

COMMITTEE ON COMMUNITY IMPROVEMENT PROGRAM

July 22, 1997

6:30 PM

Chairman Robert called the meeting to order.

The Clerk called the roll.

Present: Aldermen Robert, Reiniger, Clancy, Domaingue

Absent: Alderman Wihby

Messrs.: R. MacKenzie, J. Taylor, W. Stinson, M. Kasten, A. Harvey,
W. Jabjiniak, S. Tierney, K. Valdez, Assistant Solicitor Arnold,
D. Clark, R. Ludwig, R. Houle, S. Thomas

Chairman Reiniger addressed item 3 of the agenda:

Proposed Purchase and Sales Agreement for 88 Lowell Street, if available.

Alderman Reiniger moved to approve the Purchase and Sales Agreement for 88 Lowell Street. Alderman Domaingue duly seconded the motion.

Chairman Robert asked, Jay, do you want to speak to this.

Mr. Taylor stated I don't have a lot to talk to you about other than the fact that the letter that accompanied the agreement from the Counsel for the museum indicates the changes between the document you have in your hand now and the one that I distributed to you at the previous meeting of the Committee. There are a number of people here representing the museum and if you have questions, Aldermen, it might be appropriate to have them available to answer some of the questions, I'll leave that to your discretion, but they are here and they are willing to answer questions.

Chairman Robert asked the folks representing the Sargent Museum do you wish to make a statement or would you just be willing to answer questions from the Committee. Could you please come to the front to the nearest microphone and identify yourselves for the record, please.

I am Wesley Stinson, President of the Board of Trustees for The Sargent Museum.

I am Michael Kasten an Attorney at Sheehan, Phinney, Bass & Green representing them and I was involved in putting together this agreement, so if you have any specific questions on the agreement, I can answer those.

Chairman Reiniger stated I will turn the floor over to Alderman Domaingue who has questions for you.

Alderman Domaingue stated my first question rests with the issue on the very first page of the value of the residual interest of Amoskeag Industries, Mr. Taylor, I would imagine that it is indicated further on that it is the seller who will make that agreement with Amoskeag, do we have any knowledge of what the residual interest is.

Mr. Taylor replied no and I have spoken with the President of the Amoskeag Industries Board on two occasions informally to advise him that we were discussing this issue. It would be my intent subsequent to the approval of this agreement to make a formal request of the Amoskeag Industries Board to approve a waiver and I suppose the conditions of that waiver would be to some degree up to the Amoskeag Industries Board. In the past, they have always been cooperative with the City in granting those waivers in a number of instances...the Center of New Hampshire comes to mind, the Straw School, the Amoskeag School...those are some examples. I am not aware exactly of what the compensation was in those instances, but I believe there was some and to the extent that that occurs, we have agreed if you notice in paragraph 2 Purchase Price...we have agreed to pay whatever residual interest Amoskeag requires out of the proceeds of the sale of this property.

Alderman Domaingue stated so the assumption is that it will be somewhat less than \$500.00.

Mr. Taylor replied that would be my assumption, yes.

Alderman Domaingue stated on page 5 of this agreement Article 8 Section 8.1(b), it says..."prior to closing purchaser will provide seller with cost estimates for the proposed renovations..." when would that be expected and would it come before this Committee.

Mr. Stinson replied those are still being generated, right now. We have an initial plan that was done for us by George Turner the architect who did the new New Hampshire History Museum up in Concord and we have a couple of contractors now looking at those plans and developing more detailed cost-estimates for us. So my impression is that that was something being prepared for an eventual closing, prior to closing it should be available.

Alderman Domaingue asked is that something that would come before the Committee, Mr. Taylor.

Mr. Taylor replied that could be a condition of your agreement to proceed with this or part of your recommendation, that would be up to the Committee and I can't see why the museum would not agree to provide those estimates and those plans.

Mr. Stinson replied no problem. As soon as we have them, they're available.

Alderman Domaingue stated in Article 8.2(b) which gives me the most concern. Item (b) talks about..."if the purchaser is unable to complete the renovations by the year 2003, purchaser shall retain title until the end of the year 2005 until which time purchaser may seek another purchaser." And, when I turn to the next page on page 6, I'm looking at the second line which says..."should purchaser be unable to sell the premises by the end of 2005 purchaser shall transfer back the property to the seller." Is there a reason why the purchaser is seeking a subsequent purchaser and not the City.

Attorney Kasten stated Jay and I were discussing a compromise here should The Sargent Museum not be able to develop the way it wants to. We believe that given the renovations that will have been made at that point potentially that it would be in their interests to themselves go out and try and find another purchaser, they would be owners of the property. That purchaser would obviously be subject to the consent of the City of Manchester as it says in this paragraph. The reason for that is we believe given all of the renovations they would have put in at that point, that they should be entitled to try and sell the building for a little while and if they can't, then the City of Manchester gets it and the City of Manchester has a nice building, all renovated. We're taking a big risk here in terms of making all of those renovations and being left with nothing at the end. So, two years we don't think is a long time.

Alderman Domaingue stated I respect that and I understand it completely because the City in itself is taking a big risk by offering this property at \$500.00 and I'm also looking in the same paragraph at a notation that says "purchaser shall consent to any action taken by the seller to record a right of first refusal in accordance with this section." A right of first refusal if I recall, Mr. Taylor, would mean that the City would have the right to buy back the property and that's where my original question is rooted. If the purchases is then selling the property and the City has a right of first refusal which this Committee has not yet seen the wording of, are we talking about the City actually selling the building for an estimated \$500.00 and years later if they can't make a go of it being forced to buy it back at marketable cost, is that what we're talking about.

Mr. Taylor replied I guess what we were talking about is trying to provide the City with the ability to acquire the property if it had some use and some reason to do so. Keeping

in mind now that we're probably talking about a building that is substantially renovated at this point and keeping in mind also the museum's concern about investing several hundred thousand dollars in the property and losing the benefit of that investment. So, my understanding is that that right of first refusal was put in there to give the City the right to match an offer that might come from somebody else, is that correct.

Attorney Kasten replied it doesn't creating a binding obligation on the City, so if someone else comes and makes an offer all this is doing is giving the City the opportunity to buy the property before that purchaser does and by putting this in it gives the City the ability to encumber the property so that the potential buyer knows that we cannot sell it without first going through the City.

Alderman Domaingue stated given that, this organization has obtained this property at this cost and given that this organization is seeking donations to be able to operate tax free are you telling me that through this agreement they can then turn around five years down the road having invested donated money into this building and sell it at a profit and if so, to whom do the profits go.

Attorney Kasten replied I would think that the Division of Charitable Trusts would have to oversee something like that. I would hope that the Board would find another charitable purpose and I think that's regulated. The profits would not go into the Sargent Museum's pocket, it would be used for another charitable purpose.

Mr. Taylor stated I think we're making an assumption here that the investment in the property or the market value may exceed the investment in the property and I'm not sure that's going to happen.

Mr. Stinson stated we are going into this assuming that that is highly unlikely, if not impossible given the extent of renovations the building needs.

Mr. Taylor stated this is only my opinion, but for what it's worth you can take it or discount it, but my feeling here is that they may, in fact, invest a half-a-million dollars in this building and when it's finished, the "fair market value" may not exceed \$400,000.

Alderman Domaingue stated I guess I would respectfully disagree with that. I support this proposal, Mr. Chairman, but I am uncomfortable with that provision in there or lack of more specific language I guess is what I'm uncomfortable with. I'm also uncomfortable with the actual wording of a right of first refusal that is referred to in here and I'm wondering if before it gets to the full Board these things can be ironed out.

Mr. Taylor stated it's certainly agreeable to me and I know Tom's worked on this as well and I'm sure we can come up with something that will be reasonable.

Alderman Clancy stated what I don't like about the City selling this building for \$500,000 to a non-profit organization, we've got \$30,000 invested for the roof. I'm not about to give away taxpayer's \$30,000 and have nothing come back but taxes and yet you people, I don't know how long it's going to take you people to renovate it and all of a sudden if you have a couple of hundred thousand dollars in it and you want to sell it to somebody else.

Mr. Stinson stated it's not that we want to sell it to somebody else, we're acknowledging the possibility that we may have to. Nobody has tried to create a museum like this for many decades, if not a hundred years and it's completely unique in the current fund-raising world what we're trying to do. So, there are a lot of uncertainties about how successful it may be. The responses that we receive are quite favorable, everybody likes the project but there is no way certain that we will be able to raise the money. We have to protect our resources. We now own a collection, a very large archeological collection, we will shortly own a sizable and valuable library and we also have a requirement now to...if we do not succeed, if we were to decide to disband we would need to find a future home for those books, for those artifacts and we need to provide resources in terms of cash probably to travel with them to find a home because there are no institutions that will take this size collection in for free. So, we are protecting the resources, we are intending to make an investment in this building and we're hoping that if something doesn't work out well for us that we will be able to take some of those resources out of it and have them provide a continued future for this library and collection, that is what we are trying to do. We are not intending to sell the building, we're just recognizing the uncertainties out there.

Alderman Clancy stated the economy is coming around pretty good now. The unemployment is like 2.5, there's a lot of building out there, the economy's getting much strong, we're out of the recession we were in. I can't see why you'd have any problems raising any monies to fix this building up.

Mr. Stinson stated that's what I like to hear. We have barely started, we're still trying to get it organized and we really are waiting to have a building or a piece of land as a target for the fund-raising before we start a substantial fund-raising effort.

Alderman Clancy stated what I don't like is non-profit and there is no taxes for the City; that is my biggest concern because we have enough places here in the City now who don't pay taxes and people are always saying that the taxes in the City keep going up and up and up. Something's got to be done.

Mr. Stinson stated we are hoping to provide an attraction to provide some economic benefit for the City, so maybe that will help out once we can get up and started.

Mr. Taylor stated I'd like to point out that at least in my memory which goes back to my younger days, as far as I can remember back that building has never generated any taxes, so we're not losing anything.

Alderman Clancy interjected it was the first high school in Manchester, wasn't it.

Mr. Taylor replied yes. My point is we are not losing taxes, what we are gaining hopefully is a facility that will generate additional economic activity around it plus the fact that it is going to preserve hopefully an historic building which at this point is in dire need of some kind of activity.

Alderman Clancy stated, Jay, I beg to differ with you. If that building was for sale right now, I would think it would sell. If it was on the market right now for sale, I think it would sell.

Mr. Taylor stated we did go through a public process as you will recall.

Alderman Clancy stated maybe we did, but like I said times have changed.

