

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

**January 18, 2000**

**6:00 PM**

Mayor Baines called the meeting to order.

Mayor Baines called for the Pledge of Allegiance, this function being led by Alderman Hirschmann.

A moment of silent prayer was observed.

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

Present: Aldermen Levasseur, Sysyn, Pinard, O'Neil, Lopez, Shea,  
Vaillancourt, Pariseau, Cashin, Thibault, Hirschmann

Absent: Aldermen Wihby, Gatsas and Clancy

Mayor Baines advises 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 Baines 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.

Greg Saltz of Ward 5, Manchester, NH, stated:

I'm deeply concerned how this Board will conduct itself over the next two years. I was compelled to go to the City Clerk's Office and get a copy of the City Government book...I found what I was looking for in Article IX of the City Charter entitled "Standards of Conduct". All of you are fully aware of the reprehensible manner in which Alderman Vaillancourt conducted himself this past December. His unprofessional conduct ranged from totally unsubstantiated slanderous remarks made regarding Alderman Rivard to absolutely hideous Christmas special he hosted on Community Television under the pretense of humor. But, there's a separate incident that troubled me even more. Right here, on December 22nd, the last meeting he sat right behind the Mayor's family as the Mayor was getting a raucous standing ovation for ten years of indefatigable service to this community...

Mayor Baines interjected the issue that I'm most concerned about is the issue that you're talking about right now and I would just advise you that maybe that kind of approach is actually engaging in the same type of conduct that you're here to address and I think if we could refrain from personal attacks and address the issue of proper decorum in which I support you, I think that might be more appropriate and more positive approach. If you could do that for me, I'd very much appreciate it.

Mr. Saltz replied I'm getting to that then. Let me get to my conclusion then. But, I will say that the Mayor's family is right here and I thought it very unprofessional. I find that our country is in danger of drifting too far from the standards of the greatest generation. It is my firm conviction that in a community wishing to escape the perils of decadence must stand with the courage of their convictions and publicly oppose inappropriate behavior of our elder statesmen. Mr. Mayor, please don't let partisan alliances deaden your sensibilities. I implore you to draw the line in the sand early in your tenure, don't hesitate to commission the Conduct Board to draft advisory opinions and take strong action wherever necessary. Thank you.

Richard Girard, 517 Hevey Street, Manchester, NH, stated:

I'm coming here both as a citizen and as a past member of this Board. On December 21st I cast a vote in conditional approval for the Civic Center and I did that for three reasons and I normally wouldn't have cast a vote on the same night I was presented material...although during my term I long opposed that, but there were three reasons why took that step. First, conditional approval was being sought to give the Board and the Civic Center Committee more time or give the banks time to come forward with their private investment. Secondly, has that last Board not acted when it did the conditional agreements or the Memorandum of Understanding that we had with Ogden would have expired on January 1st; and, third, there had been talk before we cast that vote that that Board would meet on the 28th of December after having had an opportunity to review the material, but several Aldermen were not going to be present for that meeting and it was thought that every Alderman who's participated in this discussion over the last two or longer years ought to have an opportunity. I understand there's a motion to reconsider that action on your agenda tonight and I would respectfully request that in the absence of the information from the banks in a timely manner to review it that motion be tabled. Tabling it will allow the Board to review the information from the bank, to ask further questions of the people who are involved in developing this proposal and won't kill the proposal. The Civic Center in my opinion is the most important project that the City of Manchester has seen in the last ten years or will see in the next generation. Since my stepping down or since that vote on December 21st I have had an opportunity to read the agreements that were forwarded to the Board that night and I have to say that there were several questions that came to mind and I'd like to thank the various Aldermen of the Board and City staff and others who have taken the time to talk to me about those questions and answer them, but I can say that after going through that process after reviewing all of the material that was given to this Board and asking the questions, I am more confident than ever that that agreement save for the piece coming from the banks...I am more confident than ever that that agreement not only in letter and spirit meets the mandates that this Board set down, the

12 points, but it is well within the parameters of the referendum which the people approved. So, if there is to be any action tonight particularly if it's going to be a negative action that would kill this project and I think send a horrendous signal to business throughout the country about Manchester never mind our own business community that has invested heavily in this endeavor, I would ask that it be tabled so that if there are any further questions particularly about the bank piece which I understand hasn't arrived yet can be answered and this can be dealt with in a professional manner. Mr. Mayor, as you said to me before this meeting the stakes on this are extremely high, I agree with you, I think this proposal should not be unceremoniously killed, I don't believe a reconsideration motion need be entertained tonight and if nothing else, please table it until all of the facts are present. Thank you, Mr. Mayor and members of the Board.

