

## COMMITTEE ON LANDS AND BUILDINGS

November 10, 2009

6:00 PM

Chairman Smith called the meeting to order.

The Clerk called the roll.

Present: Aldermen Smith, Gatsas, M. Roy, Osborne

Absent: Alderman J. Roy

Messrs: T. Arnold, C. DePrima, T. Bowen, R. Tourigny, K. Edwards, J. Minkarah

Chairman Smith addressed item 3 of the agenda:

3. Draft agreement submitted by the City Solicitor's Office between the City of Manchester and the Manchester Dog Park Association for a proposed dog park in the city.

On motion of Alderman Gatsas, duly seconded by Alderman Osborne, it was voted to discuss this item.

Alderman Gatsas stated I believe this is a general agreement and doesn't specify a location. It is something that is before us as an understanding between the Manchester Dog Park Association and the City. Is that correct?

Mr. Tom Arnold, Deputy City Solicitor, replied yes, that is basically correct. The Committee asked me to draft a proposed agreement. You can see that the description of the dog park has been left out of Attachment A. If and when the Committee agrees to a location it would be added. I would add that this agreement has not been passed on the Dog Park Association yet. They have not reviewed it.

Alderman M. Roy stated there is quite a bit of language in this that is binding to the City. I would recommend that it be furnished to the Dog Park Association and then brought back to this Committee to see if they are in agreement with terms.

On motion of Alderman M. Roy, duly seconded by Alderman Gatsas, it was voted to send the agreement to the Dog Park Association and table this item until they have responded.

Chairman Smith addressed item 4 of the agenda:

4. Communication from Chuck DePrima, Acting Director of Parks, Recreation and Cemetery Department, regarding dog park site investigations for Dunbarton Road and Crescent Road.

*(Note: Referred by the Board of Mayor and Aldermen on 10/6/09)*

On motion of Alderman Osborne, duly seconded by Alderman Gatsas, it was voted to discuss this item.

Mr. Chuck DePrima, Parks and Recreation Director, stated I have nothing to add to the information that I presented at the last Committee on Lands and Building and Board of Mayor and Aldermen meetings. I believe you have all the information in front of you.

Alderman Gatsas stated the contract estimate for doing the work is somewhere around \$85,000. My understanding was that the Dog Park Association doesn't have the funding to take care of this. Is this something the City was going to do?

Mr. DePrima replied this is an estimate that was put together with the best information available to the Highway Department. One of their engineers put it together. It is a little more than guidelines to construct the park in an ideal way. It can be done in phases. It doesn't have to be done all at once. Substitutions can be made and value engineering can probably greatly reduce that budgetary number you see in front of you.

Alderman Gatsas stated my understanding was that the Dog Park Association had someone that was going to contribute the fencing.

Mr. DePrima replied I believe that to be true.

Alderman Gatsas stated the \$42,000 should be a part of this.

Mr. DePrima stated that could be eliminated, but I haven't been told how much and how tall the fence had to be so we put it in to err on the side of caution in case that didn't happen.

Alderman Smith stated we're here to pick out a site and we're having a problem with that. Have you had any communication with the Dog Park Association about a site? Nothing about who is going to maintain it, liability?

Mr. DePrima replied no. I have had conversations with the Association regarding those topics. I have a letter from an insurance company stating that they would provide the insurance. I don't have the certificate of insurance. I was given their registration from the

state showing that they are an official registered entity that we could enter into an agreement with.

Alderman Lopez stated I thought we had conversations that it wasn't going to cost the City any money for the dog park. All of sudden, we have \$85,000 minus whatever the cost of the donated fence would be. I thought the whole intent was to have the Dog Park Association take care of it. That was the testimony I heard.

Alderman Arnold stated it sounds like the Dog Park Association has had some contact with individuals who may be able to donate fencing. Have there been any efforts on the City side to form any partnerships or solicit similar deals with businesses or others in the community?

Mr. DePrima replied there have been no efforts up until this point because there has been no site decided upon yet. Until that happens, we don't really know what we need in terms of quantities or materials because it varies from site to site at this point.

