

## COMMITTEE ON COMMUNITY IMPROVEMENT PROGRAM

**January 28, 1997**

Ald. Robert, Wihby, Reiniger,  
Clancy, Domaingue

**6:30 PM**

Executive Conference Room

Chairman Robert called the meeting to order.

The Clerk called the roll.

Present: Alderman Robert, Reiniger, Clancy, Domaingue

Absent: Alderman Wihby

### **CONSENT AGENDA**

Chairman Robert advised if you desire to remove any of the following items from the Consent Agenda, please so indicate. If none of the items are to be removed, one motion only will be taken at the conclusion of the presentation.

- A. 1994 CIP Budget Authorization:  
8.30397 ADA Compliance - Revision #1
- B. 1997 CIP Budget Authorization:  
7.10215 Annual Parking Facility Rehabilitation - Revision #1

**HAVING READ THE CONSENT AGENDA, ON MOTION OF  
ALDERMAN CLANCY, DULY SECONDED BY ALDERMAN REINIGER,  
IT WAS VOTED THAT THE CONSENT AGENDA BE APPROVED.**

- C. Bond Resolution:  
“Authorizing the Finance Officer to effect a transfer of Fifteen Thousand Seventeen Dollars and Twenty-four Cents (\$15,017.24) from the 1998 4.20315 Rimmon Street Station and 1991 4.20317 Webster Street Station Projects to the 1997 CIP 2.50502 MEH Building Acquisition.”

- D. An amending resolution and budget authorizations allowing for the transfers from the 1988 4.20315 Rimmon Street Station - \$1,373.66 - Bond and the 1991 4.20317 Webster Street Station - \$13,643.58 - Bond, and adding the 1997 CIP 2.50502 MEH Building Acquisition - \$15,017.24 - Bond.

In response to questions raised by Alderman Domaingue, Mr. Jabjiniak stated that they had taken two bond balances and transferred them to a new project called MEH building acquisition; that the funds were transferred so that funds were available for acquisition of a new emergency housing shelter by the city located on Liberty Street.

In response to further questions, Mr. Jabjiniak noted that the city was paying the \$15,000 and there was an exchange of properties, the exiting emergency shelter on Lowell Street was being exchanged in addition to the \$15,000 for a newly rehabilitated property.

Assistant Solicitor Arnold advised that this was an ongoing project; that they had a prior arrangement with the Grace Episcopal Church to switch the city's present emergency housing which they wanted to acquire because it abutted their property. Attorney Arnold advised that the church found the property on Liberty Street, it was brought before the Board whom had okayed the exchange. Attorney Arnold noted that originally envisioned was an exchange of the property with the city then using funds to pay for handicapped accessibility work after the church had rehabbed the property according to the agreement. Attorney Arnold stated that the church did acquire Liberty Street, and they have rehabbed the building; that the problem arose when the builder who was rehabbing the building actually got into gutting the building so to speak he found that the job was much more extensive than originally anticipated and that it was at least in his view no longer feasible to separate the rehab work from the handicapped accessibility work with the result that he went ahead and did both the handicapped accessibility work which the city was going to do and the rehab work which the church was going to do. The end result of that was since the work had already been performed the city could not use the handicapped accessibility funds which were originally earmarked for the project; that it was a favorable exchange for the city so they looked for other sources of funds to pay for the handicapped accessibility work which the city had intended to do and came up with these two fund balances.

Assistant Solicitor Arnold noted that these two balances actually totaled less than the handicapped accessibility work that was performed but he understood the church would be willing to accept the \$15,017.24 as payment for the handicapped accessibility work.

In response to concern from Alderman Domaingue regarding taking away from the original intent of the bonds, Mr. MacKenzie advised he did not think so, the funds could be used for other projects as long as the bond maturity is the same and this use had a similar life span of the 26 years that these had been issued for.

It was noted that Finance had approved the utilization of these funds.

On motion of Alderman Domaingue, duly seconded by Alderman Clancy, it was voted to approve items C and D.

4. Communication from the Director of Planning submitting an amending resolution, budget authorization, and proposed 3-year agreement with PSNH regarding the installation and purchase of operational power for LED traffic lights.

