

**SPECIAL MEETING  
BOARD OF MAYOR AND ALDERMEN  
(PUBLIC PARTICIPATION)**

**December 7, 1999**

**7:00 PM**

Mayor Wieczorek called the meeting to order.

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

A moment of silent prayer was observed.

The Clerk called the roll.

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

Absent: Alderman Reiniger

Mayor Wieczorek advised that the purpose of the special meeting is to give residents of Manchester the opportunity to address the Board on items of concern affecting the community; that each person will be given only one opportunity to speak; that comments shall be limited to two minutes to allow all participants the opportunity to speak and any comments must be directed to the Chair.

Mayor Wieczorek requested that any resident wishing to speak come forward to the nearest microphone, clearly state their name and address when recognized, and give their comments.

John Lyons, 206 Comeau Street, Manchester, NH stated:

Your Honor, Alderwomen and Aldermen, I am here to repeat what I have said before plus a little more. It is about the civic center. Where you want to build it with 200 apartments of senior citizens sitting behind there. Now I want you to remember about the senior citizens. They built this City. You didn't. they put their work and time into this City. They have rights like anybody else so you might as well go ahead and kick them in the face if that is the way you feel about them. Torch the buildings. Get rid of them. They are no good, no good at all. All they ask for is a little peace in their last years and you people could care less. Give it some thought when you go to bed tonight. Some day you are going to be old and you would like some respect to. These people built this City. They own it more than we do so think about it hard. Now there are other ways in this City to raise money and to bring our tax base up. It is right in front of your noses and you can't see it. It would bring much more than any civic center would. Some day you will hear about it. Thank you.

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Murray Onigman, 324 Walnut Street, Manchester, NH stated:

I would like to refresh some of your memories. In the middle 1970's, I think Alderman Cashin was on the Board and Bob Loebel came up to me from the local radio station and said Murray we are thinking about a civic center. We have Jack Nicholson coming in from the Portland Civic Center to talk about. Well I knew Jack Nicholson because he and I were at the Garden together and he left the Garden to go to Portland and help out. He is not there now. He came down and that civic center was proposed, I believe for \$8 million. I can stand being corrected. \$8 million and the Board of Mayor and Aldermen at that time said no. At the same time, for comparison, Tom Yawkey died and Jean Yawkey got a group together and so did Dominic DiMaggio get a group together and so did Dick O'Connell get a group together and they bid on his estate. Jean Yawkey's group, including Hayward Sullivan and Buddy L'Hereux, won. How much do you think Fenway Park, no mortgage, and all of Winterhaven, no mortgage, and 200 bodies of players, managers and others cost at that point? I will tell you. We could have bid on it right above the \$19 million that bought that whole thing. Now we have 14 Aldermen. They get \$5,000 a year. They are our Board of Directors as well on this public non-property taxed building up the street that they want to build and they have already spent over \$1 million. If they take the land it is going to be another \$4 million. I won't be around and some of you won't be around to see the end of the 30 year deal, but don't let this lame duck group stick the kids with the cost of what you are contemplating at this point when we know that it is up to \$100 million or \$125 million for what? A fourth rate hockey team? Who is in charge of the Roberts Rules of Order? Do we have a parliamentarian here?

Mayor Wieczorek replied the Mayor is.

Mr. Onigman stated the Mayor is also the parliamentarian of Roberts Rules of Order. That is the first time I have heard of that.

Richard Whelan, 174 Brennan Street, Manchester, NH stated:

I would like to turn over my two minutes to the next speaker if I could, your Honor.

Mayor Wieczorek asked Billy Dodd.

Mr. Whelan answered yes.

Alderman Girard stated I don't agree that people should be able to sign up for time and then turn it over to other speakers. I think it will set a precedent where anyone who wants to speak for more than two, or three or four minutes will come with two or three of their friends to come and sign up and yield their time. I really don't want to be lectured by anybody for 10 or 15 minutes. I think that is contrary to the spirit of why public participation is here and I just want to note it for the record.

Mayor Wieczorek replied let me find out how the Board feels. Do you feel that it is improper to be turning over the time?

Alderman Shea and Klock stated that it is fine.