Alderman Arnold asked are you aware of any other efforts on behalf of this project by the Dog Park Association in addition to the fencing?

Mr. DePrima replied no.

Alderman Gatsas asked do you have a cost on Bass Island?

Mr. DePrima replied no. Bass Island was eliminated very early on in the process because the only property that is City owned is extremely small. In our opinion, it wasn't sufficient to support the parking and the off leash area for a dog park. It is only 1/3 of an acre.

Alderman Gatsas stated I find it interesting that Crescent Road is about \$60,000 and Dunbarton is \$85,000. I would have thought that the Dunbarton piece would have been much less expensive because it is pretty level. The difference is based on the fencing.

Mr. DePrima stated that's correct. Dunbarton Road is also a larger site. There is fencing already on two sides of the Crescent Road site so only one side would need to be fenced, whereas the fencing on Dunbarton Road would need to be relocated to keep dogs off the encapsulated area and to protect them from the traffic on Dunbarton Road.

Alderman Osborne stated I think we are spinning our wheels here until we get a location. I think we should table this until the new Board comes on in January. We can't do anything unless we have the land. We can sit here all night.

Alderman Smith stated this is the problem that the Committee has had the whole time. Everyone believes in a dog park, but no one wants the location in their ward. It is as simple as that. If we go the Association, they disagree with one or two other sites. The problem is that we can deal with the liability and the requirements, but we need a site. Everyone seems to have a problem with it being in their ward.

Alderman Arnold stated obviously I can't second a motion, but I would like to comment. I would also request that the Committee table the issue. Not only because it sounds like there are a number of unresolved issues, but also we have a new Board coming in. It seems odd for the Committee to act on it and leave whatever issues that come up for the next Board. Lastly, it sounds like every discussion we have had about citing a dog park has included Dunbarton Road, which is my ward. As all the Committee members know I came into this midstream and I'm trying to catch up on the ramifications for the Dunbarton Road site. For those reasons, I request to table.

On motion of Alderman Osborne, duly seconded by Alderman Gatsas, it was voted to table this item.

Chairman Smith addressed item 5 of the agenda:

5. Communication from Chuck DePrima, Acting Director of Parks, Recreation and Cemetery Department, submitting an analysis of the Riverfront dog park site.  
*(Note: Referred by the Board of Mayor and Aldermen on 10/6/09)*

On motion of Alderman M. Roy, duly seconded by Alderman Osborne, it was voted to receive and file this item.

Chairman Smith addressed item 6 of the agenda:

6. Communication from David Winslow, Engineering Division, requesting acceptance of the drainage easement for Alpine Street.

On motion of Alderman M. Roy, duly seconded by Alderman Gatsas, it was voted that the request for a drainage easement on Alpine Street be approved.

Chairman Smith addressed item 7 of the agenda:

7. Communication from Thomas Bowen, Water Works Director, submitting and new Cingular Wireless lease agreement for Derryfield Reservoir site.

On motion of Alderman Gatsas, duly seconded by Alderman M. Roy, it was voted to discuss this item.

Alderman Gatsas stated it doesn't talk about what the revenue is.

Mr. Tom Bowen, Water Works Director, stated the revenue is assumed to be, because it is Water Works property, is also Water Works revenue. The new tower is within 50 feet of the existing Bell Atlantic tower.

Alderman Gatsas asked the rent is \$1,850 per month?

Mr. Bowen replied yes.

Alderman Gatsas asked are there other subscribers on the tower?

Mr. Bowen replied to my knowledge, it will just be the one at this time. However, there are provisions in the lease for a 50-50 split of revenues if a third party were to come on.

Alderman Gatsas asked is the Water Works land higher than the Weston Tower land?

Mr. Bowen replied I don't believe it is.

Alderman Gatsas stated I congratulate Water Works for negotiating a lease that is pretty close to the City lease.

Mr. Bowen stated I think the site was selected because it is some distance away from the Weston Tower site. The Heritage Commission got involved in a review through the Planning staff and was concerned with proximity to a historic structure. We ended up moving the original citing a hundred feet or so to get it further away and in closer proximity to the existing antenna.