Alderman Clancy moved to approve the resolution, budget authorization and agreement with PSNH. Alderman Domaingue seconded the motion.

Mr. MacKenzie explained the LED program, and the proposal that the city accept funds under the program which also required a 3 year agreement for purchase of the electricity. Discussion ensued where it was noted that the electrical power purchased would be for those intersections which LED installations were assisted through the program. Mr. Hoben noted that he would submit the ones that had been installed this year and that it was a good deal for the city, noting that installation of LED generally could mean the difference of \$80.00 down to \$30.00 per month for electricity at current rates. Mr. Hoben additionally commented on the savings in maintenance costs because the bulbs lasted for ten years.

Within discussion, Mr. Lolicata noted that the city would receive \$13,000 towards the installations; that the city would come out ahead of the 20 percent projected savings if it were to purchase from Green Mountain and not enter the PSNH program.

Chairman Robert called for a vote. The motion to approve carried.

5. Communication from the Director of Planning, requesting authorization for the assignment of a leasehold interest from the City to Pearl Street School Associates Realty Trust to DASS Development Corp.

Alderman Domaingue moved for discussion. Alderman Clancy seconded the motion.

Mr. MacKenzie stated that the Pearl Street School was a public school sold to a private entity and was rehabbed with assistance through the Manchester Housing and Redevelopment Authority. There were repayments for that that came back to the city; that there had been some difficulties with the project, and now there is a group that would like to purchase the leasehold, purchase the property and continue on with the project. Mr. MacKenzie advised there was a representative of the group present, and the city clerk's office had been handling the receipts and could answer questions as well.

Mr. Dick Anagnost addressed the committee stating that he was one of the principals in BASS Development Corp. and could give them the history of this thing. Mr. Anagnost stated back in 1989 I started this project, I approached the city and negotiated a lease for the premises to rehab it into affordable elderly housing because there was such a significant demand, and based on our most recent market information and the fact that we have supplied tenants to this property over the last three years I can tell you that the demand is still there, the building has never been vacant, there have been some problems with Pearl Street School Realty Trust and the tenants, however the building has remained 100 percent occupied for the last three years which exemplifies the demand for affordable elderly housing. Back in 1990, Glen Gervais and John Hawthorne bought out my interest in this project and they proceeded to attempt to rehabilitate the project with the help of the Manchester Housing Authority. Sometime in 1991 the project fell flat on its face, Mr. Hawthorne went bankrupt, Mr. Gervais allowed the improvements that had been done to fall into somewhat of a disrepair, sprinkler systems broke, that sort of thing, and then in 1992 Mr. Gervais approached myself again to get back involved and finish the rehabilitation. Once again with the help of Manchester Housing Authority and New Hampshire Housing Finance we were able to put together enough funds with some private individuals who currently hold mortgages on the property to complete the rehabilitation. At that point my role was again finished with the project and Mr. Gervais took over as the owner of the project. he then commissioned us to supply him with qualified tenants for the project which we have done successfully over the past three years. Mr. Gervais has as I'm sure you can tell by the record, fallen

significantly behind in various payments to creditors as well as taxes and that sort of thing, and the project is in definite trouble due to the fact that the tenants are having significant problems keeping heat and electric and whereas they are tenants they approached us a number of months back to see if there was anything we could do. If any of you are not familiar with us, DASS just completed the rehabilitation of the building at Brook and Canal Street which was before you at some point and is now full and operating at its capacity. And I think that speaks somewhat to DASS's ability to get the job done. Also I can assure you that we are significantly better capitalized than the Pearl Street School Realty Trust, which will assure the city of its lease payments going forward as well as its tax payments going forward. Just to give you a brief history of the income of this property, if the building is 100 percent occupied not taking into consideration any vacancy rate, it takes in a gross income of approximately \$59,000. With taxes at \$6,500 a year and lease payments at \$13,000 plus the city derives one-third of the building's gross income on an annual basis, when it is being paid. DASS Development is here before you tonight to make you aware of the fact that since we are familiar with the operations of the property and the construction of it we feel that we will have no problem meeting those obligation whereas we are not in need of the rental funds for other uses as Pearl Street Trust may have been. The last issue I'd like to raise is that there is currently a significant tax arrearage on this property, it's to the tune of \$20,000 plus and DASS is prepared to make that payment to the city for all of its back taxes in full upon the assignment of the lease from Pearl Street School Realty Trust to DASS Development. That's basic brief history to bring you up to date, there are a lot of bumps along the way that I could apprise you of but I think it would be a waste of the Board's time at this point unless someone specifically has questions.