Alderman Reiniger stated another way to look at this is in looking at the whole area of a lot of monies being spent. The St. Joseph's Cathedral is spending a fortune fixing the outside of their building, the Institute of Arts & Sciences is going to add a huge section to their building, the Historic Association is adding an expensive elevator, the Grace Church has put in well over a hundred thousand dollars in the white building right next to this, Jim Norman's law firm has spent a fortune and has come to me many times about this brick building, so it's hurting his property and business and the apartment building across the street they've put in a lot of money there and the City has really only put in \$30,000 for the roof. I think when you look at it a lot of people have done a lot of good work and raised a lot of money and this would be a good contribution by the City to help that area and to help property values near it.

Alderman Clancy stated of all those places you just mentioned, how many pay taxes.

Alderman Reiniger stated it's the civic zone.

Alderman Clancy stated probably Jim Normand's office which is the old Sullivan Connolly Funeral Home, other than that they are non-profit or nothing.

Alderman Reiniger stated that is not necessarily bad though.

Alderman Clancy stated I am not saying it's bad, I'm just saying that is the way it is.

Alderman Domaingue stated I think the premise upon which we entered into this exploratory relationship with The Sargent Museum at the time, Alderman Clancy, was that we were talking about maintaining/retaining a cultural heritage here within the City of Manchester and doing it in an area that's already been designated as historic. I don't oppose this concept at all, I think it would be good for the City, I just want to make sure that when we button down the language that it is to the advantage of the people that we represent as well and if the City's made an investment in the roof, I think that if The Sargent Museum does not make a go of it and chooses at some point in the future to want to sell that building and make whatever revenue they can, I think it would be a good idea to involve some language within this contract that says that it will at least pay back to the City the City's investment. Since I believe there was a portion in here somewhere that said we would give them back what their initial investment was if it didn't work out and they couldn't get the agreements that they were looking for. So, I don't think that's an unreasonable request and Alderman Clancy is correct when he talks about the \$30,000 investment in the roof, perhaps that could be made a part of this. But, I remember the day when they first came to us and I'm very much aware that this is good for the City's culture and would be an asset to that area and I have no problem supporting it, I just want to make sure that the language is tightened up.

Chairman Robert stated maybe we can go a little bit of tightening up, but I think when we first went out to do this, we knew that we wanted to do something, we knew that whatever agreement we were going to commit to might not be the best deal that we could get. I believe that the Committee moved or decided to move forward with this with the idea that the additional economic activities generated by this would be sufficient, we'd be willing to settle for that. I do realize that the economy has changed but I believe we as a Committee move forward with that in mind. These gentlemen have done quite a bit of work. I think it would be wrong if we changed our mind right now. I do see that if things don't work out or at some point in the future, I think we will get our money back if these folks...if things don't work out. I don't think this is something that we are just throwing away. I don't think this is something that we are giving away scott free. These people are essentially taken a historic building and they're fixing it up and this is something that we as a City did not want to do, we couldn't afford to do. Although, the

deal may not be the best deal we can get, I believe as a Committee for the City we are not only obligated to morally but we should move through with it.

Chairman Robert called for a vote on the motion to approve the purchase and sales agreement of 88 Lowell Street.

Alderman Domaingue asked can we amend the motion or revise to approve subject to consideration by the City Solicitor's Office and to include the recommendations that were put forth by the Committee members.

Chairman Robert asked were the recommendations made today acceptable to your folks, would they be something you would want to think about, would it kill the deal so-to-speak if something like this was asked of you.

Mr. Stinson replied I don't think so and I think we could get a fairly quite turnaround on my Board responding to that.

Chairman Robert stated you folks could come to some determination.

Mr. Stinson replied I think we are prepared to respond fairly quickly.

Attorney Kasten stated just to clarify what the conditions are...from what I understand it's tightening up the language on the right of first refusal to get an explicit right of first refusal that will be recorded and what were the other changes.

Alderman Domaingue replied, I believe that in the event...Alderman Clancy brought up the issue of the \$30,000 investment on the part of the City. Should you be able to sell that building with a profit that that investment by the City would be returned to the City.

Attorney Kasten stated okay, subject to the approval of the Board of the Sargent Museum, I think we can get a fairly quick turnaround on whether that's acceptable.

Mr. Stinson stated I should be able to do a telephone poll on that one.

Alderman Reiniger withdrew his previous motion.

Alderman Domaingue asked could we also include that the purchase back should the City need to purchase it back we would not be purchasing it back for a price that would exceed the cost of renovations, is that agreeable.

Attorney Kasten replied the problem with that is on the right of first refusal. If someone comes in with a high, high offer and your right of first refusal would be at that price, so

that would really reduce the ability of the museum to sell and you to get your proceeds for the roof repairs that you've put in.

Alderman Domaingue stated I may not be making myself clear, so let me try this again. I think what we're talking about is in the event you should invest some money in renovation work, but be unable to sell it the City would have the right of first refusal is that correct or if you had lukewarm offers we would have the right of first refusal and at that time a purchase price would not exceed the cost of renovations that you had invested in the building.

Attorney Kasten stated if the City exercises the right of first refusal in that instance...the problem is if you put someone buying the property goes to the Registry of Deeds and sees a right of first refusal by the City of Manchester that you can purchase it at the cost of renovation if you want.

Alderman Domaingue stated they won't feel obligated to offer any more than a dollar above that, is that what you're telling me.

Attorney Kasten replied yes and we only have the ability to sell the property for two years and then it goes back to the City anyway.

Mr. Taylor stated unless the City really wanted this for some reason, I guess my inclination would be let the two years run out then we get it back period. So, I guess what you're saying is if we absolutely had to have it during that two-year period as you're referring to because if we didn't have to absolutely have to have it, our best strategy would be to wait until the two years runs out and then it reverts to us anyway.

Attorney Kasten stated the likelihood of getting an offer I would think that is higher than the renovations is minimal anyway, but if that lucky event does happen, I don't think we would need to pass that up and that way the City can get paid off also if it's a high offer without being obligated to do anything.

Alderman Domaingue asked is that satisfactory to the rest of the Committee, Mr. Chairman.

Chairman Robert asked is that included in the rest of the amendments or conditions.

Alderman Clancy stated let me ask you a question. Say, down the road you have \$400,000 invested in this building and all of a sudden you don't think you need it and somebody comes in and offers you \$750,000 and the City has the right too because we're the ones who sold it to you for \$500,000, so the difference between \$400,000 and \$750,000 is \$350,000, in other words what do you want to do make a \$350,000 profit in

that two-year period. Don't you think you have an obligation to give it back to the City as first refusal.

Attorney Kasten stated they're getting it for free essentially, but you're talking about they could put \$400,000 of renovations into this and it doesn't go any further than that. Now, if there was a high likelihood of that happening, I could see that. But, I think the way we handled that was more in terms of the length of the time we have to sell the building. If you give us a little bit of time, the City has itself a nice building and there's a much higher chance of that happening than there is of us selling the building for a hundred percent profit and there are going to be a couple of uncertainties.

Alderman Clancy stated I'm willing to give you some time.

Chairman Robert asked, Alderman Reiniger, your motion is.

Clerk Johnson stated there's been discussion back and forth and I don't know that they've come to a conclusion on what they're willing to accept whether that is the same as what the Alderman wanted to move on.

Chairman Robert stated I believe you spoke of about three, but you've made...

Alderman Domaingue stated I wanted to see the language on a right of first refusal, Alderman Clancy also wanted to make sure that the investment on the part of the City was reimbursed if they should sell the building and we are still...I'm still concerned about whether or not the City in purchasing back the property is going to end up making a larger investment or whether we can limit our buy back to the cost of their renovations since it's the City's building that is being turned over to them for a very low cost; that was the origin of my original question.

Chairman Robert stated it appears to me that this is getting a bit complicated. Do you folks understand what's going on, have we met the minds here.

Attorney Kasten stated the right of first refusal and getting the language on that and paying out of the proceeds of any subsequent sale, the City of Manchester for their \$30,000 investment in the property. Those are the two issues that we know that you want now. Issue number three, I don't think we want and I think you want it. I think I explained a little the rationale for not wanting to record a right of first refusal that would allow the City to buy it back for the cost of renovations. Maybe, there can be some provision in between, I don't know that is subject to the Board. Like if we sell it for a profit, the City gets 50% and The Sargent Museum keeps 50% something like that. Either way you're going to sell it for \$750,000, you're going to get someone who has a lot of money going into that building, there's going to be some activity there and it's

going to generate economic activity and possibly taxes. If it's not a non-profit organization.

Alderman Domaingue asked is that provision acceptable to The Sargent Museum that should you sell it for a profit since our original intent was to allow this historic renovation and this cultural addition to the City. If you should sell it to a profit the City would take 50% and The Sargent would take 50%, is that a provision that is acceptable.

Chairman Robert asked is this something that you could work out.

Mr. Taylor stated I was just going to suggest that in lieu of trying to bat this around here that maybe between now and the full Board meeting we can try to collectively put something together that makes sense and when we come back to the full Board with the changes, so noted, and hopefully at that point we'll agree. If not, we'll go back to the drawing board again but I think we need to come up with something that you can look at and react to.

Chairman Robert asked was there a fourth. So, we're looking at the three and we understand what the three are, everybody.

Clerk Johnson stated if I'm understanding it what we are saying is you want the staff to go back and negotiate so perhaps the motion to approve it subject to staff further negotiating language regarding the right of first refusal and regarding the sale by the purchaser and you can send that up to the full Board and presumably, we will have a new agreement to submit to the Board with that report noted as an amended version.

Mr. Stinson asked are we going to have to come back here to get those conditions satisfied.

Clerk Johnson replied no, that is what we are trying to do is move it to the Board so that the staff can work out the conditions and then submit it directly into the Board. If it's not acceptable at that point, my presumption is that it will end up back in Committee, just so that you understand the process.

Chairman Robert asked do we all understand and is it acceptable. There is a motion by Alderman Reiniger, seconded by Alderman Domaingue that it be referred to the Board subject to negotiations as outlined by the clerk.

Alderman Domaingue stated I just want to make sure that Mr. Taylor understands that when he goes back to try and reword that the City's investment reimbursed should include the \$30,000 roof, the original purchase price and the Amoskeag settlement, whatever that is and should not be taken out of the proceeds of the profit.

Chairman Robert called for a vote on the motion subject to further negotiations. There being none opposed, the motion carried.

Chairman Reiniger addressed item 11 of the agenda next:

Communication from Angela M. Harvey representing residents of Elmwood Gardens requesting that the City make improvements to the streets, sidewalks and drainage system in their development.
(Note: on 6/24/97 referred to the Highway Department for review and response at their earliest convenience.)

Chairman Robert stated in paragraph 3 it makes reference to federal funds that the Housing Authority could be helpful in obtaining.

Alderman Reiniger moved to accept the Highway Department recommendation.
Alderman Clancy duly seconded the motion.

Alderman Domaingue stated I would like to hear from Mr. Tierney.