Alderman Gatsas asked you already have an antenna up there?

Mr. Bowen replied there is an antenna on the site that is operated by Bell Atlantic that is owned by the City. That was a deal that was structured in 1995. The Fire Department was going to their 800 megahertz system and they needed something a little higher so during the negotiations, the original tower was deeded to the City. The City operates the antenna for Fire, Police, Highway, and Water Works communication.

Alderman Gatsas asked is there a reason why we couldn't have added this lease to that tower?

Mr. Bowen replied I think there is an issue of interference. The Fire Department was concerned about having another carrier on the City's communication tower for security purposes and interference.

Alderman Gatsas stated I'm looking for every nickel we can find for the next budget.

Mr. Bowen stated this is something that we had been talking about for a year and it has made its way around all the departments that have interest in parks.

On motion of Alderman Osborne, duly seconded by Alderman M. Roy, it was voted that the new Cingular Wireless lease agreement be approved.

Chairman Smith addressed item 8 of the agenda:

8. Proposed Right of First Refusal between the City and River's Edge Manchester, LLC submitted by Thomas Arnold, Deputy City Solicitor.

On motion of Alderman M. Roy, duly seconded by Alderman Gatsas, it was voted to discuss this item.

Alderman M. Roy stated this is the second time this has come before us. I'll restate my original objection. This developer is putting a lot of time, energy and effort into all surrounding properties and I feel that we may be doing a disservice to the citizens of Manchester by making this a first refusal and not an option. As it is in front of us, I would support it.

On motion of Alderman M. Roy, duly seconded by Alderman Gatsas, it was voted that the right of first refusal be approved.

Chairman Smith addressed item 9 of the agenda:

9. Communication from Jay Minkarah, Economic Development Director, regarding acquisition of the Pearl Street Lot.

City Clerk Matt Normand stated Mr. Chairman, item nine has been request to be moved to a future meeting.

On motion of Alderman Gatsas, duly seconded by Alderman M. Roy, it was voted that item 9 be taken up at the future meeting.

Chairman Smith addressed item 10 of the agenda:

10. Communication from Alderman Lopez regarding a proposal for conveyance of property at 159 Douglas Street from the NeighborWorks of Greater Manchester. *(Note: Referred by the Board of Mayor and Aldermen on October 20, 2009 with recommendations to come from the Mayor, City Solicitor, Highway Director and Director of Planning. Attached is a letter submitted by Robert Tourigny, Executive Director of Neighborworks.)*

Alderman Osborne asked where do we stand as far as the paving and demolishing? We're losing \$5,400 in revenue.

Alderman Lopez stated I understand that. I'll let the experts speak to the issue.

Alderman Smith stated in regards to the experts, there is no recommendation for the Mayor on this, no recommendation for the City Solicitor, Highway Director, or the Director of Planning. That is what we instructed these people to do at the last meeting because there was so much confusion.

Alderman Lopez stated I can't speak for the Mayor, but this is a building that is given to us for the Senior Center. Why we didn't get any information is up to the Mayor, but I think the experts are here tonight, along with the Director of the Senior Center. I believe the director of NeighborWorks can answer any question.

Alderman Smith stated if anyone is going to advocate for this, it will be me, but I would like to instruct the staff, when we have a meeting, to get the information to us. This is another case of asking for information to help us out, but no one complies. They ignored us at the last meeting.

Mr. Robert Tourigny, NeighborWorks Director, stated this is Will Stewart. We have been working in the West Granite neighborhood for three years to stabilize and revitalize. We are a NSP, Neighborhood Stabilization Program, grantee from the City of Manchester through the Community Development Finance Authority. This is our target area. We identified several properties that we are acquiring for the purposes of redeveloping vacant, abandoned and foreclosed properties to increase the owner occupancy rate in the neighborhood. I think one of our core purposes is to reduce the density in the neighborhood. We identified this piece of property as a blight to the neighborhood. It became very apparent to us during some strategic planning and sessions that we held in the neighborhood that parking was a major concern for the folks at the Senior Center. At the same time, we had this blighted building next door. When we had the opportunity to buy it through foreclosure, we proceeded to do that. I'm trying to find out if the City wants the property for the purpose of creating a parking lot. If it doesn't, I need to identify another use for that building. I think it would be a good use for that space. There

isn't a lot of land associated with the building. Taking the building down and conveying it to the City for the purposes of expanding that parking lot I think would be of value to both the City and the neighborhood.