Clerk Johnson noted she had not spoken with anyone today, stating that the lease itself is in substantial arrearages and was not sure if that had been addressed as part of the leasehold agreement.

Mr. Anagnost stated it has not, we became aware of the lease arrearages just recently, within the last week. It is not part of our proposal and I would kind of put it to the Board this way, DASS is a known quantity, we pay our bills regularly, were we to get the assignment of the lease and the Board to agree to it going forward we would be responsible for these payments and the city would be deriving this income. We did come here prepared to make the \$20,000 payment immediately for the tax arrearages, we did not however come prepared to make any type of an agreement with respect to lease arrearages as we don't feel that it is something that we need to address, we feel it is something that the city needs to address with the previous owner. I would like to make a small analogy in this fashion that if anyone in this room, I know we have some distinguished council

who represent people and we may have some property owners, if a tenant moves out of your building, or if you have a resident in your three family and they move out and the previous tenant owed you rent, do you charge the new tenant coming in for the previous tenant's rent or do you go after the previous tenant. I mean I guess the debt is incurred by Pearl Street School Associates Realty Trust, we have no interest in that, and we feel that it is our position that the Board should take some action against the person whom actually owes the debt.

Alderman Clancy asked who owned that money, Glen Gervais.

Clerk Johnson stated that there was a lease agreement originally with Pearl Street School Realty Trust. There was a rewrite of that agreement because there was such an arrearage back in 1992, that the city actually said okay, fine, that we will redo the lease agreement and we will accept payments instead of \$1,000 a month to the tune of \$1,100 a month. (Clerk Johnson noted that Tricia of her office was present with information relating to the payments and probably should be responding to this.) Clerk Johnson continued stating basically, \$100.00 per month was to go to the arrearages and \$1,000.00 towards lease payments. Those payments have not been made regularly. We had notified internal measures within the city, Finance Department, and I guess the concern from our office is whatever the Board decides obviously is its decision and we are not going to interfere with that decision, but we have been led to be the responsible party for collection, and we've asked Finance how to handle that because of the fact that we weren't receiving the payments and we've received bad checks along the way as well. My understanding of a leasehold interest is that now what lease we have would be turned over in essence to a new party and that leaves us with no alternative I don't think towards those arrearages, unless there is some agreement that is made, and I am not an attorney, your attorney is here to advise you I guess on that matter, if you want particulars on what payments we have recorded and what is due, Tricia has that information and is willing to share that.

Alderman Domaingue asked why the city clerk's office was taking responsibility for these payments.

Clerk Johnson stated it was assigned to the City Clerk's office as part of the agreement originally, the City Clerk's office in the past collected fees for various leases that the city had many years ago and ended up in our laps as part of the normal process back then.

Ms. Piecuch addressed the committee stating in looking at the 1994 rate and what they paid, their monthly rate at that point should have been \$13,200. and basically what we received was \$11,000. In 1994 it was the same thing, we received

\$11,000 in the calendar year. It's basically only since 1996, the beginning of this year that we started having a lot of problems with them as far as collections, he would send in partial payments, and then send in another check and it would bounce and it would take us a few months to clear that up and then we wouldn't receive anything, then the check would bounce, partial payment and that's when we advised and asked the Finance Department to look into it and see what we needed to do.

Alderman Clancy asked how much they were in arrearages right now.

Ms. Piecuch responded that the Finance Department has done some numbers and were coming up with a total of \$41,500.

Alderman Clancy asked how much was collected a year.

Ms. Piecuch responded it should be \$13,200 per year, \$1,100 per month due on the first day of the month.