Billy Dodd, 181 Mammoth Road, Manchester, NH stated:

Mr. Whelan is fully aware of what I am going to say and he fully concurs with it. He is probably one of the biggest hockey fans in the City. He plays hockey across the country and in Canada. He loves the sport. He is also a taxpayer and that is our concern. Your Memorandum of Understanding. Ogden will make no capital investment in the project either initially or through the term of the agreement with the City and you better understand that means they are putting up zero. There is an interesting article in the paper today, an opinion written by a Gail T. Fisher of Manchester. "Let's approve the Staples site for the civic center and move on." She is talking about at a recent Aldermen's meeting "the Board heard cogizant reasons why the Staples site is the best one for this project. It is time for the current Board of Mayor and Aldermen to move on. If the Board of Mayor and Aldermen reject this civic center, this phoenix will not rise from the ashes of their political gamemanship. They must do the right thing for all citizens of New Hampshire." This is one uniformed lady I am sorry to say. The political gamemanship in this thing, people, started back in June of 1997 when you guys entered into a Memorandum of Understanding with Ogden Entertainment that outlined parking revenue going to them. That was a year and a half before we went to the polls in November 1998. We are not gamemanship. The game has been played for a long time. Look at your Memorandum of Understanding. It is there. The \$50 million bond that you are going to put up, make no doubt about it that at the bottom of that the City of Manchester is going to be responsible for that. No problem with that. You are supposed to have 20% private investment. That was one of your parameters that you had to meet. You have no private investment. You have nobody else taking a risk in this but the citizens of Manchester. You are going to be taking out a \$10 to \$15 million private loan from banks. Whose name is going to appear on the bottom of that loan saying we are responsible for it? Private citizens, companies? Nobody. The citizens of Manchester are going to be responsible for this private loan. You guys will have to sign off that you are responsible for it. Therefore, you have no private investment. Mr. Skip Ashooh can dance around the financial questions all he wants. You cannot use the naming rights, the luxury suite money and all that stuff for private investment. That is revenue that would have been coming in the building. Every time you guys have asked for financial documents, Mr. Ashooh has had a certified pair of Fred Astaire dance shoes on. You guys have been sidestepped every time. Now you are getting deluged with all of this information. My son and I have worked up the information and you have had it for awhile. It is in your Memorandum of Understanding. It is not numbers that we dreamed up. It is in there. Out of \$1.3 million for the luxury suites, the City is only going to get \$255,000 a year. Ogden Entertainment gets \$750,000 for absolutely nothing. That is ludicrous. I have no problem with the hockey team getting 20% of that money because the hockey team has to stay there to keep those luxury boxes full. \$750,000? Crazy. The final vote on the civic center delayed because of the absence of necessary paperwork. The gamemanship continues and we are not playing it. Your \$50,000 study from CH Johnson. You

are just getting that now. All of your other Memorandums of Understanding, you have had those for a while to look through them so look through them. Mr. Johnson's study, the key reliance, the financial resolve of the civic center depend on the competency and policy judgment of the facility management. I think things have been brought to your attention about Ogden Entertainment being asked to leave other venues because they can't produce what they are supposed to. Mr. Baldwin, I think, has had some problems with hockey teams. You get into your study, your \$50,000 study. There is a table in here. Section 5, Page 1. Estimated Coverage Ratios. In that study, what they are using is a cost projection of \$48.1 million to build the civic center. They are giving you bad information. That report was dated November 1999. Read it, I think the cost is up somewhere around \$65 million. Hockey teams. They also said franchise volatility. A significant amount of volatility in terms of a franchise entering and exiting the league. However, the turnover during just the past five years in the AHL has been dramatic. If you look at a report they have in there, out of the 28 teams they looked at between 1994 and 1998, out of 28 teams 9 have failed. Ogden says they guarantee an operating deficit. That is well and good as long as the hockey team is there, but if you check your Memorandums of Understanding, if the hockey team leaves, they don't have to guarantee any deficit. It is going to fall on our shoulders. Here is something else that showed up for the first time. This is Special Committee on the Civic Center of Board of Mayor and Aldermen from Richard Turtoro if I pronounced that right, Evanson Dodge, Inc. Cooperation Agreement, a letter of 12/6/99, between the City and MHRA which outlines the roles and responsibilities of the parties in developing and financing the center. An amendment to the existing Cooperation Agreement between with the City and MHRA for the Spruce Street redevelopment project. Where does Spruce Street come in? Real Pinard, you are my Alderman. You have to vote no just on the financial reasons. Get a better deal. This is not a good deal for us.