Mr. Tierney stated we are all aware that the streets are in bad shape in Elmwood Gardens and some of the sidewalks are in deplorable condition. I think we were first asked to consider this area for street reconstruction somewhere back around 1990, but the Gas Company had to go in and do a major amount of work in the area and after that the Housing Authority had a lot of work to do and in our last correspondence in 1993 with the Housing Authority and we haven't heard anything from the Housing Authority until last week or the week before. We weren't even aware of the petition until we got the agenda.

Ms. Harvey stated the petition was generated by myself and had absolutely nothing to do with the Housing Authority although they support my efforts this is basically being done on my own time.

Chairman Robert asked with us doing what the Director of Public Works recommends, were moving along in a process that we think we can at least attempt to do it. I think at the last meeting we spoke about the difficulties that we face in dealing with this. I'm just thinking that the Committee would like to explore these other funding options. We're not trying to put off the work or say yes or say no, but we're trying to wrestle with the money aspects and it will probably be substantial.

Mr. Tierney stated at one time the Housing Authority had asked us to look at it on a street-by-street basis, but because of the drainage requirements that are needed in there it's almost impossible to do it on a street-by-street basis it would have to be at least two streets at-a-time, there's only three streets, but we would have to address two streets at one time on this particular project.

Alderman Clancy stated, Steve, that complex was built with federal monies, right, back in the 50's. Were the streets constructed with federal monies, I'm pretty sure they were too.

Ms. Harvey stated I'm not sure about the streets, I know they were turned over to the City shortly thereafter.

Alderman Clancy asked has there been any resurfacing done.

Mr. Tierney replied no.

Alderman Domaingue asked, Ms. Harvey, did you collect all of these signatures on your own.

Ms. Harvey replied, yes, I did Mame.

Alderman Domaingue stated you did an excellent job. Could we, at least, have and I guess this is directed to the Chairman, would it be appropriate for the Committee to request of the Public Works Department that they give us a time certain by which they intend to communicate with the Housing Authority or whatever body is appropriate...be able to obtain the necessary applications for the funding that's being referred to by the Public Works Director, can we hear back from Public Works and can they keep in touch with Elmwood Gardens so that everyone knows how long of a wait it is going to be.

Mr. Tierney replied yes.

Chairman Robert asked, Bob, does this have to go through you folks too, this grant that he talks about the federal monies.

Mr. MacKenzie replied I know that in the past there has been some question as to whether public housing funds could be used within the right-of-way to construct streets. I know that in the past there has been some question as to whether public housing funds could be used within the right-of-way to construct streets. I believe that perhaps the MHRA felt they could not be...our staff has looked at the regulations and said they may be possible under public housing funding. The only sources I would know of that could be used for reconstruction are the City bond funds which are about \$1.2 million and those streets have already been identified by the Highway Department and Highway Commission and again the priorities placed on high-volume streets that are in very bad shape. The other possible funding is from CDBG funds and this would likely be an eligible area for that, but again there have been a number of areas that have warranted reconstruction and I do not believe this has been a priority yet. The third possibility, I believe, is public housing funding that the MHRA may get directly from the federal government and again there may be some discussion as to whether the MHRA believes that that is suitable for use of streets, but perhaps the Board could question that directly of them.

Chairman Robert asked, Bob, do you think you could watch this and get some sort of answer back to us in a fairly reasonable amount of time.

Mr. MacKenzie stated I guess the first question would be is it eligible for public housing funding as indicated as a potential in this letter, it might be appropriate first to, if the Committee wanted to question the MHRA as to that and then we could follow up after the Committee has done that.

Chairman Robert called for a vote on the motion. There being none opposed, the motion carried.

Alderman Domaingue asked does the motion include whose responsibility it will be to communicate with MHRA.

Clerk Johnson stated the Clerk's Office will forward a letter.

Chairman Reiniger addressed item 10 of the agenda next:

Communication from the Vice Chairperson of the Manchester Child Care Committee requesting to address the Committee with new information they have received regarding the after-school transportation issue.

(Note: on 6/24/97 referred to the City Solicitor and MTA for review and report back to the Committee on whether or not the MTA could now provide the transportation.)

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

Ms. Valdez stated Peter Arnold is here from the YMCA. Just to clarify some things the last time we were here to talk to the Committee we were aware that there was a piece of legislation which was pending SB 194 which deals with transportation...use of buses...to transport children not just to home but also to after-school programs and that piece of legislation has passed and it will go into effect this August, the 19th I believe and I believe I had send a copy of that piece of legislation to everyone on this Committee a couple of weeks ago. The other thing that you should be aware of and Peter can answer questions about that is the YM and the YWCA had a meeting with Superintendent Tanguay about uses of the buses to transport children to after-school programs because the problem with the MTA being able to transport children is because they don't have commercial buses that they cannot transport children other than for school purposes and Superintendent Tanguay opened the avenue to that by allowing the buses going to after-school programs as seen as school activities so now the YM and the YWCA are in the process of negotiating a contract with the MTA. So, it seems as though the issue at this point has been resolved in terms of those two organizations and, of course, my concern is there are a lot of other children besides those that attend the YM and the YWCA so I would like the MTA to be responsive to other after-school programs approaching them about making arrangements for uses of buses.

Alderman Clancy asked where are the monies for this going to come from, I understand that there is something like 7,000 children that are bused.

Ms. Valdez replied what is happening with the YM and the YWCA is actually they are paying for the service. Children that would normally be transported home will now just be transported, it will now be allowed that they will be transported to an after-school program. So, the money is already in the budget in terms of the buses it's just that they are being transported to an after-school program and I would assume that the children would be transported on the same bus route. They would go to after-school programs within that same bus route where the buses would already be going. But, what has happened with the YM and the YWCA is they negotiated a contract so they are paying for the service, so it is not coming out of City dollars.

Alderman Clancy stated right now, we are not transporting them because of the license plates.

Ms. Valdez replied yes. As long as the transport being seen and not being affiliated with the school purposes then the MTA did have to pursue getting commercial plates but because now the avenue has been opened the after-school programs are seen as an extension of the school activities and commercial plates are not necessary.

Chairman Robert asked has the MTA and Solicitor's Office finished deliberations or what.

Assistant Solicitor Arnold replied, I'm not sure if you call them deliberations but I have spoken to them and she is quite correct that there was an amendment to the statute permitting this type of activity. However, I'd note for the Committee's benefit that that statute requires that there be approval of the School District in the same manner as the school budget is adopted by said district. What I would take that to mean is that at least in the instance of Manchester that the Board of School Committee would have to hold a public hearing, approve the request, and then refer it to the Board of Mayor and Aldermen for their approval prior to the MTA being able to use this particular statute as amended to transport those students.

Alderman Clancy asked do you have a ballpark figure as to what this is going to cost.

Assistant Solicitor Arnold replied it was my understanding that the additional cost was going to be paid, at least in the case of the YMCA and the YWCA by those organizations. I can only assume that additional organizations if they requested the service that they would also pay for it, so that there would not be a cost to the City.

Alderman Clancy asked have you talked to Mr. Roy from the MTA, does he have a figure.

Assistant Solicitor Arnold stated I believe that is his understanding also.

Alderman Clancy asked do they have a figure, Kim, do you know.

Ms. Valdez replied yes, they have negotiated a fee.

Mr. Arnold replied \$65.00 per day per bus. Two buses per day times 180 days. It's a far cry what we were paying. We were working with the MTA prior to this with their City bus lines and because of their riderships being cut back we were unable to secure enough spots to service over 120 kids that we service in our programs and so when this avenue opened up with Superintendent Tanguay and right now we are having great cooperation

with the MTA to go back and looking at school buses being leased and we're leasing those at a slightly higher rate than what we were doing with the City buses, so certainly in our eyes it's a win because we can continue to provide services to those families who wouldn't be able to by jacking our rates up because of looking at outside carriers. So, this has certainly come full circle and it's really put back being able to service more the families than we currently service.

Alderman Clancy stated if we are going from the "G" plate which is the government plate to just a regular plate that would cost us more money, right.

Ms. Valdez replied you don't need to because with the legislation that was passed that bypasses that issue.

Chairman Robert stated this has to go to the School Board and wouldn't it be there ball game, their operation.

Assistant Solicitor Arnold stated I am not sure I can answer that question.

Ms. Valdez stated I think what will happen is that depending upon how many programs go together and facilitate a contract that they will negotiate independently with the YW and YMCA, they in addition to the Boys and Girls Club serve the largest number of children in the City. Most programs only serve maybe five to ten children, maybe 20 at the most with the VNA. But the YW, the YM and the Boys and Girls Club certainly serve the bulk of the children in terms of after-school activities. So, my sense is that depending upon once the other after-school programs realize that there is another option to bring children to their programs that it will be up to them to determine how they will negotiate those contracts and probably some programs will come together because it doesn't make sense for one program with six children to approach the MTA about transporting. I would think it would be more geographically routed.

Clerk Johnson stated it is my understanding from the City Solicitor's Office that the Board of School Committee and the Board of Mayor and Aldermen need to take action in reality before these contracts are executed by MTA. She suggested that the Clerk forward a letter to the Superintendent advising him that the law has been passed and advising of the conditions set forth in the law relating to the approvals by the School Board and Board of Mayor and Aldermen.

On motion of Alderman Domaingue, duly seconded by Alderman Clancy, it was voted to approve the Clerk's recommendation.

Ms. Valdez asked what does this mean in terms of the time frame and the process now for providers in terms of getting information out to them.

Chairman Robert stated as I understand it we have advanced your issue to the next level and I'm not familiar with how they work, I just couldn't tell you. I would think that if you spoke with Superintendent Tanguay he could give you a better understanding of the process and I'm sure we'll be willing to deal with it when it comes back to the full Board.

Chairman Reiniger addressed item 12 of the agenda next:

Copy of a communication dated August 21, 1996 from the Director of Property Management and Development/Technology Center strongly requesting the elimination of the Amoskeag Millyard Historic District Overlay in the Zoning Ordinances of the City of Manchester.

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

Chairman Robert asked Mr. Clark to introduce himself.

I'm Don Clark the author of the letter, Director of Property Management for Technology Center.

Chairman Robert stated you wrote a letter asking the Board to eliminate that portion from the Zoning Ordinance. I believe, if I remember right is that essentially the Zoning Ordinance kicks in if a person wants to tear down a mill building, is this what you object to.

Mr. Clark stated that is one of the provisions that I guess we would have an objection to. There are other issues mainly that exterior renovations would go through a Design Review Committee and how it happens in practice is that Design Review Committee's decisions preclude the Building Department from issuing the permit until you've gotten those recommendations and as Alderman Reiniger and myself have discussed that is not truly the way it's written, but it is truly the way it is practiced.