Alderman Reiniger stated he was unclear asking who owed the money.

Ms. Piecuch responded Pearl Street Realty Trust.

Alderman Clancy stated that was Glen Gervais. Ms. Piecuch responded correct.

Assistant Solicitor Arnold stated that the city has some recourse if it chooses to exercise it, I haven't reviewed the lease document myself so I am speaking in general terms but in general terms in the absence of the called upon rent payments the city could move to terminate the lease.

Chairman Robert stated that Mr. Anagnost was here saying this was something that he is not responsible for and we should be going after the other people for the money. Is he legally.

Assistant Solicitor Arnold stated as a matter of general law what was happening here was an assignment of the lease, and the duty to make those payments I think follows that lease. Now obviously if it becomes an uneconomic transaction for DASS at that time I guess I would leave that to their judgment, but I think as a matter of general law since the lease is being assigned and it's not a new lease that the debt would remain.

Alderman Domaingue stated it would seem to me and the solicitor's office can correct me if I am in the wrong direction but we have two issues here. The first

one has to do with the original assignment of the lease to the Pearl Street Trust, the lease agreement, and their legal obligation to meet the payments which is not connected until we connect it to DASS realty. My concern is that if we assign this lease over that DASS realty may well have a credible position in stating that the debt was incurred under Pearl Street and as such we had a responsibility when the lease assignment was Pearl Street to go after Pearl Street and we chose not to do that. Can they possibly take that position if we assign this lease.

Assistant Solicitor Arnold stated again I can only speak in general terms because I haven't reviewed it in detail, but since this is an assignment of a lease I think that the debt follows the lease. Now whether the Board chooses to do that or not I guess is another question, but I think that debt would follow the lease since it is the assignment of a lease and not the termination of one lease and the drafting or agreement for a new lease.

Alderman Domaingue stated I hear DASS Development willing to pay back taxes, I don't hear DASS Development being here tonight willing to pay the debt that is currently owed by the Pearl Street School Associates asking if she was correct in that.

Mr. Anagnost responded yes, not having the benefit of the numbers could I ask a question with respect to the outstanding debt. The total that I heard was \$41,000, I also heard that previous debt was rolled into the lease to raise it from \$1,000 a month to \$1,100 a month can I ask how much of that \$41,000 has to do with the \$100 per month.

Clerk Johnson stated her understanding in reviewing that file was that it was about \$18,000.

Mr. Anagnost stated I guess DASS is standing up to the plate for at least \$18,000 of that because we are agreeing to pay the \$1,100 per month going forward so the issue really doesn't come down to 41 it comes down to whatever is outstanding for 96, 95 and 94 which was \$2,000 for 94, \$2,000 for 1995 and how much for 1996.

Ms. Piecuch responded that as far as what is outstanding the amount due for 1995 and 1996 is outstanding.

Mr. Anagnost stated so that is \$26,000 and then DASS is willing to pay back through its annual lease payments that are already built into the lease agreement the difference between the \$26,000 and the \$41,000.

Ms. Piecuch stated one thing that needs to be understood is that this is on our fiscal year and not based on a calendar year, so for the fiscal year of 97 \$7,000 is still owed on that.

Mr. Anagnost asked when the fiscal year begins. The response was July 1st. Mr. Anagnost stated that he knew that we would take this property effective back to January 1 which would then make us responsible for \$2,400 of that immediately which we are prepared to pay, January's and February's.

Ms. Piecuch noted it would be \$2,200 for January and February.

Mr. Anagnost responded that they were willing to pay that immediately and if you add the \$2,200 to the difference between \$41,000 and \$26,000 I guess we are saying we will be responsible for approximately \$20,000 but we don't feel that we should be held responsible for the balance.

Chairman Robert asked if DASS had asked for a new lease.

Mr. Anagnost replied no they didn't.