Alderman Gatsas stated let me get a clearer understanding. Are you folks going to take the building down?

Mr. Tourigny replied we have site control, but we haven't acquired the property. We will purchase the property and go through the process that needs to be gone through in order to tear it down. Everything in the neighborhood is subject to historic review. We'll take on that responsibility and demolish the property and then convey it to the City. We don't want to be in the business of building parking lots, but we can convey an empty site to the City.

Alderman Gatsas stated the \$205,000 that you paid for the building...I understand that you are a non-profit and the City accepts your contribution, but are those federal dollars?

Mr. Tourigny replied those are part of the Neighborhood Stabilization Program funds, where we were allocated \$2.5 million to work in this neighborhood. In most instances, those funds go to acquisition and substantial rehabilitation. In this case, it will go to acquisition and demolition costs. It is a federal grant through the New Hampshire Community Development and Finance Authority. We have been awarded \$2.5 million in the City.

Alderman Gatsas asked those funds are associated with acquisition and demolition and transfer. Those are all okay within that?

Mr. Tourigny replied those are all permitted uses of the grant program. Some of the outlying uses are if you need to do density reduction in association with blighted buildings, you can do that to create parking, green space, amenities to the neighborhood or other general neighborhood improvements.

Alderman Gatsas stated the real estate transfer tax, is this recognized as an arms length transaction or are they going to have to pay twice on the real estate transfer tax, once as the purchase and once as a transfer to the City?

Mr. Tourigny replied that was my question to Alderman Lopez a few weeks ago, which spurred this whole thing on. I felt that if we could avoid the transfer taxes by having the City acquire it directly, it would cut down on the costs. I would gladly defer to the City Solicitor about the second transaction.

Mr. Arnold replied on the second transaction conveying it to the City, there wouldn't be any transfer tax because the City would be the grantee or the buyer.

Alderman Gatsas asked is the seller going to have to pay?

Mr. Arnold replied no, not when the City is buying. I don't believe there is any transfer tax. When the City is selling, the buyer pays a transfer tax, not the City.

Alderman Gatsas asked are you sure or do you think?

Mr. Arnold stated that's the way it has worked in the past, Alderman.

Alderman Gatsas stated if there is a real estate transfer tax, where we are getting the property, we would restore the seller or grantee that money and not have them be charged for a real estate transfer. We should absorb that because the amount would be less...if we looked at the assessed value of the lot rather than the lot and the building, the transfer would just be for the lot, which would be a lot less. I would make sure that we protect NeighborWorks from the cost of the transfer coming into the City.

Alderman Osborne asked what is the lot size?

Mr. Tourigny replied about 65 by 65. The building is slightly smaller than that.

Alderman Osborne stated it wouldn't be more than \$100,000. What is the City responsible for? The paving?

Mr. Tourigny replied I don't know what would be involved as far as engineering is concerned. It is a small lot. I don't know what it would yield for spaces. I have had an opportunity to meet with the Planning Staff to look at what the configuration would be. My guess would be that some time would be spent on engineering and the actual cost for the parking lot would be in terms of base materials and asphalt.

Alderman Gatsas stated my guess would be about 20 spaces.

Alderman Osborne stated that's all that's involved? The finish work?

Mr. Tourigny replied correct. We would be conveying an empty lot.

Alderman Smith stated there is a much blighted situation over there. It is terrible. When the seniors go over there it is like garbage hill. The property isn't worth anything. If it is not going to cost the City anything outside of some engineering and paving...