Chris Dodd, 181 Mammoth Road, Manchester, NH stated:

I have spoken before the Mayor and Aldermen previously and I just can't understand. I have been looking at this information for three months. You have had this information for two years and I can't understand why any of you would vote for this. Take a look at the numbers here. They don't lie. They are all in the memorandums. Out of the luxury suites, it is like my father alluded to. \$775,000 goes to Ogden. Out of the club seats, \$348,000 goes to Ogden. Ogden gets 100% of the onsite parking and approximately \$150,000 of offsite parking. Moving on to management fees, before the debt service is even paid, Ogden Management gets paid almost a half a million dollars. After the debt service is paid, another \$150,000 is paid. If we are lucky to make \$4.5 million a year, Ogden receives an incentive management fee of another 20%. In the packet of information you received this week or last week, the CH Johnson study as my father stated, based on a civic center that would cost \$41 million. That price tag is up to \$68 million and rising. So that article that was in the paper earlier this week of a guarantee of between \$400,000 and \$900,000, those numbers are under valued. If you take that \$6,000 off per year that would go into the debt service based on a \$68 million loan, you are already in the hole \$200,000 with maybe making almost \$300,000 so where those numbers are coming from, I have no idea. Add all of these numbers together and Ogden's profit per year, this is the first year, \$2.56 million and that number goes up every year with the management fee increases. As

my father stated, Ogden is putting zero dollars up. Manchester is signing the loans and private investment, ultimately is responsible for that. I would like to remind you all that you are elected officials. Elected in the best interest of the citizens of Manchester. If any one of you vote for the civic center, you are not doing your jobs and I mean no disrespect but all of these numbers are right here. You have had plenty of time to look at it. Some more information, the trust indenture has not been completed. It was a fill-in-the-blank piece of paperwork presented to you. None of the bond repayment or any of that information has been included. I ask all of you to vote no on the civic center, not based on our opinions but based on the facts. Thank you for taking the time to listen to this information.

Steve Vaillancourt, 161 Faith Lane, Manchester, NH stated:

I am a State Representative and Chairman of the Manchester delegation and with some sadness I have to tell you that this will be the last time I will be appearing before you in this role because I will be sitting over there next month. Billy Dodd and Chris Dodd are on my Politically Alert show this week at 9:30 PM tonight. They gave me the idea of some visual aides so I thought we would do some mathematics tonight and I have a packet that I have given out to all of you so that you will all have the documentation of everything I say. But you know this little sign here stands for not equal to, the inequality sign in mathematics. Number one, \$11 million bank loan is not equal to 20% private funding. There goes a parameter. Number two, the promise of fully insured bonds is not equal to the reality of fully insured bonds. There goes a parameter. Number three, promise of no operating losses for Manchester is not equal to the reality of no operating losses for Manchester. There goes a parameter. Not at least when the promise depends on Howard Baldwin's hockey team staying in Manchester. Number four, Howard Baldwin is not equal to a hockey owner that we can trust to be here two years, let alone 10 or 15 years from now. Just ask Pittsburgh Penguin fans if you don't believe me. There goes a parameter. Number five, parking plans are not in compliance with NH State Law RSA 231:114. It is in your packet. Number six, Ogden and Fruit of the Loom are not equal to quality blue-chip companies. Now we all know about Ogden stock losing 65% of its value and in this \$50,000 document, yes taxpayers of Manchester paid \$50,000 for this document, you will hear about Fruit of the Loom and Skip Ashooh as a stockbroker can verify that Fruit of the Loom's value on the stock market has lost not 65%, but 95% of its value in the last couple of years while the stock market has doubled. Its price has gone from 30 down to 1 and 7/16. Number seven, Scheer and Stern are not businessmen you can trust. They failed to register with the NH Secretary of State, breaking the law, and they are cheating the Department of Revenue Administration by not paying their business enterprise tax. Stan Arnold informed me of this. I had the tape on my answering machine yesterday. Number eight, 231 club seats sold are not equal to the 600 seats that were promised you. Number nine, 99 club seats reserved are not equal to the money in the bank. Show me the money. Number ten, \$50,000 in taxpayer money for this study is not truth in economic projection because as the Conservative Heartland Institute points out, it is in your documents again, such studies are inaccurate, misleading, and unnecessary. Number eleven, minor league hockey is not economic development. Number twelve, bread and circuses is not economic development. Number thirteen, traffic congestion is not economic development. So what should we do? Instead of spending the \$61 million why

don't we go to a less risky, safer way to invest the money. Perhaps you could put the money on a horse. Any suggestions from Alderman Elect Gatsas? Or you could go to Foxwoods and put the money on any number on the roulette wheel or bet against the Patriots this Sunday, or any Sunday, or buy Yahoo! stock. It went up about \$65/share today. By the way, I am sure you all got this packet and since I am going to join you it has been given to me and I hope you all read each and every word of this before you vote on this white elephant.

Jeff Michelsen, 45 Falls Avenue, Manchester, NH stated:

I will be brief and I am sure that will please you. It will please me because I have been working all day. I work hard. I came to the conclusion awhile back that there was really nothing I could do to change the minds of the 11 people here who are apparently in favor of going forward with this plan under any conditions so I am not going to lecture anybody here. I only have a Bachelor's Degree. Apparently you need a Masters or a Doctorate or a JD to understand the convoluted deal that we are dealing with there; this scheme. So, I won't lecture anyone. What else can I say? I had a visitor in town recently and they were taken by the majesty of these mill yards. They were impressed by the statue of the mill girl, the worker. Which one of you 11 would have a statue put up to you by the working people of this City to thank you for building a civic center? What can I say to the people of Manchester, to the audience out there except for Alderman Clancy in Ward 5, Alderman Shea in Ward 7, and Alderman Cashin in Ward 10 who have steadfastly been against this foolishness? I think you ought to greet the rest of these Aldermen during the holiday season with the recently banned NFL gesture, no civic center. Thank you.

Artemis Paras, 1275 Hanover Street, Manchester, NH stated:

My interest this evening is to address Item 16 in the full Aldermanic agenda this evening. As the Board knows, I have been interested in different projects that have come before you related to codes, rules, ordinances, etc. You are to read by title certain ordinances amending existing sections from corresponding chapters in the City's Code of Ordinances. The chapter title of the 33 section is not indicated for your understanding of what is going to be amended. I have for you here pages from the City Code of Ordinances. Chapter 33 is titled, "Human Resources Policy". A policy is not an ordinance. It is important that we distinguish between these two words because each of these words has a different road map, different requirements, different standards that have to be applied. City by-laws and ordinances have to apply and comply with State law. Policies are made by the Board of Mayor and Aldermen. They can be made by departments. In the City Code of Ordinances, that chapter is under a title titled "Administration." Alderman Pariseau, Chairman of the Administration Committee, I don't know if his Committee under his chairmanship has seen this particular proposal before it went to Bills on Second Reading. I would hope that this Board would agree that our code is not limited to a Code of Ordinances. When the outsourcing group was given the assignment, for some reason they did not adhere to a cardinal principal of classification. If you have ordinances, you keep them in one code or one book. If you have policies, which are different, you enroll them or list them in a policy manual for use by the Board or an administrative book of policies and procedures to be used by a department. The question is, if the Board agrees that all of the

sections refer to 33, etc. are policies as indicated in your Code of Ordinances, then how can Alderman Hirschmann's Committee enroll these proposed ordinances when in essence they come out of a policy chapter. I believe that this is a major flaw in the City Code of Ordinances, and I believe that there has to be some remediation efforts to correct it. Otherwise, there is no legal foundation to the adoption and the enrollment and the ordainment of these proposed ordinances. I find it curious that this discovery came upon me and the Board has been acting on this book of codes and ordinances all of these years and no one else has thought of bringing this to your attention. If you don't know what you are talking about, how are you going to refer to the appropriate Committee. Alderman Pariseau's Committee on Administration is concerned about just administrative affairs. Thank you. I think I have made my point and I would appreciate it if the Board would not act on these sections because it is a policy chapter and not defined as an ordinance. May I take 30 seconds because I do want to express thank you to Mayor Wieczorek. At this time of year, and it is the end of the term for several of the Aldermen who are not returning. I would like to take this opportunity to thank Mayor Wieczorek for the unprecedented amount of years that he has served the City of Manchester and I want to wish you well on your future pursuits and to those Aldermen who will not be returning in January, I want to thank you all for your public service and thank you for listening to some of my comments during different times of the year and I want to wish you well. To those who will be returning, I also wish you well and thank you for the opportunity to speak to you this evening.