Chairman Robert stated did they just want it to be assigned to you. Mr. Anagnost responded it did not make a difference to us which way it goes, just to elaborate a little more on the project itself as far as cash flow goes I've made you aware that a third or a little more than a third of the money when the property is 100 percent leased not taking into consideration any vacancy would go to the city. These units are lease to the elderly fully utilitized which adds another \$13,000 or \$14,000 a year. This project does not have a significant cash flow, as a matter of fact DASS would be and currently has in escrow acquired approximately \$600,000 in debt on this property not for the face amount, I don't want to mislead anybody that DASS put up \$600,000 cause they didn't but the cash flow on this property would not substantiate any type of a significant mortgage based on its operating expenses for three years. Because the units are leased fully utilitized to the elderly at control rental rates and the city essentially between taxes and the lease would be getting a third of that income you can see that there is not a lot of money left over for cash flow purposes with respect to this. Our initial situation is to make an initial capital investment and to allow the building to carry its own from that point forward as the good councilor pointed out very astutely at some point this thing becomes economically unfeasible for all parties involved, especially DASS. We are here prepared tonight to essentially pay off in excess of \$20,000 in back taxes as part of our initial capital outlay, and also between the two months rent to the city that is currently being held in escrow by our attorney as well as our commitment to pay the \$13,200 going forward we're essentially offering to pay back under the lease a

little more than half of the arrearage and I guess from our standpoint at this time we would ask the city to take whatever action it could with respect to any relief. The way I look at it from a business standpoint is that we are all between a rock and hard place, we are offering a solution that is essentially beneficial to both parties, the City and DASS at this point, and we feel that we are making a fairly significant commitment to the City at this point in time.

Alderman Reiniger stated that DASS I know has done a great job at the Brook Street properties, it's a very excellent organization, and my question for Tom is, I don't deal with this type of law so I was going to ask you, why wouldn't the City want to just terminate the existing lease and then negotiate a new lease.

Alderman Clancy asked how much money would they take a bath for.

Assistant Solicitor Arnold stated that presuming that the Pearl Street Realty Trust is willing to do that so that we don't encounter problems in act of trying to terminate the lease that's another alternative.

Alderman Reiniger stated he did not know who had looked at this Bob or Tom, just where the economics fall out and what is the best deal for the city.

Assistant Solicitor Arnold stated he had not looked at the economics of the proposed deal, what I have briefly looked at is the past due rent and past due taxes and what our remedies are there, obviously DASS has agreed to take on some of those but it doesn't appear to be willing to take on all of it.

Alderman Reiniger so the best thing they can do to preserve the other remedies is to do what.

Alderman Clancy stated if they have any assets put a lean on it.

Assistant Solicitor Arnold responded that they could obviously try to collect from the Pearl Street Trust, however, anecdotally he had heard questions floated about whether we would be able to collect or not but I don't know.

Chairman Robert noted that the members had seen numbers thrown around tonight and asked if they wanted to take time to re-examine the numbers and look at it on a later date or did they want to move forward in some direction.

Alderman Domaingue stated that she did not want to give the impression to Mr. Anagnost that we are not interested in the offer that has been presented here, however, she had to note for the record that we are talking about assigning a

leasehold interest and I don't have the lease in front of me. I have no idea what it is I am assigning, other than the monetary aspects I have no clue in the paperwork that is in front of me as to what it is I am watching being assigned here and I think that on behalf of the City we have an obligation to find that out. I would have an interest in tabling this, having the City Solicitor look at it, and if possible get us a copy of that lease agreement so we know exactly what it is that is being assigned.

Alderman Clancy concurred with Alderman Domaingue.

Alderman Domaingue moved to table this item.

Chairman Robert asked Mr. Anagnost what the result of holding it off for a couple of weeks would do if anything.

Mr. Anagnost stated that the only problem that it would cause is that our option to purchase all of the outstanding debt that I explained expires on February 15th, at that point it's kind of a fish or cut bait situation with respect to the deals we have in place with the existing creditors that are currently in line. I don't know if I am bringing any new information to the Board but whereas he hasn't paid you he also hasn't paid the first, second, third, fourth and fifth mortgage holders on this property either and the only thing that is currently holding them in abeyance from turning this into a major legal battle is the fact that DASS is willing to step up to the plate and give them what has been negotiated as money for their currently secured positions in the property.

Chairman Robert asked if he was saying that if the Committee wants another two weeks we could excellerate it if they felt they had to, if we were to do this it's going to kill the deal.

Mr. Anagnost stated no, what he was saying was that a week or two was not going to make a significant difference as long as we can either stand up to the plate and pay everybody on the 15th because the lease has consented to be assigned by the city.

The Clerk conferred with the chairman regarding dates of the full Board meetings.

Alderman Domaingue asked how many mortgagees there were on the building. Mr. Anagnost responded seven including the Manchester Housing Authority for one more year.

Alderman Domaingue asked where the city fell in line.

Assistant Solicitor Arnold stated I understand the mortgages are actually mortgages of the leasehold interest.

Mr. Anagnost responded right, the lease is placed as collateral for the mortgage, that is our understanding.

Alderman Clancy suggested they look into Pearl Street School Realty Trust and see if they own any other property in town that could be attached, noting they would be holding the bag for \$20,000 or \$40,000.

Alderman Domaingue asked if we knew where we stood in line.

Assistant Solicitor Arnold stated that we hold the lease, the mortgages are on the lease.

Clerk Johnson noted we own the building.

Assistant Solicitor Arnold again noted that the mortgages were on the lease, not on the property.

Clerk Johnson stated that when the project was brought before the Board, back in 1989 it was a very complicated set up. The Pearl Street School at that time had been sitting as a vacant building for a number of years. It was falling apart. It was in need of a roof, it was in need of everything. The city had looked at it, the city had no use for the building, it was going to cost us an astronomical amount of money to renovate it into anything at the time. The decision by the Board of Mayor and Aldermen at that time was to lease the property. The city went out to bid to lease the property, it actually went out for requests for proposals. This was the proposal that came forth that made the best scenario for the city at the time. The city at that point decided to lease the building for \$1,000 per month. There was involvement by Manchester Housing Authority, the New Hampshire Finance Authority and banks in town which I'm sure have now turned over to other banks in town over the course of time but it was a complicated deal at the time, but in essence the city owns the building and leases the building, it was a long term lease which is what allowed it to go forward (49 years). When it started out two years into the project they had run into problems and they were behind on their payments, we had sent out letters, we sent letters to the solicitor's office, the solicitor's office and the finance department and the person holding the lease sat down and tried to work out a new agreement and an amendment was made to the lease by the city at that time to increase the payments to \$1,100. a month, \$100 of which was intended to go towards the arrearage at the time, and \$1,000 was to continue the payment, at 49 years the city would recoup what it was owed at the

time, based on my discussion with Tom Clark at the time who was involved with the rewrite. I just did a quick review of the lease and the payments that have been made based on what Tricia had gotten for information, based on the new lease it would be \$23,400 through February of this year that would be do the city Clerk Johnson stated that Finance has been taking the monies that have come in and have been crediting them against the old lease, they hadn't read through the new lease, and never realized the payments were changed to \$1,100. so there are some differences of opinion as to what is due on the lease between the clerk's office and finance to begin with. I think that Mr. Anagnost has recognized the fact that Pearl Street owed in essence the \$23,000, and understand that as part of the current lease if they come into a current leasehold, I think that they are not in agreement of going back beyond when that amendment was made to the lease and knowing what the understanding was at the time from my perspective that was probably a reasonable statement for him to make because there was that indication that the \$100 was going back anyway and the city would recoup it over the term of the lease. Clerk Johnson noted that it was a fairly standard lease other than the length of time, the \$1,000 was considered reasonable to make the project work and they were paying taxes on the property as well.

Chairman Robert stated if this lease isn't reassigned, what are we getting, are we getting taxes paid on the property, are we getting any money, is there anybody else that was interested in taking this building off of Pearl Street Realty Trust's hands, are we better off. The reason I'm raising the question is that Mr. Anagnost seems to feel he needs some sort of answer by the 15th. Whatever decision the committee makes, unless they hold a special meeting or have a telephone poll they would not meet that deadline. We have to have this to the Board next time around or would not meet the deadline.