Alderman Reiniger stated there is a little bit of confusion over this. The Design Review Committee as I understand it is, the Historic District amendment deals only with demolition, the Design Review Committee which does exist is part of the MXU Zoning proposal that was put together by Mr. MacKenzie so they are two different things. So, if the committee wants to address the design review part that is a separate issue which maybe should be looked at.

Mr. Clark stated I believe that the Design Review Committee is included within the Overlay District language, if I'm not mistaken. I don't have it here in front of me.

Chairman Robert asked, Bob, could you address this issue, please.

Mr. MacKenzie stated there were two separate ordinances that passed. One is the original one where the City worked with the property owners for a couple of years and came up with a new ordinance to basically breath new life into the Millyard allowing mixed uses in buildings existing at the time. As part of the process, the Millyard owners felt that it would be reasonable to have some review, so they did agree that this Millyard Design Review Committee composed of City officials, architects and some of the property owners would be appropriate. At the same time, there was also a separate proposal to have a historic district over the Amoskeag Millyard; that was proposed by the Historic District Commission. At the time, the property owners did oppose that and there was a compromise and that compromise reached was that the Board approved a historic district but only for demolition purposes; that the Historic District Commission would not be able to review the color of the door frames or the colors of the door knockers, but they would review any demolition permit or contributing buildings/historic buildings in the Amoskeag Millyard. So, there are as Alderman Reiniger indicated two separate provisions.

Chairman Robert stated you're requesting that the whole thing be eliminated.

Mr. Clark replied the Overlay section of it.

Alderman Domaingue stated I guess my question of Mr. Clark is it's hard for me to conceive of a historic area if we begin to demolish buildings that are historic, so my question to you is what is the root of this concern relative to the Historic District Overlay if, in fact, ownership in that area acknowledges that there is a historic significance to those buildings, can you be more specific about the problems that you and the others that you claim to represent in your letter have encountered with respect to the Historic District Overlay. You know where the buildings are, you know they're historic, it doesn't get any more basic than that and yet you come to the Committee and you're asking to remove this Historic District Overlay if I understand this correctly and be allowed to demolish what everyone recognizes as historic; that appears to be a contradiction and I need more input from you so that I can have a better understanding of where your problems are with respect to your buildings.

Mr. Clark replied I'll try to do that. When this passed and the Overlay passed as well we forwarded a letter to all of the Aldermen and it was accompanied by a letter from every Millyard owner at the time save one requesting that it be repealed, the Overlay District and no response was ever received. I think several projects that could have gone forward

were shelved because of what was, at the time felt and according to my letter still feels that you are infringing upon the rights of a property owner by telling him what he can or can not do with the property after he had already come into possession of it and those types of projects being shelved have hindered the economic development of not only the Millyard, but the entire City as well because they are intricately entwined. So, we obviously acknowledge there is historic value on buildings, those that have been rehabed and done to a sufficient level serve the City very well and serve the owners of the property as investors. But, there are those buildings that aren't currently slated for any type of redevelopment due to either their physical condition or the economic conditions of the area that a property owner might want to pursue demolition on especially if it assists in the redevelopment of other buildings that they might ownership in and for that reason we would like to be able to proceed and ask for a permit for demolition on those types of buildings.

Alderman Domaingue asked where would the issue of revision to the Historic District Overlay go, would it come to this Committee or would it go to the City Solicitor, where if, in fact, Mr. Clark's assertion is correct and I assume that it is, that they made a request, they signed a letter and didn't get a response. Where would they go to the City, which governmental body to get a response to their original request.

Alderman Reiniger stated the request being referred to came in the summer of 1995 and it was referred to the Committee on Bills on Second Reading and the minutes reflect that it was received and filed, maybe there was no letter sent to Mr. Kamen alerting him about the acts of the Committee, but it was discussed by the Aldermen in 1995.

Chairman Robert stated as I understand it, we would refer it to the Board and the Board would send it to Bills on Second Reading, that is my understanding of the process.

Alderman Domaingue asked is it a zoning issue. Just for the record can I get an answer to another question from Mr. Clark. Are you telling this Committee that there are buildings that cannot be renovated that are currently owned that are mill buildings and that a better purpose can be served through demolition of those buildings because they cannot be renovated.

Mr. Clark replied I don't know if your question is relating to physically renovated or economically/feasibly.

Alderman Domaingue stated I'm talking physically renovated.

Mr. Clark stated there is a small portion of one building that we serve as owners of that is in fact not physically able to be renovated and we are pursuing a demolition permit on

that piece of a building. Other than that, money being no object any building can be renovated. I don't know that you could prove that it is economically feasible to do that.

Alderman Domaingue stated economically feasible could mean anything and I think that the City would probably frown as its residents on a brass and glass building erected on a prime site in the Millyard in the middle of all those mill buildings, so I think that could be the root of some of the problem here. I don't know because I wasn't here on the Board at the time, it ought maybe to be referred again. At least the City could give them a courtesy of a definite response.

Alderman Clancy stated as far as I'm concerned these buildings down in the Millyard, the Corporation and all the Millyard buildings that is what Manchester was known for in the 30's and that's the only value we really have now, we still have and I want to maintain because if we do any work down there we have got to have these buildings, we can't have them torn down and make the room for parking spaces or something else. We want to keep the construction of them unique as they are. I don't want to see any of these buildings torn down for parking or something else, that is what Manchester is known for. So, as far as I'm concerned I don't want to see any demolition down in the Millyard till I die, never.

Clerk Johnson noted that we can provide a copy of the minutes of that meeting so that they know what the discussion was to Mr. Clark if he forwards the Clerk wherever he would like them sent to, we can certainly respond that way and I would also point out that the Historic Overlay, the demolition that is being talked about is not entirely prohibited by the ordinance there is a review process, just so the Committee understands that because they don't seem to be getting that piece of it and if you wish to refer it to Bills on Second Reading we can certainly do that.

Alderman Reiniger stated it is my understanding that there are demolition permits that already have been obtained on some of the river front buildings.

Mr. Clark stated not any of ours.

Alderman Reiniger stated Mr. Maher, your predecessor had told me that he had permits, he was quoted in the newspaper in the past year that they were within weeks of tearing down buildings.

Mr. Clark stated the permit was never issued and the application was returned several months ago on the portion of the Seal Tanning building that we were looking to demolish.

Alderman Reiniger asked why was it returned.

Mr. Clark replied due to an incomplete application.

Alderman Reiniger stated I don't have the date, but it says in the City Hall column it was after the time that Mr. MacKenzie had a large display for the City Master Plan at the Mall, was that in 1993, and this article by Mr. Schaufenbil and Toole says that...listed the top five comments made by the many shoppers at the Mall looking at the City Master Plan which was very extensive and number two was: the City should do more to preserve historic buildings; number five was the City should encourage the reuse of the Millyard; and this is exactly what the rezoning was meant to do in 1994, to reuse the building, not to tear them down and build something else and that's why these minimal restrictions on demolition were put in. I can tell you that we should look at the record and the record had been and I've been talking to the Millyard owners and other owners. First the building at Brook and Canal was restored and that's not within the district but those gentlemen specifically told me that they would not be putting their money and effort into that building if they knew that the other buildings around it could be torn down by the owners, so Brook and Canal was the first. The Myrna Shoe building in the northern end where the Fratello's Restaurant is going in; that building was targeted for demolition for a long time, they had trees growing out of it, we were told it could not be sold and now it's going to be one of the most beautiful buildings in the Millyard. The Waumbec Mill building we were told should be torn down and that's now half renovated and will be finished soon. The Jefferson Mill building being fixed up and that is where the City's Incubator is going that involves a lot of tax dollars from the community and then the City voted to put in the Science Museum, another huge taxpayer investment and in talking to other mill building owners really the only buildings that haven't been fixed that are a problem are the riverfront buildings in the southend of the yard. All of these people have said to me that the Historic District was an important part of this success in the Millyard and it was important to them before they committed their time and energy and money into the buildings. So, I think the record justifies that we continue, that we stay the course at this time.

Alderman Clancy asked as I drive on Granite Street, I look over to the north, do I see a roof caved in on the Seal Tanning building.

Mr. Clark replied that is correct.

Alderman Clancy asked do you have any intentions of buttoning that up or what. How long as that been like that to your knowledge.

Mr. Clark replied parts of the roof have come down over the past several years. Your comment earlier about you don't want to see any demolition in the Millyard until you die, I think is the reason why we are bringing this up; that portion of the building is the one

we're seeking a demolition permit for, it's about a 150 foot long section. if we don't tear it down it will look like that and will continue to get worse until someone gets hurt in it, it's going to fall down, it's not a physically salvageable building. Now, whether it's in the same condition Myrna Shoe was with trees growing out of it, etc., I can't comment on, I didn't know what kind of condition it was. We've had engineers look at that portion of the Seal Tanning building, it is not something that is salvageable.

Alderman Clancy asked how many feet would you say is not acceptable down there as far as the part of the roof that caved in, you must have an idea.

Mr. Clark replied the section of the building which has been known as Building C. At this point, it's a public, I think, safety hazard. There are a number of folks that make their way into that building at one point or another. There are floors that have gone through, the roof has come down, the tower is separating from the building itself.

Alderman Reiniger stated the ordinance provides to allow for demolition in the instance.

Mr. Clark stated if a building is not physically salvageable or the ordinance also talks about if you want to prove economic infeasibility which as you mentioned earlier you can play those numbers anyway you want to say that something is or isn't feasible. Our underlying concern and our reason for requesting what we are asking for here is so that more buildings can be developed rather than allow to continue to deteriorate. No one knows probably as well as we do just what it takes to rehab these buildings, we've rehabed more than any other people down there. We've done so within the codes of the Building Department and the Zoning Department, we have always requested building permits and we've done our homework and invested a great deal of money into these things. Our estimates of what it would cost to rehab these buildings, assume that we do things that way. Other buildings that Alderman Reiniger is referencing are not following those same rules and I think that is part of the reason we support the MXU is to request that those people who are rehabing the buildings do so to a certain level. We've got five buildings we've rehabed. First, is working on the Science Museum and the building that had been partially rehabed. We'd like to see more buildings rehabed like that, we think it would do well for the City. It's one of the issues and Alderman Reiniger brought it up at the Board of Mayor and Aldermen meeting when we first discussed this was parking as an issue. When the buildings were built people walked to work. Until a parking solution is found that would have reasonable densities and what have you, it's unfeasible to think that both the Pandora building and Seal Tanning building could be redeveloped because there wouldn't be a place for those people to park. So, that's the type of issue we're trying to deal with and we'd like to redevelop more of these buildings. We have parts of the Gateway building which we rehabed 12 years ago that have never been fit up for tenant use.

Chairman Robert asked, Ladies and Gentlemen, what do you want to do.

Alderman Reiniger stated it has already been sent to the Committee on Bills on Second Reading at the same time, wasn't it jointly referred.

Clerk Johnson replied I believe it was.