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

Your Honor and Board of Aldermen, I thought I'd take a rest, but I bought today's paper. What caught my eye in today's paper was the President of the New Hampshire Banker's Association, Gerald Little and he says here "whether it is a CRA or any other kind of loan it is a depositor's funds that are being loaned out". And, I hearken back to the original referendum. I am one of the twelve thousand who voted against the referendum and I say to myself well, depositor's funds and we are talking about KeyBank, Citizens Bank, Fleet Bank, Bank of New Hampshire...but, I've been in Manchester for over 40 years and in that time and taxes paid to the City of Manchester, I have exceeded \$150,000 total, it's a long time 40 years. And, that was my investment in the City and God Bless them I have three of my sons that graduated from Central High and I got my money's worth, that's all I can say and I have grandsons graduate from West High and I've gotten my money's worth, but when you think in terms of depositor's money then you think in terms of what the future may hold and we were supposed to have only private investment and to me this is not private investment...we are loaning money and we're going to pay interest to these out-of-state banks, I hate to use the term, but I was at the State House when it was a big deal about whether we let one of them in. And, so I say this to depositor's of those banks, I hope this doesn't go through there are other places to put your deposits. Thank you.

Jeff Kassel of Ward 3, Manchester, NH, stated:

I am Co-Chairman of CACC (Citizens Against the Civic Center). Oh, by the way I'd like to disagree with the first speaker about Mr. Vaillancourt's influence here on the Aldermanic Board, I consider him a breath of fresh air and I watch all of his programs and I think they shed a lot of light on what's going on here in this Chamber and Mr. Levasseur too, I think it's very important for the Aldermen to get the word out. We've all be winners in this conflict, everybody.

Everybody now knows more about what's going on in government and that's what democracy is supposed to be about. We don't have so many people here, but we do have some and a lot of people can watch it on TV now and that makes everybody a winner and participant in democracy. Last night, I had an opportunity to go to a meeting of the Concerned Taxpayers Association, I've never been to one of those meetings before and it was very interesting. And, at that meeting, a Senator from the State Senate said that since Jeanne Shaheen had been Governor

that the budget had increased almost a hundred percent for the State. Now, I don't know that she meant that Jeanne Shaheen was responsible for that, but that's how fast these expenses are going up. I've lived in Manchester for 22 years. When I came here the taxes on my house which is an ordinary Victorian house and not a very sophisticated neighborhood brought \$750 a year. Now, they're about \$3,600 a year and I don't think I'm much different than anybody else around here, that is why I have opposed this Civic Center because I don't want the City to be incurring additional costs, I want to stop large projects from going forward because this is falling on the backs of taxpayers. There are a lot of other reasons to stop this project. The members of our organization think it will fail. We think that this project will not be successful. A couple of nights ago, I was talking with Mr. Hirschmann and he told me that he thought that there would be 8,000 people coming to each of these hockey games and I offered Mr. Hirschmann a bet (\$50,000) and I'll take that bet from any supporter or the Civic Center. You get 8,000 people coming to these hockey games, I give you \$50,000. You don't get 8,000 people coming, you give me \$50,000. Your money and my money...real money, not taxpayer money. So, if there's a heavy hitter that wants to take that bet I'm going to be sitting here through the rest of the Aldermanic meeting and let's see who'll put up some real money, your own. Mr. Hirschmann didn't take that bet, I don't blame him, it's a loser.

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

I'll try to run through this real quick. The number of reasons for the reconsideration vote. First and foremost, what the people voted for was private investment, okay. There's a big difference between private investment and financing, okay. Somebody else is going to put up money and take a risk. The City is going to put their name behind one hundred percent of this loan...bonding and financing. This Memorandum of Understanding between the City and Ogden Entertainment is a piece of garbage. This is probably one of the most lucrative management deals in the country, what they have asked you to sign on for. Your C. H. Johnson Study that you paid \$50,000 for...reliance on key personnel. "Financial results of the Center depends on competence and policy judgments of the facility management." That also includes the hockey team. The hockey team...Mr. Baldwin who's coming in, he's been associated the key player with The Hartford Whalers, Minnesota North Stars and the Pittsburgh Penguins. He's been a key player in all of that, they've all had financial troubles. Now, he wants us to name the new hockey team when he comes in, let's name it the Manchester Red Inkers and guess what he's going to have another team that he's going to have financial problems with. I'm a little confused. The C. H. Johnson Study...you spent \$50,000 for, your Pricewaterhouse you spent somewhere around \$30,000 for. They both have a cost to build this Civic Center at somewhere around \$42 to \$43 million and that's what they're basing their debt service on and if you go into your \$50,000 study, if you go to your back page all of these numbers over here, if you go through the center of it is going to be on about \$41-42 million for the bonding, there's nothing on this page that goes to \$11.9 million of private financing. One other thing on there is under their operating expenses "General and Administrative" - \$300,000 - we're not only paying them \$450,000 to manage it, but we're also going to pick up all of their salaries. You haven't even added Mr. Thibault's dollar surcharge. No where in there is there a \$1.50 surcharge from Ogden