Discussion ensued as to the clerk getting the information on the numbers and getting everything down on paper for the members to review and forwarding a copy of the lease and amendment.

Alderman Domaingue stated that she was sure that once the assignment were to take place the city would probably be a lot better off than it is currently right now, however, in assigning that lease does the city let Pearl Street School Associates Realty Trust off the hook, because if it does she wanted something in place that makes them accountable for this agreement, or by assigning the lease are we abdicating any opportunity for the city of Manchester to go after what is owed to it.

Assistant Solicitor Arnold stated that his understanding of the last assignment was that Mr. Gervais signed as a trustee of the Pearl Street Realty Trust as well as personally guaranteed.

Alderman Domaingue asked what the procedure would be.

Assistant Solicitor Arnold stated as Mr. Gervais personally guaranteed the lease we could pursue him for the outstanding balances.

Chairman Robert asked if that was a fact

Assistant Solicitor Arnold stated that the amendment to lease he had was dated June 1st of 1993 is signed Pearl Street School Associates Realty Trust, Glen Gervais, Individually and as Sole Trustee of said trust.

Alderman Domaingue noted that it was worth as much as he could afford to pay them was all it meant, if he had the money you get it if he doesn't you don't.

Alderman Clancy stated he still felt they should look to see if he had any other property in town, they could put a lien on the property.

Alderman Domaingue stated she wanted to review the lease.

Chairman Robert advised that the committee could receive a copy of the lease and the numbers, etc. from the clerk and then the committee could be polled.

Clerk Johnson advised that the clerk's could get together with the solicitor and finance and provide a report and suggested rather than tabling, deferring it to a poll of the committee pending report from City Solicitor, City Clerk and Finance.

On motion of Alderman Domaingue, duly seconded by Alderman Clancy, it was so voted to defer action to a poll of the committee pending a report from the City Solicitor, City Clerk and Finance.

6. Communication from Sal Coco expressing his concerns regarding sewer use rates.

Alderman Clancy noted the hardships that the owner of the property had experienced with tenants leaving. It was noted that the request was basically for an abatement.

On motion of Alderman Clancy, seconded by Alderman Reiniger, it was voted to refer the communication to the Water and Sewer departments for review of possible abatements

## **TABLED ITEMS**

Discussion ensued relative to item 11 which originally contained information on the traffic program. Mr. Lolicata was under the impression that the tabled item was awaiting a report from him. It was concurred within the discussion that the traffic portion had been approved and moved forward and the sidewalk program had been tabled but Mr. Lolicata was welcomed for a report. Mr. Lolicata noted that they were lucky to get enough for one intersection per year and he felt they needed to be mandated soon before they fall apart.

Mr. Lolicata stated they were talking about an ongoing list that dated back five years of priorities that have to be maintained; that these are the intersections that they request money for to update, some go 15 and 20 years ago; that these are projects which are presented each year and they try to break them up as best as possible as far as priorities.

Mr. Hoben noted that these were all of the controllers, the Bridge and Pine Street were 24 years old. Mr. Hoben noted that there had been a question about how they go about prioritizing their list, and basically they had been doing it by age and condition of the equipment. Mr. Hoben noted that the one way streets were put in in 1971 and 1973 and some of the then existing equipment was still out there, they were basically replacing the control cabinet, installing the opticom fire pre-emption.

Alderman Clancy asked what it cost per intersection, approximately \$60,000. Mr. Lolicata responded at least that or more. Mr. Hoben noted that Mammoth Road would cost \$70,000. Mr. Hoben noted that basically they had listed controller replacements.

In response to questions, Mr. MacKenzie advised that he had initially reported on the sidewalks, chronic drain, and traffic signals programs at the committee's

request; that the committee had jurisdiction over the sidewalks and chronic drain, but not the traffic signals. That the Traffic Department was providing the committee with information on how the list was prioritized as had been requested in the past, so when the CIP was reviewed for the next fiscal cycle the committee had an understanding of how the list was comprised.

Alderman Domaingue questioned the Sargent Museum and whether there was any information on where they are right now, noting in November they were sent a copy of a tentative purchase and sales agreement. Asst. Solicitor Arnold responded he was not aware of where it stood, Mr. Taylor had been working on that item. Clerk Johnson advised that Mr. Taylor had updated the committee last time and indicated he would come back when the Sargent Museum people had met and reported. Alderman Domaingue requested the clerk inform Mr. Taylor that there were items referred to in the agreement that were not included with it.

The following items remained on the table.

7. Report from SPOT Team regarding:  
397 Spruce Street, request of Beverly Fosher.  
(Originally tabled 3/26/96 - remained on the table 9/30/96 in anticipation of taxes to be received.)
8. Communication from Al Lindquist, A & A Resource Mgt., Inc., requesting the City's assistance to expedite a closing on property located at 241 Crosbie Street which the City held at public auction in 1995.  
(Tabled 6/10/96)

9. Discussion with representatives from The Sargent Museum relative to their proposal to acquire and renovate City-owned property located at 88 Lowell Street.  
(Originally tabled 7/9/96 - remained on the table 9/30/96 and requested Mr. Taylor to pursue going forward with the formation of an agreement for consideration by the Committee.)
10. Communication from Jay Taylor regarding improvements to the corner of Bridge and Elm Streets property.  
(Tabled 8/27/96)
11. Sidewalk Program -  
(Note: on 7/31/96 the Committee rescinded its previous action pending a report from the Planning Department - report submitted 1/6/97.)
12. Communication from Donald Tomilson requesting the Committee review the current ordinance relating to deduct water meters, and suggesting it be amended to provide the same relief from excessive sewer charges for commercial and industrial establishments, as now applies to residential irrigation systems.  
(Tabled 10/22/96 pending further report.)
13. Communication from Alice Bellemare advising that neighbors in the vicinity of Candia Road suggest that a thru street from Mammoth Road to Lovering or Page Streets would cut down heavily on speeding and traffic on Candia Road.  
(Tabled 12/10/96 pending a response from Alderman Soucy.)

### **New Business**

Alderman Clancy noted that they were at February 1 and wanted to know where the sidewalk program was, because last year they didn't do any sidewalks and they had to do something this year.

Mr. MacKenzie stated he had gone back and modified the map at the committee's request and had one map but did not have a formal presentation this evening, but he had taken the input from the committee, done a secondary tier which included the parochial elementary schools, and a perimeter around them and also some of the active parks which the committee he thought was interested in those two in

particular so that was modified, he was going to bring the map to the next CIP committee meeting and if they were comfortable with what the key streets were and what the areas are then he was going to bring a prioritized list to them at the second meeting in February.

In response to question, Mr. MacKenzie advised that the funds were still available, they would need to get estimates from Highway and would anticipate construction around mid-May.

Alderman Reiniger stated that this was the only city in the country that he knew of that still had sirens on the main street for fire and he thought they had to do something to get rid of these sirens. Discussion ensued where Alderman Clancy suggested that the Fire Department be contacted to turn of the sirens as soon as possible. Alderman Reiniger noted that it was hurting businesses, in some buildings they show the building, the siren goes off and the prospective tenant says forget it because you can't hear yourself speak. Mr. MacKenzie stated that they were aware of the problem and it did cause some concern for the businesses downtown and they were working on it with Highway during the Elm Street reconstruction to see if there are any alternatives.

Chairman Robert advised there was a resolution to be presented.

Resolution:

Amending the 1997 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of \$160,600 for the 1997 CIP 6.40409 Elm "Street Redevelopment Project."

Mr. MacKenzie noted that the basis for this was to transfer the administration of the project from the Planning Department to the Highway Department; that the money had been formerly been appropriated.

On motion of Alderman Reiniger, duly seconded by Alderman Clancy, it was voted to approve the transfer of the administration of the project and related documents.

Communication from City Solicitor advising that the petition to discontinue

Schuyler Street should be referred to a road hearing.

On motion of Alderman Clancy, seconded by Alderman Reiniger, it was voted to rescind previous action and recommend the petition be referred to a Road Hearing on February 24, 1997.

There being no further business to come before the committee, on motion of Alderman Domaingue, duly seconded by Alderman Reiniger, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee