filled in where John has left off, Kevin Clougherty our Finance Department, Tom Clark, the people that have worked hard, and the danger in starting with naming names is that you always leave somebody out, but this group has really worked together very, very effectively and I'm very, very please. Now, this is not a public meeting so questions are going to be coming...it's not a public hearing, it is a public meeting, but the questions will come from the Aldermen of anybody that has made an presentation here tonight.

Alderman Shea stated I have a list of questions, so I'll ask a few and then I'll let someone else ask and come back to it. I'm not sure who to direct this to, but what is the average attendance required to sustain an American League Hockey franchise.

Mr. Stern replied it will be dependent upon what the average ticket price is and what the cost of the lease would be to the hockey team, but right now we're running projections on an average of 5,000 attendees at about, I think, an average of nine or ten dollars per ticket.

Alderman Shea stated you're saying 5,000 people coming is an average.

Mr. Stern replied correct.

Alderman Shea stated may I direct this to Mr. Russo. If 5,000 people were to attend, does that given Ogden a profit and give something back to the City or does that just allow you to handle the cost of operating and maintaining the facility.

Mr. Russo replied 5,000 average attendance is within our projections. We hope that they will do better, of course. The better they do the better we all do. Part of the other part of your question whether that gives us an overall profit will be dependent upon how much money we put into the project, how much debt we have to service. So, it is not only the operation of the building but our ability to generate excess profit from the operation, to cover the investment to get a fair return on that investment, to make a management fee, to make an incentive fee, and then to have excess income that would be split with the City on a negotiated basis.

Alderman Shea stated your answer is that you really can't...

Mr. Russo stated I really can't answer that now.

Alderman Shea stated, your Honor, this is directed to whomever, Skip maybe. Initially, the cost of the civic center was \$45 million, it has now escalated to approximately \$59 million, is that correct.

Mr. Ashooh stated the \$45 million figure used was not of this projection. There may have been a \$45 million component the City may have financed, but we never used a \$45 million figure as far as our construction.

Alderman Shea stated I thought that in February of '97 that was the projected cost.

Mr. Ashooh stated I don't think, I didn't have a projected cost for this. We were told to go out and find out what it would do and that's what we've come back to report.

Alderman Shea stated another question possibly to the Chamber. Is, in your judgment, is this the best way to attract new investment in the Downtown business area or are there other ways of attracting businesses other than a civic center.

Ms. Eckhardt replied I would have to say that to date this is probably the best one on the boards and the one that's gone the furthest and the one that has in other cities of our size the best proven track record for building a better community.

Alderman Shea stated while I have you, you mentioned that Rapid City, Iowa has made a number of gains.

Ms. Eckhardt stated not Rapid City, I think it was Grand Rapids, Michigan.

Alderman Shea asked could you tell me how that was financed.

Ms. Eckhardt replied I don't know that.

Alderman Shea stated you don't know if public funding or private funding was used.

Ms. Eckhardt replied I don't know.

Mr. Stern stated I can't give you the exact percentages, Alderman. It was both public and private funding. They had the beneficiaries of the founders and owners of the Amway Corporation who are residents of Grand Rapids who made a substantial contribution to the building, but there was a...the majority of that building is publicly financed, as well.

Alderman Shea stated this is directed to Ogden again. You people in your letter stated that you would have naming rights approval, is that correct.

Mr. Russo replied that is correct.

Alderman Shea asked could you explain a little bit about naming rights for the people that might not understand that.

Mr. Russo stated there is a growing trend in the United States and throughout the world to sell the name of a arena to a corporation, the new American Airlines Arena in Miami, Florida, the United/Delta Center, the Great Western Forum, the Staples Arena, the Target Center, it goes on and on and on. Most major buildings have a naming rights sponsor. The sponsor of those naming rights signs a long-term deal, they agree to contractually obligate paying so much money per year in return for having their name on the building, a suite, certain parking spaces, certain amount of club seats, and other types of benefits that are negotiable based on the cost and the fee that they are willing to pay.

Alderman Shea asked approximately how much do you anticipate the naming rights to amount to here in Manchester.

Mr. Russo replied at this point in time, I don't think I would like to disclose that. I think it's a negotiable item, we don't want to set an artificially high or low number until we know the overall economics that we're dealing with, but it will be significant.

Alderman Shea stated, your Honor, I have a few other questions here, two or three more.

Mayor Wiczorek stated then we'll let you finish up.

Alderman Shea stated I'll be all night if I finish up. On page 4, if I may refer to the report there was survey work relating to market demand but the surveyor, the person who did it, Mr. Anderson indicated that he could not identify definite commitments to seating, in other words, the type of seating that would allow for premium seating is referred to here and newspaper reports indicate that Ogden will receive naming right as indicated. Could you give me some

idea as far as up-to-date this report was issued in '97, can you give me a little bit more information or the general public about premium seating and club seating.