Don Welch, 147 Boutwell Street, Manchester, NH stated:

First of all I would like to say to Alderman Klock and Alderman Reiniger who is absent tonight, Alderman Rivard and Alderman Girard and yourself, Mayor Wieczorek, Via Condeous. I wanted to speak just briefly; it has been quite repetitive over the past many months about the civic center. I am going to be around. Citizens Against the Civic Center is going to be around after any vote is taken. Our whole objective...none of us have anything to gain or lose for fighting against this civic center. The people of the City of Manchester have something to gain. Maybe a tax break. Maybe better schools. Maybe better roads. We are not going away. Throughout the months that I have been investigating this whole civic center fiasco, there are so many overtones that when we were involved in the Save CMC group and watched what went on with these hospitals in the City of Manchester, the people involved, there is going to be a few things coming to the forefront very soon. I just want all of you Aldermen to use your wisdom and do what many Aldermanic boards before you have done with this foolish corporate welfare. We have been held hostage long enough by this so-called Chamber of Commerce in the City of Manchester. There is a balance out there. We have a balanced business with the needs of the people in this community, but there are people in this community, not just businesses. Enough is enough. Do your homework and vote this thing down next week if you have the opportunity to do so.

Jeff Kassell, 22 Appleton Street, Manchester, NH stated:

I am Co-Chairman of Citizens Against the Civic Center with Don Welch, the previous speaker. I had a prepared statement tonight, but I don't believe I am going to give the whole thing. There has been quite a bit of redundancy as people are looking at the problems of the civic center, but I

would like to point out something in a handout that was given to you by the newly elected Alderman, Mr. Vaillancourt, and it is a newspaper article and in the middle of the article, I think you can find it, it says "but he characterized the deal as a subterfuge." If you just take a look at that for a second, I would appreciate it because this is an article about Howard Baldwin, the man that is going to be bringing the hockey team into Manchester and who owns the franchise. I guess it is not actually a hockey team. If you can read it with me for just a second...I am doing this for the benefit of the people who are watching this meeting on the camera. I will read it to you as you read along. It was by Ann Belsar of *the Post Gazette*, staff writer. That is the newspaper in Pittsburgh. "The judge overseeing the bankruptcy of the Pittsburgh Penguins yesterday ruled that the lease between the team and SMG, the company that operates the arena, was actually a loan to the group that bought the team in 1991. In the thirty-one page opinion, U.S. Bankruptcy judge, Bernard Markowicz ruled that the lease between SMG and the Penguins was not really a lease, rather it was a financing device masquerading as a lease to allow Howard Baldwin to purchase the team while providing a stream of money to SMG to reimburse it for the cash infusion and for its efforts in running the facility, Markowicz wrote. Markowicz did not suggest that anything was illegal about the arrangement, but he characterized the deal as a subterfuge." In a bankruptcy court and in a civic court, judges do not bring indictments for fraud, kickbacks or other illegal activity. This is the job of Federal and State prosecutors, but this should be a warning about the kind of person you are doing business with. This is clearly a racket and this is racketeering. Maybe you don't take this seriously, but you have a financial responsibility to represent fairly the people of this city. This project, this \$68 million civic center, is going to cost \$150 million at least when you include the debt service, the interest on the money that is being borrowed. You have your hand deep into our pockets. I don't like it. Some people support this civic center. Many more do not. If you were to take a referendum today, you would not get 53% of the vote. You know that and I dare you to take one today. I dare you to put it on the ballot during the primary and let the people decide. Not the few people in this chamber, but the people who are actually going to pay for it. That is simple fairness. Thank you.

There being no one else present wishing to speak, on motion of Alderman Girard, duly seconded by Alderman Pariseau, it was voted to take all comments under advisement and further to receive and file any written documentation presented.

This being a special meeting of the Board, on motion of Alderman Pariseau, duly seconded by Alderman Wihby, it was voted to adjourn.

A True Record. Attest.

City Clerk