Entertainment, no where in there is there the revenue that Ogden is going to receive off of the parking on-site, but we're going to give them money from our parking garage. The idea is not to give away money, that is what the banks are saying. They want to loan it and make money on it...the idea is not to give away money. But, if you get into your Memorandum of Understanding and you all have a copy of this, Ogden has nothing invested. The City has one hundred percent invested. Ogden Entertainment is going to walk away minimum \$2.5 to \$3 million, that's a minimum for nothing invested. The City has very little to gain on this. Peanuts and popcorn is the only thing you get a fair shake on in that Memorandum of Understanding, you get fifty percent of the concessions. I hope you vote to reconsider, take two steps backwards and start this deal all over again without Ogden or Skip Ashooh. Thank you.

Chris Dodd, 113 Eastgate Way, Manchester, NH, stated:

I'm here as well to talk about the reconsideration vote for the Civic Center. What I presented to you tonight are two packets. One packet is Ogden's fiscal report to the Security and Exchange Commission dated September 30th. I've also passed out a copy of three class action lawsuits pending against Ogden Entertainment. If you look at the first packet, I'd like to go over a few bits of information. It goes over how Ogden's discontinuing its entertainment and aviation divisions. They expect this process to take approximately nine months to complete, putting that around the June, 2000 time frame. If you look over the past nine months there isn't one gain, they've lost money the last nine months. If you look at the next page it explains the \$10 million non-refundable deposit that they had to forfeit. It also goes through a number of their ventures that have all failed with only two out of 72 that made money last year. One key portion of it and the explanation of the entertainment's poor results...entertainment's results decreased by approximately \$4.8 million at several sites based and venue management locations due to lower than expected attendance. All the information we've been presented is between five and eight thousand attendance at all of these hockey games. This is what Ogden has planned and they're not meeting up to the bill on this. Operating income for the nine months ending September 30th for Ogden was \$36.5 million lower than the previous year. The entertainment businesses for Ogden also are asking their banks under the revolving credit facility as well as certain other banks that have issued letters of credit waivers on certain covenants restricting disposition of assets so they can get rid of this entertainment division. The company has also requested that such banks grant the waivers to exceed the restrictions on their indebtedness. The company believes that this is necessary to get the maximum value under their orderly auction. We don't even know who that entertainment division is going to as of yet. The failure to post these letters could result in a forfeiture of certain contracts or could result in a default under agreements requiring the posting of such letters and their investment rating on all of their bonds will go down once this entertainment goes through. The three lawsuits stapled together also alleges Ogden made false and misleading statements and failed to disclose material information to shareholders in return inflating their prices before that dramatic fall about 66% in the fall. All of this information is just about the tip of the iceberg on Ogden. You couple this with Mr. Baldwin's past in the hockey league and his allegations of fraudulent activities doesn't add up for Manchester. So, what I've got right now are some questions I'd like answered before you do

vote in favor of the Civic Center. If the 17 conditions aren't met in Ogden's guarantee against operating deficits who would cover that debt. Is this a double barreled bond backed by revenue and lowering taxes. What information is available about Ogden's auction of its entertainment division and who are we going to be having managing the Civic Center. If bank loans go unpaid who will have to take care of them and will the banks end up owning a portion of that as a lot of these revenue bonds end up happening. I ask you to take a look at these questions and if you have any questions for me I've got a ton of information for you. I thank you and please reconsider to vote on the Civic Center.

Larry Constantine, 39 Devco Drive, Manchester, NH, stated:

We're the area where we have potholes, potholes and more potholes. The Civic Center is nothing but a mish mash of political and foolishness. Now, if you want to build a smaller Civic Center then do that. Now, I've been at every Civic Center, I showed dogs for years all over New England, all over the mid-West and I have never seen one of these things make a dollar yet and you're not going to make a dollar here when you're paying Ogden and you can see it right here...this was given to me tonight and it's all right here for you to look at, much easier than me talking to you for another two or three minutes. Right here, this is everything you need to know about the Civic Center in Manchester, build everything - build the Riverwalk, that's fine at a reasonable price. But, don't do this. This is ridiculous. Thank you.