Mr. Ashooh replied BJ Eckhardt did address the Chamber survey in this, we keep in mind we were not given the power by your Board to do anything contractual, we could not sign anybody up, all we could do was ask the question. What we did in addition to that Arthur Andersen did is we asked the Chamber to ask the hard question that "at this price, with tickets, without tickets would you step up and put your name on the line in your community to participate in a luxury suite or club seats" and that was a result of the survey she came up with which was, I believe 40 percent of those 30 corporations which is a very small list responded favorably. And, on your last question, we have been approached by a couple of corporations that are interested in the naming rights. So, that's something that we did want to follow up on.

Alderman Shea in reference to page 6 asked is the fact that New Hampshire is strategically located in American Hockey League territory the only or the key reason for granting Manchester a franchise and I'm not sure if Mr. Murray could address that, is that the key reason because Manchester is strategically located in a American Hockey League territory or are there other reasons as well when you negotiate.

Mr. Murray replied I'll give you the perspective from the American Hockey League. One, that is a business in and of itself, so they're interested in always growing their business, so not only is it an effort to protect a market from any other hockey leagues but there is also a substantial franchise fee that goes along with the granting of that so that they also have some economic reasons for granting a franchise as well.

Alderman Shea asked would that be the key reason or is there other reasons that they look upon Manchester as a vibrant community, not a mill town, but an upscale community.

Mr. Murray replied no, no, no, absolutely. They view Manchester as a vibrant market, a very attractive market for an organization like that.

Mr. Stern stated let me add a couple of other comments after having worked on several other projects with the American Hockey League and recall that the American Hockey League had previously wanted to come to Manchester and when the franchise was granted to Lowell when the previous project did not succeed, the Manchester territory was explicitly carved out from the Lowell franchise territory to continue to allow the opportunity for a facility to develop and be built in Manchester so that the American Hockey League could come to this market. The size of the market, the wealth of the market, the existence of neighboring facilities, the dynamism and the geographic relationship to other American Hockey League cities...Portland, Maine, Springfield, Worcester, Providence...which build both natural rivalries and reduce travel cost all make this an extremely desirable market for the American Hockey League.

Alderman Shea stated, Skip, back to you again, if I may. If I may get an idea from you or the general public what would you consider a minimum level of suites and club seats before proceeding with financing. I know that's a concern, but.

Mr. Ashooh replied it's not a concern, but I will tell you that we plan to sell them all, but I think initially that we had planned gauging by the responses that we're hearing from other buildings of similar stature that are being built and sold out, I think 20 is a reasonable threshold, I think 24 is a reasonable occupancy rate, I think you can walk up and down streets in most cities and find out that their hotels are doing just fine but they don't have the rooms filled every night.

Alderman Shea stated I hate to throw a wet blanket on it but the Whittemore Center has a difficult time getting people to lease their suites, is that indicative of the fact that commercial businesses or commercial enterprises are reluctant to invest in New Hampshire or is it just the fact that that's a problem that's related to the Whittemore Center, how do you envision that.

Mr. Ashooh stated let me add a couple of things here. First of all, I don't know if I'd want to necessarily take out a luxury suite in a building that's not air conditioned and go there in the summertime., number one. Number two, it's primarily a college facility that does serve the community around it. Frank, maybe you can speak a little bit more on exactly what happens in that case.

Mr. Russo stated I think you said it, it's a college facility, it's undersized, it's not air conditioned, it doesn't have a very large diverse and attractive schedule of events; that will be adversely affected when this building opens. What this building has and what this building in Manchester will have that's unique in this marketplace is a professional hockey team and that and that alone will dictate the value of the naming rights, the pouring rights, advertising, and the value of the club seats. When corporations know that they're getting 35 to 45 nights a year of professional hockey that is a critical component and that's why getting the hockey team is so critical to this project.

Alderman Shea stated I just have two more of the first phase of the questions and I'm not sure who'd like to attack this, but would you explain how 250 to 300 permanent jobs will be created by this civic center. I know that Ogden does employ...you bring your own employees, I assume.

Mr. Russo replied no, we hire local employees.

Alderman Shea asked how many for a facility would you tend to hire.

Mr. Russo asked, Harold, would you like to answer that.

Mr. Harold Bannon replied a venue this size will have probably around 20 to 25 full-time employees of which probably 80 to 90 percent will come from New Hampshire/Manchester

area. Part-time employees which would be working in the food and beverage division, security, changeover, clean up would probably be another easily 300 part-time employees and that would be working the many hours that they would be eligible to work based on the even schedules we would have.

Alderman Shea asked is this more seasonal, in other words they would work more during the hockey season perhaps than other time.

Mr. Bannon replied sure. The busy time for arenas in this area, this part of the country is usually starting in September and running through May.

Alderman Shea stated one further question of Skip. You mentioned that there would be about a \$456,000 increase in the Rooms & Meals revenue or receipts, could you explain how that would come about or how you envision it coming about.

Mr. Ashooh replied I didn't envision it, that came from the England study, a Professor at the University of New Hampshire who did a study on the impact of a civic center somewhat smaller than this, it was earlier planned and what type of increase in the Rooms & Meals Tax that type of community gathering place would create. You're talking about a facility that would generate a certain amount of Rooms & Meals and at the same time it would have that spinoff effect in the neighborhood there that would encourage investment.

Alderman Shea stated so in other words what you're saying is people would buy material that would generate this amount like they would eat at the concession stands, they would shop...we don't have a sales tax here, but...

Mr. Ashooh stated no, it's the Rooms & Meals Tax and what you're talking about are the concessions in the building itself, in the restaurants that are Downtown that would pick up additional business because you have now 5,000 people coming down on a night when they wouldn't come down before, they might stop and you have to remember the reason for this project is at first, Downtown economic revitalization. That means you are going to have people walking the streets, going to restaurants and coffee shops and shopping places, and that's not sales tax that's Rooms & Meals.

Alderman Shea stated he takes into consideration that those 5,000 people who might normally go to another restaurant or another form or entertainment they wouldn't receive that Rooms & Meals, so has he kind of figured that in the equation. In other words, if 5,000 people come Downtown those 5,000 people are spending their money Downtown rather than spending their money in some other pursuit, they are the people that like entertainment and they would tend to go some other place.

Mr. Ashooh stated I'll start by answering then turn it over to the authority, but frankly those 5,000 people aren't going anywhere right now.

Mr. Stern stated every economic impact study including the one that was associated with The Hunter Report that Skip is referring to does attempt to take into account the substitution effect. Not everybody who comes to these events is a Manchester resident and so some of the offset of the substitution effect is what's called in this trade the import effect, you bringing revenues into this city that were spent by residents from other locations, other cities, and may not have been spent or was spent in other places.

Alderman Shea stated that concludes my first phase, your Honor.

Alderman Thibault stated I'm not sure who could answer this, I guess maybe the finance guy could answer this for me. You spoke about insurance on the Rooms & Meals Tax, could you explain to me if, in fact, the Rooms & Meals Tax dries up within the first seven years of this project, will the insurance then kick in, is that what we're saying.

Mr. Stern replied yes. The bond insurance company will sell an insurance policy to the issuer of the bonds, the Manchester Development Corporation, the City of Manchester and that's what that seven hundred thousand dollar cost was and you pay it upfront and the insurance policy guarantees to the bond holders no matter what happens with the revenue streams that the principle and interest on the bonds will be paid as scheduled.

Alderman Thibault asked is that for the length.

Mr. Stern replied for the length of the bonds, yes.

Alderman Thibault stated another thing I'd like to ask, maybe Skip can answer this one. Has anyone figured in the amount of taxes that are going to be lost if we take the Staples site or the Hermsdorf site or whatever, the taxes that the City is now reaping from these businesses will be lost at that point, has anyone figured this in into any of this equation here.

Mr. Ashooh stated let me ask Barry because I think that's part of the opportunity cost that you took a look at and one of the things we did take a look at was the revenue that we would lose in property tax on a facility like Staples and put it up against the property tax, pay it on a number of the other sites we took a look at and there was a favorable rating, I believe, on the Staples site as far as the relative amount that we would lose. Obviously, if you take any land that is not City land now there's going to be a decrease in the property tax, but we think that a property like this has enough benefit that we're going to more than overcome that by the incentive to develop the areas around Staples. There is some very, very good and developable properties around that area that could bring more tax in that are not.

Alderman Thibault asked so, Skip, as you saying that the Staples site, the amount that we might lose there some of the other sites that you've looked at we would lose a comparable amount or more or less.

Mr. Ashooh replied probably more on most of the sites.

Mr. Brensinger stated Skip covered the issue fairly well. As part of our site assessment we did look at the assessed value of each of the 12 sites we considered. It turns out that the Staples site was about mid-range in the 12 sites in terms of its current assessed value and, therefore, its tax income to the City. I think the important issue as Skip pointed out is while we did meet and look at a kind of long-range pro forma, if you will, and what's the loss of tax revenue from that specific site nor did we specifically take into account all the additional revenue that will be generated from spinoff development. I think it's fair to say that the team in general is confident that in the net there will be a favorable balance to the City.