On motion of Alderman M. Roy, duly seconded by Alderman Osborne, it was voted to that the conveyance for property at 159 Douglas Street be approved and should there be transfer fees during the conveyance, the City would absorb the cost.

## **TABLED ITEMS**

11. Communication from Jay Minkarah, Economic Development Director, providing a summary of issues, estimated costs, and the status of the Northwest Business Park and French Hall.

*(Note: Referred by the Board of Mayor and Aldermen on 08/18/09. Tabled 9/1/09. A letter from Kenneth Edwards, MHRA is attached.)*

On motion of Alderman Gatsas, duly seconded by Alderman Osborne, it was voted to remove this item from the table.

Alderman Gatsas asked were you aware of the letter the Mayor distributed to us on this item?

Mr. Ken Edwards, Manchester Housing and Redevelopment Authority, replied no, I have not seen it.

Alderman Gatsas stated I am a little confused by the antenna lease as I read the letter. Where are we at with the engineering? I understand that there may be some problems with getting extensions and making sure the DES is still on board with the plan.

Mr. Edwards replied the permitting that is required to move forward...there are conditions within the permits with time tables that need to be met depending on who owns the property. If the property is sold as a whole and the permits are sold with the property, then the obligations for following through with the conditions of the permits fall on the new owner. A lot of the conditions start with construction. If we do not go into construction then there is less to do with maintaining the permits. The alteration of terrain permit is coming up for extension next year. Depending on who owns the property, a request would have to be made to DES to extend it.

Alderman Gatsas stated I wasn't here when the original acquisition happened. Can you give me a little background on what the cost was back then? Obviously we transferred a piece of property to the university. I don't know if it was an even exchange or a monetary exchange. Do you know that history? I'm curious to find out what the original cost of the land was versus what we did with the building that we distributed.

Mr. Edwards replied I can try to fill in some of those blanks. This deal was arranged between the University of New Hampshire, the City of Manchester and the Manchester Housing and Redevelopment Authority in which, UNH sold the Hackett Hill property to the Manchester Housing and Redevelopment Corporation for approximately \$5.3 million. The City arranged for UNH to buy University Center in the Millyard for about \$2.5

million. I think there was debt on that building that the City absorbed in order to consummate the complete deal.

Alderman Gatsas stated if I look at those numbers, then it cost the City roughly \$2.8 million over and above the transfer for UNH along with the debt.

Mr. Edwards stated a year later, the Manchester Housing Redevelopment Corporation acquired the French Hall property in a separate transaction from UNH for approximately \$1.8 million. That was a classroom building that we ultimately sold.

Alderman Gatsas stated if I add those two we're at about \$4.1 million, plus debt.

Mr. Edwards stated that's right. We sold the French Hall property for \$1.3 million.

Alderman Gatsas asked that's where we are today?

Mr. Edwards replied that's correct, except for the expenses we have incurred with regard to engineering, administration and acquisition. There was a single family property along Hackett Hill Road that we acquired and demolished because it was a residential property that was inconsistent with the Master Plan and the development plan for the business park.

Alderman Gatsas asked do you have a rough idea of what the value of the debt was?

Mr. Edwards replied I'm not sure.

Alderman Gatsas asked could you get back to us and give us that answer? Can you tell me how much has been put into Hackett Hill at this point?

Mr. Edwards replied the Master Plan called for a developer to look at the property over a 12 year period. The first year, the approved budget was \$785,000. That is the budget we have been working under that acquired and demolished that residential property. That paid for the engineering required to create the infrastructure, utilities, subdivision plan and pay for all of the permitting associated with the project. Our administrative costs are legal costs. That money is basically gone. That was suppose to be a one year entitlement and we would get subsequent allocations to continue with the project, but we've been able to carry through to this point with the original \$785,000 allocation.

Alderman Gatsas asked that is about \$3.6 million?

Mr. Edwards replied right.

Alderman Gatsas asked can you tell me how much is in the lease for the antenna tower?

Mr. Edwards replied we don't get that revenue. It goes directly to the City.

Alderman Gatsas asked are there any other funds out there that are available that are part of this project?