Frank Cartier, 148 Ray Street, Manchester, NH, stated:

I've come to this meeting here to express my support for the Civic Center and one reason why is I was running late coming here from work and I was able to park right across the street, so if that doesn't say right there that we need something going on Downtown at night time after all of the businesses have closed, that right there is a very good point. A lot of things have been said about the Civic Center, the process wasn't followed in the last vote, that Ogden has lawsuits against them...in the business you take a risk of being sued. We have a very litigious society, I believe Microsoft one of the biggest businesses in the world is being investigated by the U. S. Government right as we speak. Now, would that shake your confidence in a company such as Microsoft. And, the fact that Ogden's Entertainment Division might be spun off, it is my understanding that there are several businesses that are waiting to pick up Ogden's Entertainment. Now, one more point - I'm a fairly young guy, my wife and I have spoke before on the civic center hearings for the non-partisan vote, excuse the non-binding vote referendum. I spoke positively and we've spent taxpayer money on the Airport where people thought, well, the Airport is never going to fly (no pun intended), I think that the Aldermen that live down around the Airport are having so many problems with how successful the Airport really is. Is the civic center a guaranteed success, no. The Ogden Entertainment is guaranteeing us against loss. Now, a lot of people will say look Ogden is reaping all of the benefits from this contract, that is correct. However, they're also taking all of the risk. So, if we wanted a sweetheart deal for us, we should have taken on some of the risk, however, we have promised not to use any property tax money or any other money other than the Rooms & Meals Tax for this project and

that is what they guarantee they gave us and so, obviously, they should be able to reap the success if they're going to take the risk. And, finally, my last point is that as I said the people say the civic center is going to lose money...I go to the Worcester Centrum, I've gone to all of the activities that go on around there, the businesses are booming down there. The Tsongas Arena...the businesses around that are booming. Manchester is very, very behind the times as far as activities and investment and the final point about the Rooms & Meals Tax money, for those of you that are in business you know that you take some of your profits and reinvest it in order to grow the base of your business. Reinvesting our Rooms & Meals Tax money into the civic center is reinvesting that money to grow more Rooms & Meals Tax money; that is all I have to say and I trust that all of you will make the correct decision.

Craig Ferry, 346 Prospect Street, Manchester, NH, stated:

I'm here just representing the hockey community. I'm not a politician, not a businessman, don't want to do any of that, actually I'm a firefighter in the City and that's what I enjoy doing and that's what I'm going to keep on doing. But, I'm also a very passionate hockey person and five to six days a week I'm involved with hockey. I'm at the rinks all of the time. I've done everything from coaching youth hockey to organized events with the Bruins alumni for charity events where we've raised money for Toys For Tots for firefighters who have died on the job, for The Make A Wish Foundation, we've raised thousands of dollars doing it that way and every one of those games that we made, that we organized thousands of people came down. Two years ago we filled JFK because the Manchester Fire Department team was out there playing, people came down to see us, came down to see the Bruins alumni. There's such an interest in hockey right now that myself...I'm not a businessman, but just passionate about hockey. In one month's time I went and got a few sheets of ice and I started my own hockey league, it's called the Southern NH Commercial Hockey League and in one month I had over 200 members paying me over \$200 apiece to play, in one month. Now, I have to turn teams away, I can't get enough ice, I had to turn four teams away this season because there was no more ice to buy, nobody could give me any ice. I can't even play in my own City, we play in Tri-Town in Hooksett because I can't get any ice in my City. The youth hockey in this area is tremendous, it's taken off. There's thousands of people out there involved. MYRA (per capita) is probably the biggest youth hockey organization in the nation.

Mayor Baines interjected I am going to have to interrupt...we need to conclude this because we have to convene another regularly scheduled meeting, so if you could wrap it up, I'd appreciate it.

Mr. Ferry stated in closing I just hope you can show some confidence, some commitment and some integrity in your City. If the banks are going to show confidence then why can't we. There's enough people here to do it. The interest is there. A lot of people say it isn't, but they're not in the hockey community, they don't see the people. It's not a question of build it and they will come, it's build it because we're already here. Thanks.

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

Just real briefly - throughout this whole process I just want to say to all of the Aldermen that are here today and the former Aldermen - when you down in the trenches it gets pretty tough. I've tried to stay above board in this whole process and bring information to your attention. I think it's in the best interest of the citizens of this City. I want to thank Alderman Shea because back three years ago, Alderman Shea is the one who stood up and voted against this and that's what inspired me to go forward with my opposition to this project. Mr. Baines, real quick, Frank Sinatra had a song called "*My Way*:" and I hope that you would adopt that song as your theme song and start doing things your way. I think maybe you could bring this City in a better direction. Thank you.

There being no one else present wishing to speak, on motion of Alderman O'Neil, duly seconded by Alderman Sysyn 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, no further business can be presented, on motion of Alderman Thibault, duly seconded by Alderman Cashin, it was voted to adjourn.

A True Record. Attest.

City Clerk