Chairman Robert asked did the Committee wish to make a recommendation. I would hate to receive and file anything here. I think it would be best if we sent a recommendation or some sort or...to let the full Board decide.

Alderman Reiniger moved that a recommendation be forwarded to the full Board to retain the Historic District and not change the zoning.

Alderman Clancy stated if the owners of the building are just going to let it deteriorate and not do anything, it's going to be an eyesore and something is going to have to be done and I don't want to see anybody get hurt.

Alderman Reiniger stated they can get a permit now. I don't think the issue is a real issue. If he were coming here, if Mr. Kamen were to say he has a dilapidated building and he had been denied a demo permit, he had said it was a public safety problem and he was turned down then that would be a different story, but I had heard before that they had already had a demo permit and now we are hearing that the application isn't complete. So, this isn't even a real issue to deal with yet. He might complete his application tomorrow and get the demolition permit and the issue is gone, it's a moot issue at that point. So, I think it's premature.

Chairman Robert stated it would be a moot issue specifically for this case, but I guess looking at it in a broader sense to make the buildings go or make them economically feasible is what we're asking reasonable.

Alderman Reiniger stated the only building that is left that is dilapidated is this particular building.

Alderman Clancy stated if it's not worth renovating and they're not going to do anything to it, I'm afraid that somebody is going to walk by it and probably a wall will come down and stuff like that. I know of people that park in front of the building daily, the windows are all busted and people are in there are night stealing the pipes, the copper.

Alderman Reiniger stated they can tear it down already. They can either fix it up or tear it down. You're right, it's hurting the City to leave it, it's an eyesore. The Millyard owners, their biggest complaint is the condition of that building. It's a big problem.

Alderman Clancy asked what would you want to do with the building, Mr. Clark, once you tear it down.

Mr. Clark replied we haven't applied for a demo permit to take the entire building down, we have reapplied for a demo permit to take 150 feet down, we've gone through the Millyard Design Review Committee and showing them a new exterior staircase that would be constructed and it's our intention to, when this is opened up, when the permit is issued to create some parking and some greenspace.

Alderman Clancy asked for who.

Mr. Clark replied first off the tenants of that building, but it would certainly be something that could be used by visitors and residents of the City as the Millyard was used this past weekend for Inline Skating and that type of activity we wholeheartedly support.

Alderman Domaingue stated my prime reason for asking that it be sent here was just to see how much discussion we could generate so that it wasn't a case as was suggested by this letter of the City not listening to Mr. Clark or to the people in his letter represents and how representative of them you are, I don't know because as I look around the room you're the only one here. But, I didn't want you to go away from this process and I don't know what Bills on Second Reading is going to do without at least having your concerns be aired, but what I've heard tonight and I wasn't here at the implementation of the Historic District Overlay is that allows for the demolition if you can make the case and the building is beyond saving. I guess my only recommendation that I would like to see would be that we recommend that Bills on Second Reading revisit the Historic District Overlay to extent to make sure that it does what the original intention was while providing a clear opportunity for a property owner to be able to demolish if there is any question at this time, but when I read this letter, Mr. Clark, I have to tell you I was very disturbed because here comes a group that owns Millyard property, has asked the City to make an investment in Millyard property so that it could then turn around and present a Science Museum to this City and we did that and within the body of your letter you have...not an implied but a direct threat to withhold tax dollars and I was mortified, I guess is the best way to put it that you could have that perception of this whole issue. My position is only going to be that this Committee can do what it wants to, but I think to allow the process and not shut it down with a received and file and just allow Bills on Second Reading perhaps to recommend to them that they revisit the issue and if they come to the same conclusion having heard from people within the Millyard who own property then so be it. I just don't want to close the door to the property owners.

Chairman Robert asked are you saying that you just want to refer it back to the Board with no recommendation.

Alderman Domaingue replied I would say our recommendation should be to the Bills on Second Reading Committee. But, we took a look at it based on the question of whether or not the issues that were raised before the Board or before us originally were ever attended to and what I'm hearing tonight is that they were attended to, but there is some disagreement as to whether or not they were attended to to the extent that the property owners down there that Mr. Clark says he represents were satisfied with. So, if Bills on Second Reading is looking at this, I would just hope that they not receive and file it without revisiting the Overlay issue.

Chairman Robert stated there is a request for us to eliminate the Millyard Historic District Overlay, could we send a recommendation that it should be, it shouldn't be or one of the other with conditions.

Alderman Reiniger moved to recommend that it not be eliminated and the Committee can do what it wants, but I think that we recommend to Bills on Second Reading that they not change the Historic District. Chairman Robert duly seconded the motion and called for a vote. The motion failed with Alderman Clancy and Alderman Domaingue recorded in opposition.

Alderman Domaingue moved to communicate to the Committee on Bills on Second Reading that they revisit the issue and not receive and file it and recommend to the Board that this Committee will respect the decision of the Committee on Bills on Second Reading. Alderman Clancy duly seconded the motion.

Chairman Robert stated you would want to refer it back to the Board with no recommendation or the concerns that you have.

Alderman Domaingue stated we've heard the concerns and it sounds to me like you're still dealing with a zoning issue which is the purview of Bills on Second Reading, so my position is we recommend to the Board that we refer it back to Bills on Second Reading with a recommendation that they revisit the issue, not that they change it, Alderman Reiniger, but that they revisit.

Alderman Reiniger stated I thought you said that you were going to recommend that Bills on Second Reading not receive and file it.

Alderman Domaingue stated I will pull that back if that makes you comfortable. What I'm saying is if in fact, what I've heard tonight is it's their purview and if it's their purview, as a Board member I wouldn't feel comfortable knowing that this issue was raised again and it was just dismissed, but we can't tell them what to do.

Alderman Reiniger stated this Committee cannot dismiss the issue, it's already been referred to Bills on Second Reading so whatever we do they are going to talk about it anyway.

Chairman Robert stated short of not doing something, I think they would appreciate us...we were suppose to look at it from an economic development perspective, if I remember correctly and we were suppose to give them some sort of a recommendation based on that perspective.

Chairman Reiniger stated it sounds like we're not. The motion basically is you look at it and think about it.

Chairman Robert asked are there any other ideas or do I call for a vote.

Alderman Reiniger stated I want to publicly make two corrections for the record. The letter says "it had been our understanding that you would be taking steps necessary for the elimination of the Historic District." that's false, I never said I would ever support, at least at this time, based on the evidence of success or that I would support eliminating the Historic District. Second, it says "our support for many of the on-going programs in the City has been offered with the understanding that the private property rights in the Millyard would be returned to the property owner." It's never been my understanding that the Science Museum in any way that funding was connected to the elimination of the Historic District, unless my memory is incorrect. I think it's an incorrect statement, but I just wanted to say that for the record.

Clerk Johnson wished to clarify that in suggesting that the Committee on Bills on Second Reading revisit the issue of the Historic District Overlay originally when you first made

that statement or when Alderman Domaingue first made the motion she mentioned to see that it is doing what it was originally intended to do, I just want to know if that is considered part of this section repeat of the motion, just for clarity sake, so they know why you're saying they should revisit it.

Alderman Domaingue replied yes. I think that that will only enable the discussion that's been requested.

Chairman Robert called for a vote on the motion. There being none opposed, the motion carried.

Chairman Robert addressed item 6 of the agenda next:

Communication from the Health Officer advising of the receipt of \$15,000 from Optima Health in support of the Health Department's Public Health Assessment and Improvement Program noting that the CIP will need to be amended to enable the Health Department to receive and expend these funds.

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

Mr. Rusczek stated for the past couple of years we have received State funding for Public Health Assessment and Improvement Program and that funding supports our public health epidemiologist position as well as additional activities. When our management audit was completed last year, they identified as the number one need for the Health Department the reinstatement of the Deputy Health Officer position to support the functions of the Public Health Epidemiologist in our public health improvement activities. So, subsequent to the management audit the Health Department prepared a proposal that we've submitted to Optima and to City health insurers to support because this is an important community issue...to help support the Public Health Assessment and Improvement Program and we were fortunate to receive already a \$15,000 check from Optima again to help support the reinstatement of the Deputy Health Officer and our Public Health Planning and Assessment activities. We envision receiving about \$45,000 in additional support from private health insurers and we've received the support and commitment of the Optima Executive Director and the Vice Presidents to work with the Health Department in this initiative. We're also working very closely with a United Way Committee that supports these activities from the social service side. So, it's been a long-term process, our proposals go back six or seven months and we're beginning to see the fruit of our labor and we ask the Committee, at this time to authorize the Health Department to accept the Optima grant and to amend the CIP Public Health Improvement Project from the \$75,000 authorization level to reflect additional outside funding

including Optima of about \$60,000 to amend it to reflect authorization to receive up to \$135,000 for this activity. I should state one other thing. I said money coming from the outside will support the Deputy Health Officer position, it will help support the Deputy Officer position at 60% of the position level, that is the amount of the Deputy Health Officer's time that will go to Public Health Planning and Assessment and Improvement activities.

Chairman Robert stated, Mr. Basinow, you said you wanted to make a statement. I will allow that to happen as long as we stay focused on the subject at-hand.

Mr. Basinow stated for the record my name is Lloyd Basinow, 503 Amherst Street. I want to make it clear to this Committee that I appear here only in the capacity as a member of Manchester's Pro Life community. I have a brief statement that I've prepared and I'd like to read for you:

I would remind the members of the Board of Aldermen that you have already approved placing a CMC anti-Optima referendum question onto the ballot. Offering of this money constitutes nothing less than an attempt to influence decisions of the City's Health Department favorable to the financial interest of Optima and not necessarily in the best interest of the community and to otherwise make City public officials indebted to Optima. Optima Trustees are presently under investigation by the Criminal Division of the New Hampshire Attorney General's Office. Acceptance of favors from Optima at this time would seriously affect political considerations and jeopardize the City's neutral position as it relates to an on-going investigation. Optima additionally desires to have Health Department personnel who service our public schools direct and assist pregnant children through its Elliot Hospital facilities so that abortion procedures may be administered. Acceptance of this money would, in effect, be encouraging, condoning and establishing a pro-abortion policy by the elected officials of Manchester which is contrary to the majority will of this community. Please reject this money for it is nothing more than blood money and a corrupting bribe on the public officials of this City. Thank you for listening to me.

Chairman Robert asked discussion by the Committee.

Alderman Clancy asked, Fred, do you receive any monies now from Optima Health for any of your activities.

Mr. Rusczek replied yes. For years, we have received money from Optima. We've received money to support dental treatment, for homeless health care individuals. We also contract with Optima since Optima merged with VNA they provide the homeless health care services and we receive federal money for homeless health care. There are

health care services in public health services, so we contract out with Optima Community Health Services to provide those as they had to years under VNA. We have received small community grants to run health fairs in our high schools on a few occasions over the past few years and it's just...and it's been an on-going working relationship with the community services division for years.

Alderman Clancy stated so a percentage of the salaries for these School Department nurses or hygienists are being subsidized, right, by different outfits.

Mr. Rusczek replied not a percentage of our hygienists or School nurses, there is nothing that is directly supporting our rank and file staff that provides services to our children or whatever. What the money comes in as...the money comes in little pockets to support health fairs that allow the department to bring together a number of community agencies at the high school level to talk with students about everything from dental health needs to doing heights and weights and blood pressure checks and some education.

Alderman Clancy stated then this is all well and good then.

Mr. Rusczek stated in order for our to succeed in our public health initiatives in the community, we need to work with all health care providers...Optima included and all of the health insurers and all the non-profits and private providers.

Alderman Domaingue asked, Mr. Rusczek, is this \$15,000 going to pay for pro-abortion pamphlets.

Mr. Rusczek replied absolutely not.

Chairman Robert stated I will accept a motion as to whether or not we want to accept this money at this time.

Alderman Domaingue moved to accept funds. Alderman Clancy duly seconded the motion.

Mr. Rusczek asked may I clarify that. We'd like a motion to accept up to an additional \$60,000 including the \$15,000. We're still out trying to get the support for the rest of the money we need to support this project and envision that the health insurers...Blue Cross/Blue Shield, Signa, and others will be contributing as well.

Clerk Johnson stated if I understand it correctly, the question on hand would be to amend the CIP up to \$135,000 because you currently have \$75,000 on the books which would require a resolution and start-ups that you would be in essence approving to forward onto the Board at the same time as part and parcel of the motion.

Chairman Robert asked does everybody understand.

Alderman Clancy stated I will go along with that.

Chairman Robert asked would the motion have to be amended.

Clerk Johnson replied so long as everybody is clear, I will accept that as being the motion for the record.

Chairman Robert asked is that your understanding, Alderman Domaingue.

Alderman Domaingue replied that is my understanding, Mr. Chairman. If I just might add that the issue referred to by Mr. Basinow is a heated issue but belongs in the family and the City has a very deep responsibility to its community on the subject of health. We would be shirking our responsibility if we didn't try to address every aspect of good health for our citizenry and it is with that in mind that I support this motion.

Chairman Robert called for a vote on the motion. There being none opposed, the motion carried.

Chairman Robert addressed item 9 of the agenda next:

Communication from Deputy Chief of Police Robinson seeking the Board's approval to accept a donation of a battery-powered, rechargeable electric bicycle from the Northeast Utilities Service Company and also allow them access to the bicycle in order to collect data on the use.

On motion of Alderman Domaingue, duly seconded by Alderman Clancy, it was voted to approve Deputy Chief Robinson's request.

Chairman Robert addressed item 8 of the agenda next:

Communication from the Director of Parks, Recreation & Cemetery seeking clarification as to who is responsible for the building maintenance of two of Park's tax-funded divisions, the Parks Division and the Cemetery Division (Public Buildings Services or Parks).

Mr. Ludwig stated first of all this memo wasn't written with any intention to get into any heated discussions about this, that is not it at all. The Parks Department, Recreation and Maintenance...we've had a good working relationship with Public Buildings Services. The staff and what's left of it down there has always been agreeable whether it's to do a small job or to help us and this is not written in that regard. But, as I indicated in the memo there have been a lot of shifting of responsibilities within the department. Initially, when I started McIntyre Ski area and running the swimming pools in 1974, we did a lot of contracting of work, at that time. Somewhere between that time and I'm not sure exactly when went through a period where I was basically directed by the Superintendent at that time that Public Buildings Services was in charge of buildings and we, therefore, could use them for maintenance but that regard we kind of faded the contractors our whether it was the plumbing or the structural and a lot of the building maintenance in the Parks & Recreation Department was accomplished through PBS because that was the instructions. I'm not going to say it was a Board directive because I'm not sure where it really came from. We never really provided Public Buildings Services with a lot of guidance as it relates to what we needed fixed on a yearly basis or on a five-year basis or a ten-year basis and I'm not sure how it evolved and I'm sure it was difficult for Mr. Houle to try and figure out where we were coming from in a lot of cases. However, now we're at another crossroads. We've developed an enterprise system and we have also left a tax-funded division. In the enterprise which involved the two ice arenas, the ski area, Gill Stadium and swimming pools and so on we've attempted to try and accomplish our own maintenance responsibilities whether it relates to short-term, long-term or whether we even have to go out and provide bonding for certain projects given the fact that we can afford to earn the right to do that. So, those...any responsibilities as it relates to structural because at the ice arenas we always maintained our own refrigeration, the dasher board around the rink and those kinds of things, but the structural, the windows, the roof leaks, the boiler doesn't function, all those kinds of items were accomplished to my knowledge by Public Buildings Services, they no longer are. So, what are we left with. We're left with basically a Parks maintenance building down on Bridge Street Extension which I still feel is a tax-funded portion of our budget and we're left with some Cemetery buildings (i.e., an office and a mausoleum and a couple of small garages). Now, most of the day-to-day maintenance where the doorknob falls off are still accomplished by our own people and that's understandable. My question comes to should I be building into my own budget now on a yearly basis

maintenance for the water heater that dies and costs a couple of thousand dollars, it's items that are over one or two or three thousand dollars and maybe up to ten thousand dollars because I really don't carry that much money in a special projects account to accomplish those kinds of expenditures if I'm going to be expected to undertake them myself; that's okay and we have the ability in-house to contract out for engineering or go get quotes or those kinds of things, but I didn't view some of the buildings that are left in our tax-funded division as any different than a Fire Department or a Police Department or anything else. So, that's my question. I know I've talked to Mr. Houle about this and I'm not talking out of school on this. As it relates to Cemetery buildings, I guess Leon Webster never went to Public Buildings Services and I guess he just went to the Trustees of the Trust Funds whenever anything went wrong down there as it relates to building maintenance. They do handle and still do a lot of their day-to-day maintenance, they have the personnel to do it, but a roof repair or something that takes a specialty item like that, I would assume they went to the Trustees and asked for money and got it, but quite frankly what I hear from Terry Knowles and the State Attorney General's Office is that that kind of money can't be allocated for those kinds of projects. So, I understand fully that Mr. Houle may never have heard from the Cemetery Department before about maintenance and I'm sympathetic to that, but I need to know do I build it into my budget at the Cemetery and at the Parks Department in the future, at least, and we're going to be starting I guess in December...that's how quick the budget process starts again or should I be better defining it with Mr. Houle and PBS. Like I say, all of the enterprise numbers now flow through, I have five-year and seven-year plans going forward trying to identify all those issues and I don't think you'll hear from us unless it's rebuilding a swimming pool or something that we couldn't handle within the enterprise, we may be back knocking on your door here. But, all those other issues have gone away in that regard from PBS. We handle them either in-house to the best of our ability or contract out for them, one or the other or we even bond for them and pay the debt service down the road for 20 years, that's all part of our responsibilities and we accept it. So, maybe I should just be building the rest of the tax-funded issues into my budget. If I am, then so be it. I'll do that, but this year I didn't and there are a few issues as it relates to...I did put into CIP although I didn't really push too much for some fix up of the Valley Street Cemetery and also some repairs to the mausoleum which are necessary which would allow us to create additional niches in there which are a hot selling item these days. Thirty percent of the market...we're going to cremations now and down the road we could actually believe it or not run out of niches and also we need to start competing with the mausoleum over at Mt. Calvary who is fixing theirs up quite nicely and I think we're falling behind in that regard. So, that being said, I'm only looking for guidance. I'm not here to go one way or the other, I just didn't see how those buildings are a lot different from say a Fire station or anywhere else that has a burner that suddenly is no longer operational or that kind of thing.

Chairman Robert requested Mr. Houle to address the Committee.

Mr. Houle stated basically what Ron Ludwig's outline is pretty much on the money. In terms of responsibility, the old Charter said that Parks & Recreation were responsible for recreational facilities. The Department of Public Buildings Services was responsible for buildings. With the exception of schools it hasn't been very clear. The Police Department does their own maintenance, we assist. The Fire Department...there's not much that happens there but if there is a problem we do handle it and it's fairly clear we assume all of the responsibility for City Hall and the Annex. But, as I say with other department's it's been different. Parks & Recreation in the past has been funded a carpenter position, so if they're doing carpentry over there they are doing some of their own repairs and this has occurred. The only thing I take exception to, Ron, is that the Parks & Recreation Department has accepted responsibility for the repair of the arches in the JFK Center, we do not do that. I consider that a significant issue because I've always been concerned about those arches and I remain so. Question of capital improvements...I think in the past the Board has funded money for a roof at JFK and they asked me to implement it and we did, but I think right now it's a question of money and I'd be happy to answer specific questions. If they call us and need a hand and if we can do it, very clearly...Leon Webster never, never called us. Currently right now we are doing some work at Cemetery and it has to do with oil tanks because we were given all of the money to handle the oil tanks, so we are handling all of the oil tank issues, but I don't think I mentioned it, but the current Charter is even less clear of department responsibilities than the prior Charter, so I don't know how to answer this.

Chairman Robert asked have you folks talked about this prior to coming here, is there disagreement or did you folks come to some sort of idea of what may be the best way to approach this.

Mr. Ludwig replied before we switch to enterprise through CIP they had identified, we did do significant engineering over at the JFK that addressed a lot of refrigeration problems which has never been a responsibility of Dick Houle, never has and also identified structural problems as it relates to arches outside and those kinds of things, ADA compliance issues, etc. We did receive a portion of some funding through CIP as a result of that engineering study that we said well, what should be address first and it ended up being refrigeration because without refrigeration there wouldn't be a hockey rink. For the next two years as we transitioned into the enterprise, we were kind of floating and no money came forward. This year, now, we have identified \$250,000 within the enterprise to go forward with the repair of those arches and it gets done; that's an easy thing for me now, I don't deal with it, either I have the money to do it, I know where I get it, I earn it, I raise the rates, I do whatever it takes to get the money and that's a breath of fresh air because I can plan. The mistake I'm making is assuming that some of the items that I would need to identify in special projects like for Cemetery or Parks in my regular budget, I'm not including enough. If I'm trying to plan, I'm not building

enough in there and the public service assistance goes away then I've got to build more in for contract people or whatever. He makes a statement that I have a carpenter, I do have a carpenter but he's not a heating, ventilation or air conditioning person, I don't have one of those and I would contract out for that.

Chairman Robert asked, Sean, did you folks get a chance to look at this and come to some sort of idea as to what you'd like to see because the only thing I can think of doing is referring it to the Mayor's Office so it can be straightened out.

Mr. Thomas replied that would be accepted to us. We could certainly work with them to come up with a recommendation, this hasn't been brought to my attention, I don't know if he brought it to the Mayor's or anyone at this point. We could come back with a recommendation to this Committee at their next meeting.

Alderman Domaingue asked if we were to follow the logic that you presented to the Committee, Ron, and every department were then to find a need for an air conditioning technician or a heating and ventilation technician, we would be getting away from what I thought we were aiming for which was centralization of these services. So, I guess I'm having a little bit of trouble understanding why you would need to build those positions or that funding into your separate budget if, in fact, we do have a Public Buildings Services Department that should be communicating with you and you with it, so that you have a very definitive list of what your needs are and then Mr. Houle or his department would present that to the Board in the budget process and I'm a little taken aback that we just went through a budget process and now I'm hearing about it and I understand you're building for the future, but if you've encountered problems in the past or you encounter problems from this point forward, I think we want to know it and I raise the issue because you did send a letter to Joint School Buildings talking about being unable to address the needs of the additional responsibilities for that property unless you had additional funding and that wasn't brought out at the budget process to my knowledge by your department. So, I'm comfortable with the Chairman's suggestion that the Mayor's Office sit down with the two of you, but.

Mr. Ludwig stated I am too, I guess that as it relates we're talking about very grey areas that both departments in some cases have participated in, but I think as we saw that curve if you go back to 1974 and that's a long time, I understand and that's before Mr. Houle was here, we never used Public Buildings Services and that was fine, but we built into our budget the money to either use the Sonny Griffins of the world as a plumber or whoever that was and we shopped and we did it and then came a much larger Public Buildings Services Department with plumbers and I don't think that anybody can deny that that department was much larger at one time with more personnel to go out and do it's own servicing. I'm not saying that was right or wrong, I'm just saying that it existed that way. Now, they seem to be back to more advisory where the four or five or six

people go out into the field, identify problems and either change the washer in the sink or come back and say this is for a mechanical person whether it be Eckhardt & Johnson or somebody else out there in the field. It's a little bit different, I think, right now. We don't see the Public Buildings Services technician coming into the facility and if he does it's to identify the problem to be worked on by somebody else, that's the difference.

Alderman Domaingue stated if that's a deficit in the process then it needs to be looked at and you've made an excellent recommendation in terms of including the Mayor's Office, but I would shy away from individual departments going about their own specialists only because the City has made a determination that it wants to centralize and save taxpayers some money.

Alderman Clancy asked, Ron, do you feel comfortable doing the things you guys are doing at Parks & Recreation as far as the work. Some of these big jobs you more or less ship out, don't you.

Mr. Ludwig replied we would do just like Dick does. We go out and do design engineering or whatever is necessary in the process and we have the consultant on board and Ron Johnson oversees projects as well as I do. I think that is where a little bit of the confusion as it relates to responsibilities. For instance, we just rehabed with government money the building on Maple Street which has been identified as the Maple Street Youth Center and it's a really nice building and it's going to serve a nice purpose. My question is, who's responsible for and it's a new building and it's not going to happen tomorrow, who's responsible for the maintenance. It's not an enterprise building. If it was an enterprise building, I'm accepting it, but who's responsible for the leaky roof four years down the road of the Maple Street Youth Center, as an example, am I? If I am, then I need to identify the roofer that Mr. Houle doesn't have anymore and he used to have a person that would provide a patch on a roof. I need to be able to say I've got to carry something if I'm not picking up the phone to call PBS. Otherwise, it takes the \$7,500 I have in special projects in the Parks division and goes down very quickly.

Alderman Clancy stated that's a sore spot in the City, roofs.

Mr. Ludwig stated I know it's a small one and I hate to waste your time with it, quite frankly. I either have to build some money in and go get some quotes or prices when those kinds of things happens.

Alderman Clancy stated I would say if it belongs to your department, you maintain it and that's my opinion.

Mr. Ludwig stated we do that now in the enterprise, we do all of our own. We don't really have a choice.

Mr. Houle stated I would like to correct what I think may be a misstatement. The Department of Public Buildings has never been any larger in the past twenty years than when I took it over 20 years ago with the exception of the custodians coming on board, the basic staff has not changed in number. We did upgrades of staff and got them into HVAC technician work, but the number has never been larger. I spoke to the City Solicitor today before coming here this evening noting that there is some language that needs to be drafted for all departments as to what their responsibilities are because they are not spelled out in the Charter and there are some ordinances, but in some cases it's not just the two of us.

Chairman Robert stated I think the drafters of the Charter presented us with a tremendous opportunity, but could I get a motion to refer.

On motion of Alderman Domaingue, duly seconded by Alderman Clancy, it was voted to refer Mr. Ludwig's communication to the Mayor's Office for discussion with the appropriate departments and to report back to the Committee.

Chairman Robert addressed item 13 of the agenda next:

Communication from William Laberge requesting to purchase property on Tarrytown Road adjacent to Billy's Sports Bar.

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

Alderman Clancy stated he's the problem up here on Tarrytown Road. Currently, Billy puts his trash out and it's an eyesore. So, if he can buy this property and put a six foot stockade fence and put a dumpster there and resurface it, it will keep most of the people on Massabesic Street and Nelson Street happy because it's an eyesore and it's wide open. He's not asking to buy that much land truthfully. The curb is already cut, there is no where for them to have their deliveries and it's a busy street because as you go down Tarrytown Road going south is the intersection of Massabesic and Tarrytown and cars to back up, so it's a hard time there. So, Billy is just asking to buy that parcel of land which is already outlined in the attachment and he'd be willing to pay the market price, he doesn't want to steal it or anything like that, and he talked to me about it today and I told him I would discuss it with the Committee. He would have it appraised and he would like to buy it so this way he could pave it and make it look nicer.

Alderman Clancy moved to approve sale of the parcel to Mr. Laberge as requested.

Chairman Robert asked would it go to your committee to determine what the value would be or could we just decide to sell it at whatever market rate we wanted to this evening.

Assistant Solicitor Arnold replied could the Committee do that, I suppose they could subject to Board approval. Usually questions as to value are referred to the Assessor's Office. Given the location of this particular piece of land involving the Highway Department might be appropriate since they just constructed...

Alderman Clancy interjected they had just looked at it and said they didn't have any objection.

Assistant Solicitor Arnold stated the question I have in my mind is whether that would require subdivision approval or not, being City property.

Chairman Robert asked, Mr. MacKenzie, do you have a recommendation you could present to the Committee as it seems to want to do something with this request and would this go to the SPOT Committee.

Mr. MacKenzie replied I think there are several procedural issues that would come up. First of all, this is property acquired so it's not a standard right-of-way. Typically, you couldn't sell a right-of-way unless the City owned the property underneath and in this case the City does own the property under the right-of-way. It is likely that you would need both a discontinuance action which would occur at Road Hearing because this area was laid out for road purposes, it's my understanding that it is in a right-of-way although that could be clarified with the Highway Department. So, procedurally, if you wanted to dispose of it you would have to have both a discontinuance and then you'd have to have a subdivision of the property through the Planning Board, Highway Department can perform surveys and subdivision plans, but that would have to be approved by the Planning Board and then the full Board of Mayor and Aldermen after determining a fair value of the property could dispose of that property.

Chairman Robert asked, so what is your recommendation for us to send this for starters.

Mr. MacKenzie replied I had not looked at this, I thought that issue had been resolved when a license was given to them to put up a dumpster and fence, so I was a little surprised to see a request for actually purchasing the property. So, I didn't have a recommendation. If you're asking me what process you would follow, I could give you that recommendation.

Clerk Johnson stated if the Committee wanted to it could recommend to the Board that the property be disposed of to the person requesting it subject to discontinuance of the road, subdivision and for a value to be determined by the Board of Assessors.

Alderman Clancy stated if they were also going to put a sidewalk down here that the City could take back that piece of land.

Assistant Solicitor Arnold replied that would be difficult to do.

Alderman Domaingue stated I have several questions relative to this particular issue. The first one is of the City Solicitor I guess. My first question is why would we need to sell it at all since we've given him an easement to do what he claims is the only thing he needs to do with this piece of land, so why the issue of selling the land at all is an issue is beyond me. He has an easement, he can use it for that purpose, he can construct his fence. I'm a little concerned so I am going to ask to have the City Solicitor's Office comment...is it not true that if we were to sell this piece of land to this person it then becomes their land and should in the future the City want to or need to come back for road widening or sidewalk or anything we are then negotiating with a landowner which is a different position for the City to be in legally and the land owner does not have to oblige the City in any manner, is that correct.

Assistant Solicitor Clark replied as a general rule that is correct.

Alderman Domaingue stated I have a real concern about giving up this property, I think that the easement takes care of it. If that's the only purpose they have for this parcel of land.

Alderman Clancy stated it is my understanding that they would like to have this piece of land because when they get their deliveries, right now, it is loam and they could asphalt it and place their dumpster there, etc. There's going to be a substantial amount of money involved here when they do this. So, they'd rather have it as theirs, truthfully. They're probably going to spend \$10,000 all total.

Alderman Domaingue stated, I think the easement takes care of it. I'm not in favor of selling this property.

Chairman Robert asked are you saying that you'd move to deny the request.

Alderman Domaingue replied that was the other question I had of the City Solicitor's Office. Given the characterization by the new City Charter of the ability of any elected officials to be able to vote on anything they may or may not partake of, can we in fact, vote on this. I guess my question is if anyone here at this Committee level or at the Board level is a visitor, customer, however you want to phrase it, it came to my mind as I looked at the issue. I thought it was a reasonable question.

Alderman Clancy stated a guy's going in to get a sandwich and a Coke...is there a conflict of interest.

Alderman Domaingue stated but not everybody in the City can vote to either give him or not give him this piece of land and since we're the City officials, I just wanted to know. Is there an interpretation for this, given the City Charter's concern for ethics, the new City Charter.

Assistant Solicitor Arnold replied, I guess I would want to look at the new City Charter in light of that question. I'd want to look at the City Charter before I cast an opinion.

Alderman Clancy stated this is going to help the person. Right now, he needs a place to unload his supplies and stuff like that and get his deliveries and it will take the monkey off my back and he can spend the money he wants too and moved that the property be sold to Mr. Laberge.

Chairman Robert asked is he going to expand.

Alderman Clancy replied, no, he's not going to expand, he's pinched in now.

Alderman Domaingue asked can we prevent him from expanding once he acquires the property.

Chairman Robert stated he looks tight.

Alderman Domaingue stated it is a legitimate question, we've heard of these cases before and certainly the Zoning Board of Adjustment has heard of them. Once that property goes from our hands to his, do we have any right to tell him what he can and cannot do with that property, can we build in a deed restriction.

Alderman Clancy stated we could put that into the sale of the land that there will be no building, stipulate that in there, it will be strictly for unloading and deliveries and trash.

Chairman Robert asked will he be paying additional taxes on this property.