Mr. Edwards replied we have proceeds from the sale of French Hall. There is \$850,000 remaining in that fund. If you recall, the City recently asked for, as a supplement to this year's budget, part of that money. I think it was \$300,000 or so to be transferred.

Alderman Gatsas stated my colleague just reminded me that it was \$365,000.

Mr. Edwards stated we have proceeds from land sales at Manchester Air Park, which we still hold. That is about \$750,000.

Alderman Gatsas stated I think you are familiar with the letter the Mayor sent.

Mr. Jay Minkarah, Manchester Economic Development Director, replied I just received a copy now.

Alderman Gatsas asked do you have any problem with what is before us? Matt, would you read this into the record.

City Clerk Normand stated "Dear Members of the Committee, Now that engineered plans for the Northwest Business Park have been largely completed in the \$785,000 budget allocation under the existing cooperation agreement with the Manchester Housing and Redevelopment Authority to provide services has been exceeded in order to minimize future expenditures for the management of that project and to more effectively utilize City staff and resources it is recommended that 1. The MHRA shall be provided with written notice of the City's intent to terminate the 2005 cooperation agreement for the administration of the Northwest Business Park at Hackett Hill. The title to the property shall remain with the MHRA. 2. All administrative and marketing responsibilities for Hackett Hill are to be transferred to the Economic Development Office. 3. MHRA shall be directed to transfer all remaining proceeds from the sale of French Hall and the proceeds from the Manchester Air Park to the City immediately. 4. MHRA insurance cost and any legal or transactional costs that may result in the future sale of the business park or any lot or portion thereof would be reimbursed from the existing Hackett Hill and tenant lease fund, upon submission of an invoice approved by MEDO. The fund would also be used to cover any other incidental costs associated with administering and marketing the property as approved by MEDO and the Finance Officer. Sincerely, Frank C. Guinta".

Mr. Minkarah stated if it is the will of the Board and the Committee to transfer the responsibility for administration and marketing to MEDO, we would be pleased to comply.

Alderman Gatsas stated the only thing I would like to add...It says that the fund would be used to cover any incidental costs associated with administering and marketing the property as approved by MEDO and the Finance Officer. I'd like to see that approval come to this Board as well.

City Clerk Normand asked the Committee or the Board?

Alderman Gatsas replied to the full Board and if they want to send it on to Committee, they can do that. I think we can do that transfer in about 45 days and get everything together. I would suggest that we make the transfer for the rest of the year. Unless we have some reason to do it before.

Mr. Minkarah replied no. The only thing I would note is that we have now exceeded the \$785,000 so it would have to be clear that there would be no additional expenditures or we would have to come back for another appropriation.

Mayor Guinta stated I was here in case you have any questions for me. I did author this letter for the Committee's review. It is my recommendation that MHRA has largely completed the work that we had asked them to and obviously the second concern I have is \$785,000 mark that has been and would continue to be exceeded. I think it is in the City's best interest to move into the next phase of this important economic development project and save the resources rather than pay them out to a vendor. If we continue with the current path, I think we are going to be paying MHRA a minimum of \$50,000 and as much as \$75,000 per year. I think we have those internal resources and we also have the experience and professionalism to market and continue with the project in a far more effective manner at this point.

Alderman Gatsas asked it is your understanding that we should proceed to do this transfer after the 1<sup>st</sup> and ask MHRA not to expend any more resources?

Mayor Guinta replied that is correct.

Alderman Gatsas asked can we make sure that MHRA is working with Jay to make sure that any procurement of extensions or anything that needs to be done there is followed up to make sure we don't have a problem with DES wetland permits expire?

Mayor Guinta replied yes, absolutely.

Alderman M. Roy asked under this transfer from MHRA to your office, what happens to existing listing agreements and brokerage agreements?

Mr. Minkarah replied we would have to transfer the existing brokerage agreement to MEDO from MHRA.

Alderman M. Roy asked those would be honored?

Mr. Minkarah replied it would certainly be our intent to do so if that was the pleasure of the Board.

Alderman M. Roy asked do you know the value of the debt that Mr. Edwards was unable to talk about regarding the UNH property?