Alderman Pariseau stated I would like to commend the Committee for their efforts in presenting this plan for the civic center. But, I have a problem...we make reference to no property taxes. I believe the issue of Rooms & Meals was to come back to the City to lower property taxes and I don't like reading throughout this whole book that there won't be any...the property taxpayers won't be affected. They will be because we're taking the Rooms & Meals away from them and aiming it to the civic center; that being said I guess this would be for the finance guy...Ogden will subcontract with Enron and we're looking at that magic figure where the City would start obtaining revenues after Ogden receives so much then they split that. Would that agreement with Enron be added to that revenue figure.

Mr. Stern replied Ogden gets all the revenue of the building initially, the gross revenue of the building. Ogden pays all the expenses of the building. Included in that definition of Ogden pays all of the expenses of the building are all of the lease costs with Enron period. Enron has no incentives, Enron gets no share of the building income and Enron is repaid for the costs of the energy and the capital costs period and then there's a bottom line of the building and Ogden gets it first and then beyond some number the City Shares.

Alderman Girard stated just a comment before I ask my questions. There's been a lot of talk about Rooms & Meals and whether or not it gets applied to the property tax rate to lighten the property tax burden on the taxpayers and in my time in the Mayor's Office and my time on the Board I have yet to see a proposal to use the Rooms & Meals Tax that would have applied it to the tax rate to offset it, so I think money being what it is we'll find a way to spend it if we have it available to us. But, that having been said just so that everybody is crystal clear on this and I think it's something to consider because with the financial issues that the State is facing with education and other issues there's been a lot of talk about reprogramming funds, there was even a proposal in the Senate that would have reprogrammed Rooms & Meals Tax money and channel it into other directions. Right now, as we stand today no civic center, no anything if the

State changes that formula and decides not to continue its Rooms & Meals Tax monies or sends less back to the cities and towns we lose that revenue, is that correct.

Mr. Ashooh replied correct.

Alderman Girard stated if we go ahead with this proposal and we issue the bonds and we're issuing revenue bonds, correct.

Mr. Ashooh replied that is correct. No, no...

Mr. Stern stated you're issuing excise tax bonds, if you will.

Alderman Girard stated so, they're not General Obligation Bonds because they have a dedicated revenue source.

Mr. Stern replied that is correct.

Alderman Girard stated that is the Rooms & Meals Tax money. So, if we issue these bonds based on that revenue stream and we insure that revenue stream and it disappears or it is diminished and it can't cover the debt service then...

Mr. Stern interjected that is the risk of the bond insurer.

Alderman Girard reiterated so that is the risk of the bond insurer. So, if after five years the State changes its formula 25 years of debt service is going to be paid for by the insurance company and not one property tax penny is going to that bond payment.

Mr. Stern replied that is correct; that is the bond insurance policy.

Alderman Girard stated I wanted to make sure that's crystal clear, it's just like mortgage insurance. The other question is there have been some questions about the assumptions in the study about the number of luxury boxes, number of seats, this, that, and the other thing. Assuming a worse case scenario that the numbers in here are just off the wall and that there's no way you'd ever lease out 30 or 40 luxury boxes or how many ever club seats...assuming all of the assumptions here are wrong we build this thing, it falls flat on its head, the property taxpayers of the City of Manchester because of the operating guarantees from Ogden pay not one penny, is that correct.

Mr. Stern stated that is what the Ogden guarantee is going to say and Ogden should respond to that more than me.

Mr. Russo stated the way you stated it, it is correct, yes.

Alderman Girard stated if this thing performs beyond our wildest expectations there will be some ceiling above which the City will have some revenue sharing rights and that's under negotiation currently.

Mr. Russo stated the concept is agreed to. We honestly haven't started negotiating it because we don't know any of the numbers yes, so there's no basis to negotiate that, but it is our intent to do that.

Mr. Stern stated, Alderman, I would counsel you in terms of...counsel all of the Board of Mayor and Aldermen that in terms of making a public policy-decision that excess cash flow below the line, if you will, shouldn't be primary economic objective of this. Unless you completely change the policy objectives of not using the property tax and not assumption of risk that is one thing and then secondly even if there is excess cash flow the amount that would be able to flow back to you is going to be limited by Federal Tax Law before the tax exemption on the bonds are threatened. There is an opportunity for it, but it's not the pot of gold at the end of the rainbow.

Alderman Girard stated I'm not trying to suggest that it is or that it should be, I just wanted to confirm my understanding and then finally there were questions about the AHL. My guess is that the AHL being a business would not even consider Manchester if it had not done the demographic studies it needed to do to say that this is a market we'll thrive in. Your Honor, miracles do happen and I think the civic center proposal is probably proof that they exist. We charged the members of this Committee and the people that worked with them and they should all be congratulated with coming back with a proposal that is absolutely risk free to the taxpayers of this City and in the event that say Rooms & Meals Tax money disappears we kind of get a civic center for free and the insurance companies pick up the load, this is an amazing proposal and I think that the work that has been done here and presented to this Board is to be commended and I would urge that this proposal go forward.

Alderman Clancy stated this is for the gentleman from Ogden. I understand that you manage a lot of arenas throughout the country. One that caught my eye was the Providence Arena. Can you tell me a little about that, I did read in the Boston paper that they lost \$800,000 as being the top affiliate team in the league, so could you enlighten me on that.

Mr. Russo stated this building is 25 years old, it has had minimal if any capital improvements over its life, it needs extensive repair, renovation, capital improvements, upgrading, modernization. They have a hockey team there that has an extremely good lease, the deficit is picked up completely by the City of Providence. The City views the hockey team there as essentially 40 nights of conventions, they're not looking for a pure business economic deal, if you will. They have it there for other reasons, it's a loss leader. So, every city every civic center has a different set of economics. This city has chosen to pay as you go with a

public/private venture, it's totally different than what Providence set out to do, is committed to doing, even given the deficit. Ogden's mandate...when we competed for and won the award was to take over management of that building and lower the deficit. So our incentive is not based on achieving a private or sharing any income with the City, but being essentially incentivized on a percentage of our ability to reduce that loss.

Alderman Clancy asked did you company lose any money in that building at all.

Mr. Russo replied no, we are paid a management fee. We are not at risk, we are not leasing that building. We are paid a management fee by the City of Providence. They just recently awarded us an additional contract to manage the new Fleet Center Ice Rink at Kennedy Plaza, but we are not at risk. It is a totally different deal than this one.

Alderman Clancy stated the City absorbed the loss then, \$800,000.

Mr. Russo replied yes.

Mr. Bannon stated the city has basically lost between \$800,000 and \$1.5 million annually in that civic center arena for a number of reasons. There have been schedules gone down, the building as Frank alluded to earlier is 25 years old and needs some major renovations to it, a convention center was build directly across the street taking on the trade/consumer shows away. We were hired to come in and reduce the deficit and as Frank alluded to we get paid a management fee plus an incentive to reduce that annual deficit. The City knows that that building is going to operate as a deficit, but they wanted to minimize it so through a competitive bid process they hired us back in October to come in and manage the venue.

Alderman Clancy stated so evidently the taxpayers have to pick up that loss.

Mr. Russo stated from Day 1. We've been there just one year, but on the other hand we just started on August 1st, the management of the Rochester War Memorial which was upgraded under a \$40 million renovation program to go from 9,000 to 14,000 seats and in that particular situation Ogden put in a capital investment and we are leasing the building and we are 100 percent at risk for any operating losses and after we achieve our targeted income agreed upon with the City there is a fairly substantial and fair split of excess revenue with the City of Rochester. So, that is much different than the Providence situation.

Mayor Wiczorek asked, Frank, let me just ask you one question. Did the City of Providence run that center themselves, the City.

Mr. Russo replied the City of Providence ran that through the Providence Civic Center Authority, but essentially it was run as a City operation in every way.

Alderman Klock stated I just wanted to remind the Board and correct me if I'm wrong, the Committee, with the discussion of Rooms & Meals taxes and property taxes we have to remember that the basic purpose is to revitalize or continue to revitalize the Downtown and to bring economic development to Manchester and the idea of revitalizing Downtown and bringing economic development ultimately the taxpayers in the City will reap the benefits. So, we have to keep that in mind. Now, one question probably to Ogden...just out of curiosity, who ensures the continual flow of events for the center, who is in charge of making sure that the lineup is continual and we don't have a huge lag time.

Mr. Russo replied Ogden is. We have our New York headquarters. We have the Hartford office which is where Harold and our marketing team are based for the northeast and the east coasts. Ogden is taking the risk, Ogden essentially will sign the lease that obligates us and we have the Ogden Corporation of New York as Steve suggested investment grade quality guarantee, guarantees you that you will not have to fund any operating losses assuming that we cut the deal when all the final numbers are put together.

Alderman Hirschmann stated I want to compliment Elias Ashooh, I think that the team that is in front of us is the most credible team that I've seen and I was here three years ago to listen to Godfrey Wood and listen about SpectraCor and hear a lot of things about civic centers and this is a whole other proposal that's before us today and I had the luxury of sitting on the Aldermen's Civic Center Committee thanks to Alderman Wihby because I do have some insight into your team before these evening. I'd like to thank Frank Russo especially and his team Ogden because I knew a lot about SpectraCor running the Philadelphia Spectrum and I thought that's the kind of management team we wanted in place in Manchester and I don't see anybody coming to Manchester willing to put \$11 million of their money and capital into Elm Street and Mr. Russo's team is plus I believe it was \$3 million of equipment and uniforms and other things that he had discussed. So, you talk about lost opportunity, if this doesn't happen to Manchester and Ogden doesn't get a piece of this civic center, we don't have a hockey team. You think about lost opportunity to Manchester and I want to thank you.

Alderman Cashin stated to Skip, I guess. Alderman Wihby isn't here and he's Chairman of the Committee. I guess he's hurt his back and he isn't available to be here. Question...I feel that we ought to take this on the road, I think we ought to have public hearings, I think we ought to have at least four public hearings and I think people should have a right to talk to us and let us know how they really feel about this. Are we scheduling them, Skip, and if not, why not and can we.

Mr. Ashooh replied it was not a function of our Committee to schedule them, but at our last Committee meeting I believe Alderman Wihby expressed an interest to have four meetings and I understand three have been scheduled. One I believe is a problem getting a venue for it, but the last I heard we had a public hearing set for the 24th, 25th, and 31st of August. I don't know if the Clerk's Office has any newer information, I think the locations are still up in the air.

Mayor Wieczorek stated what I've got here on a sheet is that on the 31st which is a week from Monday would be at Memorial and the 24th and the 25th are still up in the air awaiting confirmation from School due to renovations being done. It's our intention to have public hearings on the 24th, 25th, and the 31st.

Mr. Ashooh stated I'd like to add that we're looking forward to public input ourselves.

Alderman Cashin stated fine, that is the only question I had.

Alderman Girard stated on the public hearings just a quick thing. Would it be possible for someone in the Clerk's Office to contact Channel 16 to see if they could tape a show on the proposal and I believe they have call-in capabilities at Channel 16 so we could have sort of an electronic public hearing, I guess for people who can't get out or what not, just a thought.

Alderman Thibault stated in what Alderman Girard just brought up, would it be possible to have one of these meetings on the west side so that the people of the west side might be better informed as to exactly what's happening here.

Clerk Bernier stated we are looking at the three schools...Memorial, West, and Central. Memorial is scheduled for August 31st at 6:30 and hopefully Central or West will be the 24th or the 25th.

Mayor Wieczorek stated I'm getting further instructions here. On the 24th apparently they're going to try to do it at Central, the 25th at West, and the 31st at Memorial in the auditoriums.

Alderman Shea stated I'd like to answer the question that Alderman Thibault raised, the property that Staples is now located on is assessed for \$5.6 million and the annual taxes, I believe, are \$150,000 to \$200,000 per year. So, that settles that question, I believe. Now, I'd like to ask, Mr. Stern, you mentioned that the...and made quite a positive issue of it that the City would be under no obligation if for whatever reason the tax and rooms money dried up. Have you a bonding company under contract now.

Mr. Stern replied no, we don't. With the City's financial advisor we have talked to two municipal bond insurance companies who have both indicated an interest in the structure of the bonds and have knowledge of the revenue stream and have insured bonds in the State of New Hampshire. It is not time, we don't have documents, you cannot purchase bond insurance until you have bond documents and an actual finance plan to put in front of them.

Alderman Shea asked would you say that this type of arrangement is a common arrangement or usual or unusual arrangement where a bonding company would insure...

Mr. Stern replied there have been a number of these facilities financed with a similar or equivalent tax base around the country with a...gee, we did the NASCAR facility in Holmstead, Florida. Our company...and we ramped the...in Florida it's the Hotel/Motel Tax, we ramped the Hotel/Motel Tax for 30 years and MBIA insured it, so it is done. We're not assuming those kinds of ramp increases for that...those kinds of increases in the tax base every year, year-after-year. We've made more conservative of assumptions and this is a higher credit. Manchester and New Hampshire are better credits than Holmstead, Florida. So, it is not an unusual or rare financing technique.

Mr. Ashooh stated the municipal bond insurance market. The last time I looked at the figures which was October of 1997 about \$30 billion worth of municipal bonds of all types were insured during that month. So, this is a large and vibrant business of municipal bond insurance.

Alderman Shea stated so, the cost would be between one hundred and seventy-five thousand to one million dollars to...

Mr. Stern replied, I don't know what the cost is going to be and the cost number that I gave you there was conservative. We don't know what the insurance market exactly is going to be like if we do these bonds next March when we hope to. But, based on today's markets, today's interest rates the cost would be \$770,000 whatever that number was that was on the screen would be the precise cost.

Alderman Shea asked does that money come out of the Rooms & Meals Tax.

Mr. Stern replied that money comes out of the bond issue, it's included in the funding of the not just the bond issue, but the total finance plan of which the bond issue is the largest portion.

Alderman Shea stated I'd like to make reference, your Honor, to the fact that the total amount that would be spent and I guess it's a guesstimate or maybe not even that is \$96 million, is that pretty...

Mr. Stern replied that is the total of principal and interest on 30 years.

Mayor Wiczorek stated it's very interesting because I hear this mentioned periodically about this \$96 million, \$120 million...we just built a \$9 million school. Can you tell me, is it a \$9 million school or are we talking about an \$18 million school.

Alderman Shea asked did we get any State money for that, your Honor.

Mayor Wiczorek replied very little.

Alderman Shea asked how much. I thought it was 40 percent.

Mayor Wieczorek stated I don't want to get off on that subject. It's like someone who's in the real estate business, you say I've got a house for sale, it's \$100,000 but I'm going to ask \$200,000 because that's what it's going to cost. I mean, that's ridiculous to have anybody talk like that. You don't ever hear any capital projects that the State has where people are talking about well, if you add in the total cost of the financing this is what it is going to cost. If you were going to buy a house and somebody said it was going to cost you \$225,000 you probably wouldn't buy it.

Alderman Shea interjected that's correct.

Mayor Wieczorek stated that's correct, but that's not the way you do it because you didn't do it with your house, I'm sure.

Alderman Shea stated I made sure I had within my means the necessary money to buy it.

Mayor Wieczorek stated that's a different question, but we're talking about the total amount of money that is being spent.

Alderman Girard stated while we're talking about numbers, the assessment that's listed in the civic center feasibility study for the Staples site is \$3,094,000, so that's the number that was provided to the Aldermen as part of the package, I don't know where the \$5.6 million comes from.

Alderman Shea interjected may I correct him that was provided by the Assessor's and it was \$5.6 million including some of the other areas there that happen to be included.

Mr. Ashooh stated I think we need to clarify that because they may have included parcels that are not in our plan. I think you have to be very careful of what you include and what we're recommending taking in the Staples lot and there are two or three parcels there and we're not using all of them, hang on just a second.

Mr. Stern replied that's correct, Skip. Basically, the parcel that we're talking about is the single piece that is currently owned by the Staples partnership. We are not intent on buying the surrounding properties that complete that block. There are several parcels on the corner and those are not a part of this project.

Mr. Ashooh stated if I can add too, just to follow-up, how much less tax money is the City of Manchester getting from a nine acre parcel that's eight acres of paving, in essence. You've got a flat lot there with one building in the back of it and the rest of it is a flat parking lot. One of the purposes of this whole deal is to take some of this underutilized property in the central business district of our town and use that project to increase the value of all the other properties

around it to give people a reason to invest, to raise the tax base in a part of town that right now is just not carrying its load. The residential taxpayers in this town are carrying the load because people Downtown have a diminishing tax base, property is not being properly used.

Alderman Pariseau stated throughout the booklet that we got there's reference to the private sector and I guess my question is for BJ Eckhardt from the Chamber of Commerce, could we expect to receive more financial assistance from the Chamber with regard to this project. They stand to benefit more than most people generating additional businesses and stuff.

Ms. Eckhardt replied I think the Chamber's always been there to support community efforts and I think that the Chamber though we have not taken an official vote on this proposal, I feel pretty positive that the Board will endorse this proposal, more financial support.

Alderman Pariseau asked will they show us the money.

Ms. Eckhardt replied I don't think the Chamber per se will, but I think a lot of its members have already proven that they've said they're interested in the luxury suites, so they've already said yes, their interested in showing you the money, that's what the report was that I gave.

Mr. Ashooh stated I'd like to ask a question of a member of my team. Frank Russo, would Ogden Entertainment become a member of the Chamber of Commerce. We have an \$11 million contribution from a future member of the Chamber of Commerce...and I'm getting commission from BJ on that one, so.

Alderman Reiniger stated this is about site selection. There are a lot of residents in the neighborhood to the east of the Staples lot who have been expressing concerns and I know recently some of the property owners across Elm Street towards the so-called Hermsdorf area have gotten together and made a unified proposal...are we locked into this Staples site, what is the procedure for coming to a final determination as to which location to use, where do we stand with that.

Mr. Ashooh replied let me start and then Barry will finish with what the facts are. First of all, I think we could dam this process by becoming site specific and saying it has to be someplace because if we get on that site we find that there is a problem, we may have to bring the whole proposal back to the Board and start from ground zero. I think we have one good chance to do this and do this properly, so to leave the option open on the site and then once we have the authority to go forward and do the actual examinations on the site then allows us then to make a recommendation and make it with the assurance that it is an appropriate site. I have also, I've met with a number of the representatives of residents in different neighborhoods that have concerns about the staples site and we're aware of their concerns, unfortunately, at this stage, we have their concerns to deal with not an actual problem, it's an area that has been the target of a lot of investment in the City and people's personal stakes in that area, this is not a project that

we would want to put on the Staples site to see it undo that, we want to see the Staples site add to that investment in that part of the community.

Alderman Girard stated a question to you, your Honor. What should this Board be looking to do with anything tonight to continue this process.

Mayor Wieczorek replied I don't think we're going to be doing anything tonight. I think that with the public hearings that are going to be conducted that I think the Board will be waiting to get some input from the citizens in the community and once we get the input then you'll be in a better position to gauge what the interest is in the City.

Alderman Girard stated so, we don't need to make a motion.

Mayor Wieczorek replied you don't need to take any action tonight, no we don't. Let me say a couple of things though. I had...last week somebody had called my office because we had a visitor come in and they said well, we can't get a hotel room in Manchester. I say well, what do you mean you can't get a hold of a hotel room, I know there's a new hotel that hasn't even opened yet, they haven't advertised, haven't had their grand opening yet, they've got 96 rooms so I said let me give them a call. So, I called and I asked do you have a room over there, you've got somebody who's looking for a room in Manchester and they said they can't get a room. He said, we don't have any. I said, you've got to be kidding me, you're not even opened yet...96 rooms and there wasn't a single room available in the City of Manchester last week and that's the antique show that we had here and with the things that are happening here with the Airport, I said when the Airport first was coming on line that was going to be perhaps one of the most important economic development projects in the last 20 years in this State, I've revised that. It is the most important economic development project we have ever had in the history of this State and that is what's happening. I was just reviewing some figures here today and we now have June to last June's figure...there's an 81% increase in the traffic out there, the passengers and in July versus July it's straight up, it's over a hundred percent and it's just incredible what's happening in that whole area and I look at the civic center here as another opportunity. This is another one of those projects that comes along once-in-a-while and it gives us an opportunity to again enhance the quality of life that we have in our community and I hope that the citizens are going to be looking very carefully and weighing out what their interest is in having something with this kind of entertainment that we can bring to our community instead of going somewhere else. I'm going to be going to see Bill Cosby next month at the Whittemore Center, the tickets are \$56.00 apiece and they're \$56.00 apiece, I assume because they have 6,500 seats, is that about the way you do it and if you had twice as many would it be half as much...I'm trying. I'm trying to see if I can get Bill here next year for \$25.00, but it won't be next year. But, we talk about the young people and the fact that there's nothing for them to do, they're cruising, they're loitering, they're doing all of these things. it would be wonderful to give them the opportunity to get involved in a lot of things and perhaps even to have skateboard competitions that would be inside where you have championships. I've seen some of these kids that do whirlwinds on

skateboards and it just offers tremendous opportunities and for so many years I hear that the ticket outlets that we have in Manchester and it's supposedly the fourth largest in New England is they export people. They send them to Portland, to Boston, to Springfield, to Worcester, and I say why don't we get into the import business and start bringing people here and this will then revitalize and continue the revitalization that we really started on. We're sitting here in a building tonight that is revitalized, it is one that very soon as we get through the process here we will be turning over to the University of New Hampshire, so that the University System can concentrate all of their efforts on education here in the Millyard and be an important part of the revitalization of the Downtown area and by the same token we're going to be going out to Hackett Hill where we...that will be the last large piece of undeveloped land that we have here in this City, so we've got a chance right now to take a look at something and provide this City with something that we really, sorely need. We're only one of two states in this country that do not have a civic center, one of two states...New Hampshire and Vermont and I think that we're located in the right area, we could have a lot of good activity here with hockey teams, they're would be a tremendous amount of interest I'm sure and with St. Anselm's and with New Hampshire College being powers in Division II basketball they can never play their tournament games here because they don't have an arena that's large enough to do that and so they go out to Springfield. Well, I think it would be nice if we could gather all of these wonderful things, bring them to the City of Manchester. I'm very proud of this City and I hope you are too. When we were recognized as the number one City it isn't because somebody drove through and said well, this is really a great place because there is some criteria that they use that are not to our advantage and that's the weather and they said well, the sun doesn't shine here 365 days a year and it doesn't. But, we had enough good things that were going here that this City was ranked number one by *Money* magazine and I'm very, very proud of that. We've come a long, long way from number 296 in 1991 to number 1 in 1998 and I'm very proud of that and I would like to have us continue the momentum that we've started so that we continue to develop a City and have a City where our young people don't have to leave and go somewhere else; that they could have an opportunity to get a decent job here, have entertainment here, raise their family here, and really have their roots here. So, I'm getting the signal here and I will entertain a motion to adjourn.

There being no further business to come before the Special Meeting, Mayor Wiczorek thanked all in attendance and on motion of Alderman Pariseau, duly seconded by Alderman Girard, it was voted to adjourn.

A True Record. Attest.

City Clerk