Alderman Clancy replied yes, right now, he's not paying anything.

Alderman Domaingue moved to table. There being no second, the motion failed.

Alderman Clancy reiterated his motion to sell the property to Mr. Laberge stipulating that he will not build anything, but it is to be strictly for unloading of beverages or trash or deliveries.

Alderman Reiniger asked do we have to approve selling the land and then send it to a committee.

Clerk Johnson replied it would be subject to all of those conditions previously mentioned, subject to the discontinuance, subdivision and value to be set by the Board of Assessors.

Alderman Reiniger duly seconded Alderman Clancy's motion. The motion carried with Alderman Domaingue duly recorded in opposition.

Chairman Robert addressed item 7 of the agenda next:

Communication from the Director of Parks, Recreation & Cemetery requesting that the \$7,200 payment from NYNEX for a utility easement at Livingston Park be placed in an account for the new playground project.

On motion of Alderman Clancy, duly seconded by Alderman Reiniger, it was voted to approve the request by the Director of Parks.

Alderman Reiniger asked what's the status of Livingston Park, I've had a lot of people complaining to me that they haven't seen anything happening and was wondering if we could have an update.

Mr. Ludwig replied we should receive bids on the 31st of this month for Phase II, so we're ready to go and just keep putting the calcium chloride down to keep the dust down and keep the neighbors happy up until that point.

Alderman Reiniger asked will there be physical work going on in August.

Mr. Ludwig replied hopefully there will be physical work going on August 1st or as soon as we can come to some kind of agreement. The down side of this is that the response from contractors hasn't been wonderful, so evidently that is a little bit of a turn in the way that things have been going. We've seen a few more and actually sent some out and said let's participate here, so the 31st is the bid opening for the project.

Chairman Robert addressed item 4 of the agenda next:

Communication from Alderman Robert requesting the Board consider the sale of three parcels of land at the intersection of Wayne and Whipple Streets.

On motion of Alderman Reiniger, duly seconded by Alderman Domaingue it was voted to refer the communication to the SPOT Committee.

Chairman Robert addressed item 5 of the agenda:

Copy of a communication from Alderman Robert to the Board of School Committee requesting the release by the School Department of the Brown School to the Board of Mayor and Aldermen for consideration of its future use.

Chairman Robert stated I don't think the School Department has thought about this yet. Have they acted on this, I don't believe they have.

Mr. Thomas stated I think all they did was to send it to their Buildings & Sites Committee, but that Committee has not yet met.

Chairman Robert stated perhaps the proper thing to do would be to table this at this time or until the School Department made a decision.

Alderman Clancy asked who would look at this.

Clerk Johnson replied the School Board has jurisdiction over school buildings. Until they release it to the Board of Mayor and Aldermen, the Board of Mayor and Aldermen cannot do anything with that building, that is State law. What he has done is written a letter to the School Board requesting them to release that building back to the City/Board of Mayor and Aldermen and they in turn have sent it to one of their committees to look at and have not responded as of yet. You can't do anything with it anyway so you could perhaps receive and file if you wished.

Alderman Reiniger stated they are considering a letter that Alderman Robert sent, maybe we could also send a recommendation of the Committee to the Board that they do release the building.

Clerk Johnson stated you could make a recommendation to the full Board that the School Board seriously consider the request.

On motion of Alderman Reiniger, duly seconded by Alderman Clancy, it was voted to recommend to the full Board that the School Board seriously consider the request made by Alderman Robert.

CONSENT AGENDA

Chairman Robert stated 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. An amending resolution and budget authorization allowing for the acceptance and expenditure of State grant funds by adding the 1997 CIP 4.20108 Sting Patrol Program - \$1,110.24 NH Highway Safety Agency.

- B. An amending resolution allowing for the acceptance and expenditure of grant funds by adding Youthbuild Grant - \$189,713 US Dept. of Housing & Urban Development through Odyssey House; and by increasing PL94-142 to \$790,397 - Federal Special Education Grant and Deaf & Hard of Hearing Program to \$936,278 - Federal Special Education Grant.

HAVING READ THE CONSENT AGENDA, ON MOTION OF ALDERMAN REINIGER, DULY SECONDED BY ALDERMAN DOMAINGUE, IT WAS VOTED TO APPROVE THE CONSENT AGENDA.

TABLED ITEMS

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)

This item remained on the table.

Communication from the Director of Parks, Recreation & Cemetery relative to the Aqua Golf, Clean-Flo proposal at Nutts Pond in Precourt Park.
(Tabled 4/29/97)

This item remained on the table.

Communication from the Director of Planning seeking the committee's acceptance of the assignment of promissory notes and mortgages from the Manchester Housing and Redevelopment Authority of various Housing Rehabilitation Programs.
(Tabled 6/24/97).

This item remained on the table.

NEW BUSINESS

1037 Elm Street

Mr. Taylor stated as your may recall a couple of month's ago at the Committee's direction, the Planning Director and I prepared and put out an RFP for the city-owned tax deeded property at 1037 Elm Street with a deadline of July 7th to receive proposals. Prior to the deadline we did receive one proposal and subsequent to the deadline we received one proposal which Bob and I discussed and we decided given than it came in about four days later than the deadline it was probably not appropriate that we accept it and we did return that one. So, at this point, we do have one proposal that we can look at. My opinion is and my recommendation is I guess and I'll let Bob speak for himself, but mine is that we think the proposal has some merit, it has some holes in it, but we would like to take at least the next month or so with some of the other City staff and get

together with the representatives of the company doing the proposing and see if we can work out a proposal that makes some sense from the City that we can then bring back to you as a Committee to review. So, we would like to at least take an opportunity to do that, if that is acceptable.

Mr. MacKenzie stated Jay and I did review it and I think our only question was do we want to extend the deadline again to allow the other proposal to come in and I think the conclusion was in fairness to that applicant who did meet the time deadline that it seems like a reasonable one for the Committee to consider that perhaps we should focus on that one application as it did come in with accordance with the request.

Alderman Clancy asked what is the status of that building.

Mr. MacKenzie replied it is a tax deeded property that's in fairly tough shape that had little interest for a number of years, it's an important historic building in the Downtown and would be a great property to have reused again and back on the tax base in the Downtown.

Alderman Clancy stated it has sprinklers in the hallways and not in the rooms, right.

Mr. MacKenzie reiterated the building is in tough shape, I don't remember about the sprinklers.

Alderman Reiniger stated without getting into specifics. The two proposals would you say that one was here and one was down here and were they very similar.

Mr. Taylor replied in accordance with the RFP which had a statement in it that proposals coming in after the deadline would be returned unopened. I did not open the second one and I returned it in that fashion, so I can't tell you what it was.

Alderman Reiniger asked what would be the downside to extending this time, so that we have two proposals to look at.

Mr. Taylor replied, I think the issue here is one where everyone had an equal shot at this, they had equal time to prepare their proposal...one group did it on time, the other group for whatever reason did not. I guess it seems to me an issue of fairness that we give the people that spent the time to do it the right way the opportunity to present their case. It's simply a fairness issue in my view.

Alderman Reiniger stated it seemed in the best interest of the City and the taxpayers to have as many proposals to look at. I understand your point about fairness. I guess there are different values to be weighed here, that's all.

Alderman Domaingue stated I have the same concern Alderman Reiniger does. We have had a history of if we didn't get enough response, we've gone out to bid. I understand the issue of fairness, but I would hope that in the interest of at least seeing some competition we would maybe want to revisit the issue of going back out for RFP's.

Mr. Taylor stated we certainly can do that, whether or not that will bring in...it may bring in an additional one, it may bring in several additional ones, we just don't know how that is going to work.

Chairman Robert asked would it create legal problems for you if you decided to work on both of them. Bob had mentioned that you should extend the deadline for the second one, would it create legal problems if you extended the deadlines so we could look at both of them.

Mr. Taylor replied I guess I'd defer to the City Solicitor on that question.

Assistant Solicitor Arnold replied it might very well. When you speak in terms of extending the deadline, they could certainly reject the RFP they've got and go out for RFP's again. If you were to extend the deadline the problem with that is it's not only an issue of fairness, but an issue of knowledge. Once those bids are opened they become public record and anybody can go in and look at the proposal and have that knowledge when they prepare their own and I think that's a real issue of fairness and has a great potential to create legal problems if we were to take that course of action as opposed to rejecting what you've got and then going back out for RFP's again.

Chairman Robert stated your recommendation would be that we stay with what we have unless we find it objectionable.

Assistant Solicitor Arnold replied my recommendation would be whether you look at only the one you've got or not is a policy decision. If the Committee should decide that they want to look at other RFP's, then what the Committee should do is not extend the deadline, but reject the one they've got and go back out and ask for new RFP's to put all parties on the same footing in terms of their submissions.

Alderman Clancy asked did Sullivan & Brady bid on this building, is that who the lone bidder was, who was the bidder.

Mr. Taylor replied the group was Kore Real Estate.

Alderman Reiniger asked what would be the timing and procedure in examining the one RFP, do we have a certain amount of time to decide to accept it or reject it. Could you come back with a recommendation at next month's meeting.

Mr. Taylor replied that would be my intent to try to come back to this Committee with a recommendation at the next meeting. Assuming the next meeting is a month from now.

Alderman Reiniger stated I think another concern everyone has is we've talked about this...this is obviously a strategic building in the Downtown, I think what we don't want to happen is for negotiations to drag on for a year with not much happening. I think we'd really like to keep the pressure on and get something going.

Mr. Taylor stated these individuals have indicated...assuming they're selected to move rather quickly because they'd like to get started in September with the work so they can get the outside of the building done prior to the cold weather setting in. So, there is some interest in doing that, however, that is going to be up to the Committee. But, I think if we have a chance to take a look at this thing and meet with the people and try to iron out some of the problems we might see and come back and say yes we think this will work or not we don't think it will work and then we could go back out and start over again.

Alderman Domaingue asked what do you have as a recommendation right now.

Clerk Johnson stated the recommendation was that they take a month or so to review it with City staff and work out a proposal for the Committee's review.

On motion of Alderman Reiniger, duly seconded by Alderman Clancy, it was voted to approve the recommendation as outlined by the Clerk.

Petition for Discontinuance of a portion of Pennsylvania Avenue

Clerk Johnson stated our office received a request today regarding a section of Pennsylvania Avenue which has never been improved upon and the person was petitioning to discontinue it. The parcel was never accepted and, in fact, under State statutes has been released and discharged. So we're looking for that finding by the Committee to be recommended to the Board so that the person can pursue a quiet title with the courts.

On motion of Alderman Clancy, duly seconded by Alderman Domaingue, it was voted to recommend that a request for discontinuance of a portion of Pennsylvania Avenue be denied with a finding that same has been released and discharged from public servitude in accordance with State statute.

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

A True Record. Attest.

Clerk of Committee