Mr. Minkarah replied we have been spending some time trying to piece together exactly the history of all the transactions that have taken place on that property over the past ten years. There was at least \$500,000 in debt to the Manchester Development Corporation that we are aware of. I'm not sure if there is any other debt, but we are trying to piece together all that information. There were several other transactions that occurred as well.

Alderman M. Roy asked do you know the balance of the antenna lease fund?

Mr. Minkarah replied off the top of my head it is approximately \$62,000. We generate about \$10,880 a month in that fund.

Alderman M. Roy stated and the build out cost if someone were to go in and develop the lots...what is that currently at?

Mr. Minkarah replied current estimates, all in, is just over \$5 million.

Alderman M. Roy asked what is the balance of all accounts that we currently have?

Mr. Minkarah replied right now, taken together, we probably have just over \$1.5 million.

Alderman Gatsas stated to get those 12 lots ready and all in, isn't it about \$7.5 million?

Mr. Minkarah replied no, the cost estimates for the construction is about \$5 million. The value of those lots, with all improvements, is about \$7 million.

Alderman Gatsas stated if I'm looking at this deal and you tell me it is \$5 million to get the work done and there is \$3.6 million that we have already expended, we're at about \$8.6 million and we get back \$7 million.

Mr. Minkarah stated I think we've expended more than that. We also had some other acquisitions. We purchased two parcels of land that were conveyed for nature conservation to the Nature Conservancy, in addition to the original 405 acres that were transferred. That was probably around \$400,000. We also have some additional costs prior to the \$785,000 appropriation. We did Master Plan work and some other work earlier. I think that our costs were actually higher than that for the overall acquisition. We had other costs that went into the acquisition of the existing UNH site.

Alderman Gatsas stated what I'm saying is that as I went through this with Mr. Edwards we were at about \$3.6 million, plus debt. We don't know what that debt is. You are saying it is about \$5 million. I haven't got it on the sheet. You're telling me that there was another \$400,000 for acquisition. If we add that to the \$5 million, we're at \$8.6 million and the best we're going to get out is how much?

Mr. Minkarah replied about \$7 million.

Alderman Gatsas stated we're going to invest \$5 million to lose \$1.7 million.

Mr. Minkarah replied that's correct.

Alderman Gatsas stated I think we should start looking at a different plan of attack. Maybe we can find a developer to take this off our hands.

On motion of Alderman Gatsas, duly seconded by Alderman M. Roy, it was voted that this item be move to the MEDO Office to have the City considers the agreements in place for sale of the property until such time, the Committee decides to do something else, unless the broker comes forward with a deal that is going to pay the City money. Additionally, no additional costs would be incurred by the City. This would take effect on January 1, 2010.

12. Report of the Board of Mayor and Aldermen advising that is has requested staff to prepare documents to provide that the City agree to extend the term on the 2<sup>nd</sup> mortgage relating to Lowell Terrace Associates property located at the northwest corner of Lowell and Chestnut Streets to coincide with the expiration of the existing first mortgage in 2013.

*(Note: The Committee has requested clarification from Finance as to whether financials from 1984 – 2001 have been provided; Solicitor to provide a fair market value for the property as established by the Superior Court in October; Tabled 8/04/08; The Committee requests the Solicitor to provide an updated Certificate of Insurance for the property; Retabled 12/2/08. Information to be provided by the Assessor. Retabled 7/07/09 waiting for disposition letter. Retabled 9/1/09, Finance Officer and City Solicitor to provide a final disposition letter.)*

*On file for viewing with Office of the City Clerk, One City Hall Plaza.*

This item remained on the table.

13. Request to obtain lot number 611-4A Island Pond Road.

*(Note: Attached is a memo from Joan Porter regarding the Tax-Deeded property; appraisal from the Board of Assessors, if available. Tabled 9/1/09, additional information submitted by the Director of Planning & Community Development.)*

This item remained on the table.

There being no further business, on motion of Alderman Osborne, duly seconded by Alderman M. Roy, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee