# COMMITTEE ON LANDS AND BUILDINGS

**August 3, 2010** **6:00 PM**

Chairman Osborne called the meeting to order.

The Clerk called the roll.

Present: Aldermen Osborne, Lopez, Shea, Roy, Greazzo

Messrs: T. Arnold, P. Goucher, D. Cornell, L. LaFreniere, P. Capano, R. Joyal

Chairman Osborne addressed item 3 of the agenda:

3. Communication from the City Solicitor regarding a proposed purchase and sale agreement between owners of paper streets on Wellington Hill (the City of Manchester, the Roman Catholic Bishop of Manchester, and additional landowners) and a buyer for the parcel.

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

Alderman Lopez stated I would like to have someone come up and talk about the deed. I have some questions.

Mr. Tom Arnold, Deputy City Solicitor, asked what are you looking for? The Diocese is here.

Alderman Lopez stated I'll start with you, Mr. Solicitor. In reference to the deed, there is indication of 28 acres and there is a question in reference to the 39 acres. Have you looked at that?

Mr. Arnold asked I'm sorry, Alderman?

Alderman Lopez asked are we purchasing 28 acres or 39 acres?

Mr. Arnold replied the entire parcel is about 28 acres, of which the City's pro rata interest is around 37%. There is an adjustment to that because there was a lot that

was originally included that was purchased privately. The entire parcel is approximately 28.5 acres, of which the City's portion, as I said, is 37%.

Alderman Lopez asked did you exclude the roadways in determining that?

Mr. Arnold replied I believe the roadways are included. No, probably not.

Alderman Lopez stated I think in fairness to the people who have done a lot of research on this, with the Committee's permission, I think our colleague, Ron Ludwig, did some research on this and I would like to hear his comments. He wrote us a letter.

Alderman Ludwig stated I would like to open up by saying that this so called joint marketing agreement that was originally entered into back in 2006 was renewed several times over the years. At the present time, I am of the opinion that it wasn't in existence, but that in itself isn't the real issue here. First of all, I would like to mention the fact that this joint marketing agreement was put together many years ago and came together as a result of the City looking to get rid of surplus properties. I think this entire parcel, which in my opinion makes up 39 acres, including the paper streets, was looked at by the Assessor's Office at the time as a parcel that contained several owners and these owners were scattered throughout the 39 acres of the property. As you can see in the purchase and sale agreement, I believe around 38% was owned by the City, another 38% was owned by the Roman Catholic Diocese of the City of Manchester and other owners were privately owned within the 22% range going all the way down to 1.4% and in some cases .5%. Everyone who was involved in this over the years has done exactly what the City asked them to do at the time. The City was interested in selling their portion of the parcels that they owned on Wellington Hill. The Diocese was interested in selling. A lot of people put a lot of work into what is in front of us today, not only Paul Harrington from the Diocese, but Mike Reed from Blanchard and Stedman's. They followed right along in terms of what the City asked them to do. If you can pull the parties together, they were told at the time, and get them all to one page so that we could market this as a 39 acre parcel and move forward, the City would be willing to dispose of its portion of the property, I believe is what was said at the time. Now we fast forward five years and here we are. They have done what they were asked to do over a period of time. I'm told of several different issues. The difference between the 28 acres represented in the purchase and sale agreement and the 39 acres of raw land I don't think is a misrepresentation necessarily; I think it is a representation based on what I am told and in a purchase and sale agreement you can only really reference the parcels of land that you actually own and not the paper streets between them. So the fact that the developer or his representatives are representing 28.5 acres in this purchase and sale agreement is by no means a misrepresentation on their part. I'm not a

developer and when I looked into this I really discovered that there are 39 acres. I guess in the industry that is how it is dealt with all the time. I'm not certain and I'm not claiming a misrepresentation, but I want members of this Board to understand that there are 39 acres of land up there on Wellington Hill. I think that is clear. I looked at this and I met with members of the Diocese, the realtor, Blanchard and Stedman's Commercial properties, the developer and Keith Martel and all of them are above board in terms of what has happened here. The difference is that I, as an Alderman in Ward 2, was never made aware that this was even taking place. This is a significant piece of property in Ward 2 that abuts Ward 6 that is rather large. In my opinion, there are very few public land opportunities up in this area when I look at them. In my former position as Parks Director we looked at several opportunities not only in Ward 6 and Ward 2, but over the entire City for pieces of property that we could retain for open space or the building of a school, whatever the City may need. Let me say that I don't think the City should ever be in the real estate business per se. We probably wouldn't do a very good job at it, but in this particular case, given the amount of public land opportunities in Ward 2 and Ward 6 and the exposure that we have in terms of the build out…that is one of the things that I couldn't really find out. What does the build out look like in Ward 2 up in the Wellington Road area? There are a significant amount of privately owned properties up in that area that over time, I would assume, will be sold and developed. There is a good amount of wooded area up there still, but from what I can tell, most of it is privately owned as these owners get older they will want to sell their property and they have a right to do that and I'm sure that this will be developed into some pretty nice housing developments. My next question goes to where do they go to school? From what I can tell, Smyth Road is in Ward 2. Weston School is in Ward 6 and I believe McDonough is in Ward 4. Those are the three schools that could be impacted in some way by further development. Eighty homes are a lot of homes. I have looked at the development plan that Mr. Martel has brought forward and the reason why he is proposing to build 80 homes on 39 acres is because about eight or ten acres, in the eyes of his soil scientist, contain vernal pools, which harbor small creatures such as toads and salamanders and are probably going to be sensitive to conservation people at the DES, I would assume. That is yet to be determined. I don't think he has been to the DES, but if he is a good soil scientist…he has identified them properly in my opinion. I'm not going to define vernal pools for you, but I think they have done their due diligence in terms of identifying them. He is attempting to develop the back part of this parcel to the north with the major part of the development, leaving eight to ten acres to the south portion of this parcel and would have to turn it over to the City as required by the State. I'm not totally sure of that, but basically we would be the owner of the vernal pool section of the property. Again, this going back to whether or not the City really needs the $650,000, 39% of the $1.7 million, or should it look at other alternatives that are related to this property. The difference here is that we

are a partial owner of this property so if we, in effect, enter into an agreement to sell our 39% we are controlling our own demise in terms of putting stress on our own infrastructure, our school system. We are putting more stress on our Fire Department, Highway Department and all the infrastructure of the City. I'm not trying to…here I am sitting here talking about Mr. Martel's project, who has worked extremely hard, as every one of these people has worked extremely hard at this project, but in my eyes, it wasn't that many years ago when we sold about nine acres of property to the right of Wellington Road that was totally owned by the City for workforce housing. At the time we needed workforce housing and that was probably a good thing, but it was another opportunity, in my opinion, that the City gave up in terms of something else that could have been built there. Did we do the right thing? That could be debated for the next century and a half, I suspect, but the bottom line here is that the land opportunities in this area, as we look forward to the possibility of building a school some day or another piece of infrastructure that may be needed, we lose those opportunities. I look at this understanding what everyone has been through to date. They have done everything that this City has asked them to do. I feel badly in some ways that I am sitting up here and saying this right now, but in my opinion, and I would be remiss if I didn't say it, the City could be missing a golden opportunity for $650,000 that we would gain in this transaction by trying to retain this property. The School Department will not tell us right now that it definitely needs a new school in the next year or two. I understand that. I asked that question and I pretty much know what their answer would be. I think we have to look out a little bit further than that. State aid has gone away so where are we going to find $15 million to build a new school anyway? That is what I have been told. Those are all great questions, but where are we going to find land? Does that mean that we are never going to build a new school in the City of Manchester, or never build a new fire department or never need another parcel of land? There are a lot of things that I want this Board to consider. At the end of the day, if we ferret through the information and we decide that the best thing to do is to sell this property as it is being proposed now for the $650,000, add 80 homes to the tax rate for $400,000 a year when it costs $10,000 to put a child in a school, those are the questions we have to ask ourselves. It is a one time opportunity that I just want everyone to look at and at the end of the day, I will be able to live with whatever the will of the Board is. That is my position and thank you very much.

Alderman Lopez stated I remember a few years ago when a former director of Planning…Pam, I don't know if you want to comment on this. They did a survey when we had 18,000 students in the school system and they said that in four or five years we would have less than that with all the development that we have. Pam, do you recall that conversation? I think it is important because I think sometimes we assume, with all due respect to the Aldermen, about whether 80 homes are going to produce a lot of kids and we have to have a new school.

Along that line, the 39 acres or the 39%, whichever we want to talk about, 39% does not have all the land in one location. It is in pockets and maybe Pam can help us a little bit.

Ms. Pam Goucher, Deputy Director of Planning and Zoning, stated what I do remember when I was speaking with Bob Mackenzie, going back at least five years when he was looking at some of the projects at that time, there was the thought that some of the elementary schools were trending downwards, that we had peaked at the time. That is why there is a lot of discussion as to whether or not the kids who were already in the school system, as they moved their way up, we would see potentially some over crowding, but did we want to build the school then if we were trending the other way? I can't answer any questions as far as what numbers are looking like now and I don't know how much the School Department or School District has looked into it. That was at least five or six years ago when I last remember looking into it.

Alderman Lopez stated I understand the Alderman's concern as to whether we would close one school and build a bigger school, which is not in our parameters to do so, unless the School Department has that. I wonder if the City Assessor can answer a question of valuation. Numbers are thrown around as far as what it is today. I'm trying to wrap my hands around it as far as the value of our percentage value and the other owners' percentages and taxes that they pay.

Mr. David Cornell, City Assessor, stated currently, if you look at the assessments, the assessments on those parcels are actually relatively low. What you have now is essentially small lots on paper streets that are individually owned. As of April 1, 2010, what we can assess is basically these individual lots, each owned individually, so each one will have a separate lot. Assuming that it goes through, if it is by April 1, 2011, and the developer now owns all of them and it would be one contiguous lot, we would then assess it as one contiguous lot and put a value on that.

Alderman Lopez stated I'll yield to my colleagues, Mr. Chairman, in case they have questions.

Alderman Greazzo asked how did we acquire this piece of property? I would like to echo the Alderman's sentiment about the City being poor at real estate development. We buy high and sell low. I don't see why we do that and I would like to know how we acquired this property and how much it was worth when we bought it.

Mr. Arnold replied these parcels, approximately 47, were acquired by the City by tax deed for non-payment of taxes.

Alderman Greazzo asked any idea when?

Mr. Arnold replied it ranges from, I think, 1912 up until 2003, I believe. That is the general age. I could be off on the dates on either end.

Alderman Greazzo asked so we didn't purchase them, we got them by default technically?

Mr. Arnold replied they were tax deeded as I said.

Alderman Shea stated just a point of clarification in my mind, when Pam came up and indicated about the amount of children in a school and the amount of children who would be entering schools, one has to remember that if 85 units are built, regardless of how many enrollments are going down, if 85 buildings are built, the children in that particular neighborhood will be to be going to the same school, unless they go to private schools because they would be in a particular school. The parents aren't going to bus those kids to another school if they move there. They either go to the school such as Smyth or Weston. Again, what Mr. Lopez is indicating, although the school population has decreased, it would tend not to have any impact on that particular area. The second point is that there are no areas there; they are all interrelated. In other words, today I went over with Alderman from Ward 2 and he and I, with his direction, went into that area. It is contiguous. They are related. The property does not break up into small parcels. That is another point that should be considered. The third point is that we have always as a community been short sighted. The area on Wellington Road that he referred to that Alderman Osborne and I went over to visit, which belonged in his family at one time, was a very important piece of real estate that could have been used for various reasons. Obviously, now it is used for residents. Again, I think that we have to consider not the short term, whether the $650,000 is important or more importantly, whether or not in the long range, we should, as a community, think about the potential for that particular land. Again, that is up to each member of the Board to decide, but those are my comments at present.

Alderman Roy stated first, I have a question for staff. Are there impact fees that are going to be paid and how much will those be?

Mr. Leon LaFreniere, Director of Planning and Community Development, replied impact fees are assessed at the time the certificate of occupancy is issued so it would be at the time that the buildings are ready to be occupied. For single family homes that is approximately a little over $1,600 per unit.

Alderman Roy asked $1,600 per unit so it is going to be 84…

Mr. LaFreniere stated for the school impact fee.

Alderman Roy asked so that is $1.2 million?

Alderman Lopez stated $1.28 million.

Alderman Roy stated thank you, Leon. Something that came to my mind as I was looking at this. The $650,000 seems to be, maybe it's not the right term, but found money because we certainly didn't purchase it. I agree with Alderman Ludwig about schools and the vernal pools and all that stuff. I'm sitting here trying to weigh the positives and negatives. It's a negative no doubt. What is 84 units times $1,600? It is 84 units, correct?

Alderman Lopez replied $1.3 million.

Alderman Roy stated we are selling at a bad time, there is no doubt about it.

Chairman Osborne stated it might be subject to rezoning also. The 84 homes would be subject to rezoning.

Alderman Roy stated it has to be rezoned because it is going to be a different type of property there. A lot of good work was done here. To get everyone to the table at once I think is pretty significant. I'm just sitting here wondering if it is going to happen again in the future and what our opportunities would be to develop that land at all. I certainly don't think we have the money to buy all of those properties nor is there any guarantee that anybody would sell them to us so we could do what we wanted to up there. I'm kind of torn. I'm not sure of the pluses and minuses. I see the negatives, there is no doubt about what Alderman Ludwig is saying, but there are also some pluses here too.

Alderman Corriveau stated to reiterate Aldermen Ludwig, Roy and Shea's positions, because this parcel is contiguous to Ward 6 - one side of Wellington Road is Ward 6 and the other is Ward 2 - it just happens to be an arbitrary dividing line, I do think that it is important that we take the time to examine this issue. One of the very first conversations that I had after my election was with my predecessor and we were talking about Weston School and he said that there is no way to add onto it because it is boxed in there. It is already overcrowded. We have kids in trailers. I heard it over and over again knocking on doors. I have a big problem with that. My predecessor asked where we are going to put our new school because it is going to have to happen. Maybe the School District is right and it is not going to happen for a few years or ten years. I don't know, but in Ward 2 and Ward 6, the northeastern part of Manchester, there is nothing that we

can do to Weston School. I'm sure that redistricting can help some of this. If I recall, Pam made a presentation to the Mayor's task force on schools and showed the members on that task force that the highest growth areas of our City are in northwest and northeast Manchester. This was one of those high growth areas. I think Alderman Ludwig is right that it is only going to continue to grow. It is beautiful land up there. There will be more private land available and there will be more development. I think it is important that we all take the opportunity to consider what land the City has in this part of the community and what we are going to do with it. This is a significant piece of acreage in a high growth area and we're talking about one time money. I absolutely hear what Alderman Roy is saying. I'm pretty torn on this too. I think there are positives to this deal. I think the very fact that there is a deal is an impressive accomplishment in and of itself. I think this is a gut check moment where people who live in this part of the City really need to take the time to examine what we are going to do with sitting land in the eastern parts of Manchester because we are only going to see a drain on City resources and a lot more kids going to school in that part of town, even if the City school population decreases, but I don't see that happening in eastern Manchester. I think this is a good debate to have and I hope that every Alderman takes the opportunity to ask questions of City staff and maybe we can reach a resolution here.

Alderman Lopez stated I'm trying to look at a different angle and look at the Aldermen's questions too. When you look at $652,000 plus another $400,000 that all goes away. You lose the $1.3 million impact fee for the 84 homes. The $1.7 million, if we were to buy all the property, providing that they want to sell the property, the cost of buying that property, what is it going to be? There would be no impact fee then. I look at it another way and with all due respect to all the Aldermen, we are always looking to increase our base and our taxes so we don't have to raise our taxes. I don't think I have to bring the Assessor up here, but I don't think we are doing that great unless you want to tell me that we are going to have $10 billion going into 2012 and I don't think you are going to tell me that. That is the dilemma, but I do respect trying to work this out in terms of what is good for the City. I don't know if 84 homes is good for the City. I don't know if the people in that particular area care whether there are 84 homes until the Aldermen and the developer got together and had a ward meeting up there with the people to determine that and see whether or not there are objections. If the people in the area of Wards 6, 2 and 4, which I heard is part of it, demand, with the School Board representatives, a new school in that particular area, then…go and study for quite a few years. I see colleagues Joyce Craig and Russ Ouellette who were School Board members. It is a long process and if that is the direction that we want to go, then that has to take place with the School Board members to make sure that this area is looked at for a school. If they are going to close another school then are the people who own the other property going to sell the property to

us in order for us to have all the land? Probably the Diocese would do that. There are a lot of questions that are going to be unanswered here tonight. I think the best thing to do is…there has not been a ward meeting in that area, I presume. Alderman Ludwig, is that correct? Is that what you are looking to do? Looking to figure out who you represent as to what is going on in Wards 6 and 4?

Alderman Ludwig replied I'm not certain. I think certainly it would be good to invite public input and have people in the area know what we are talking about tonight. I would definitely say that some kind of ward meeting with people from Ward 2 and maybe portions of Ward 6 and the schools as well…I can tell you that if you were to see the plan development in front of you now or up on a screen, encompassed in the 39 acres to the east, abutted to the back of Fox Hollow and to the north it is abutted by property owners on Smyth Road who have 1,000 feet of property going to back to Smyth Road to it…On the westerly side it is abutted by Interstate 93 and on the southerly side, the Radburn and Old Wellington Hill Road side, there are some very nice homes up there. However, if you cut a road in the Old Wellington Hill Road, Radburn area, and you left, as I mentioned in my original remarks, the southern portion of the property alone, given the fact that it has vernal pools, there would not be a lot of people who even know that this was being built other than the traffic that is going to be coming in and out of there over a period of time. I think what we typically see are issues among neighbors when developments are built and you may not see those same issues, but I will tell you that neighbors will come out. I want to be sensitive to the developer, I want to be sensitive to Blanchard and Stedman's and the timing of the manner, but I wouldn't be here tonight if I didn't think it was important for everyone to hear what is going on and the amount of unavailable land that there is in this area. I'm not a realtor, but I know that if I were bringing someone to Manchester to purchase a home, whether it be in Currier Hill or I looked at some today with Alderman Shea that overlook the lake in Ward 6 and they look like the are $700,000 homes, I wouldn't want to be showing them a school with five trailers behind it at Weston School. Those are the kind of people who are maybe just coming here and they are going to private schools and they have no interest in going to public school, but I think a lot of people over the years who lived in the north end of Manchester sent their children to public schools where they were educated very well and I'm going to stand behind the fact that I think we can do it. We must give our faculty and our teachers the chance to teach in buildings that are of a proper size on the proper foot print with proper traffic circulation around them and right now Weston School doesn't have that. When I bring someone in here as a realtor, I want to show them the school that they would be going to. I wouldn't be driving them to the Derryfield School to say that this is the school that you would probably want to go to if you bought this house. Those are considerations that I think you have to look at. I'm not this way or that way. As I said in my opening remarks, I don't think we should be in the real estate business, but at this particular moment, as I

heard and Alderman Corriveau heard, Weston School is overcrowded and the build out is nowhere near complete. When the economy turns on the Wellington Hill area, on either side of Wellington Road, those kids are going to go some place. Yes, redistricting can help and it may, but again, we all know what redistricting brings forward. People who live next to Wilson School don't want to be sent to Smyth Road because they want to go to the neighborhood school and people on Currier Hill don't want to send their kid to Wilson School. We get into those issues all the time and they are sensitive issues that we don't even want to deal with. I'm prepared to deal with them if it helps. I would like this to be vetted at some point by our Planning Department, Economic Development Department or a team of City officials to look at this and say that we shouldn't retain this property because… I don't know what that is yet. I haven't heard the 'because'. It isn't because we need $650,000 totally, although I understand that we could use the money. I don't think that is the sole reason. We need to look at the dispensing of this property. I think it should be studied, looked at. I apologize to the developer for the remarks I am making in terms of the work he has done and also to the realtor for the work he has done, but in my good judgment, I just can't sign off on this the way we almost did on July 6th. I think it would have been a major error.

Alderman Roy stated point of clarification, Mr. Chairman, if I may. I just did the math long hand and it comes out to $134,400, not $1.3 million. That was my mistake. I apologize. The fees are $134,000.

Chairman Osborne stated I think everyone is well into this knowledge wise and everyone is trying to get the answer about which way to go. I'm pretty familiar with the area myself without even going there because I was born up there on Old Wellington Road on 9.6 acres of land. At the time, this land…I shouldn't get into my personal history here, but all I can tell you is that at one point in time, 9.6 acres of this land on Wellington Road went for about $1.1 million. We are talking 39 acres for $1.7 million. What else can I say? I think what we are going to have to do here…what is it, Mr. Shea?

Alderman Shea replied I would like to make a motion, as Alderman Ludwig has indicated that we refer the matter to the City officials, whether it be the Planning Department, the City Solicitor, the Economic Development person, the Highway Department and other people on the Board may suggest other people, but those are the people who I feel should look into the matter and then come back to this Committee with their findings.

Alderman Lopez stated I would like to add to it. I would also like official comments from the School Department and the Aldermen should have a ward meeting.

On motion of Alderman Shea, duly seconded by Alderman Lopez, it was voted to refer this item to the Planning and Community Development Department, City Solicitor, Highway Department, Economic Development Office, and School Department for further review; the Aldermen from Wards 2 and 6 will also hold a ward meeting; and the School Department will submit their official comments.

Chairman Osborne addressed item 4 of the agenda:

4. Communication from the Goffstown Board of Selectmen requesting a meeting with the Board of Mayor and Aldermen to discuss mitigation of future negative consequences of flooding by improving the design of the trestle located upstream from Kelly Falls Dam.
*(Note: This item has also been referred to the Committee on Community Improvement by the Board of Mayor and Aldermen on 7/6/10.)*

Chairman Osborne stated I'll refer to the City Clerk. This was referred to CIP, the Mayor's office and City staff. Do you want to add to that?

City Clerk Matt Normand replied that's correct, Mr. Chairman. The Committee on Community Improvement referred this to the Mayor and City staff and Alderman Greazzo last night to meet with the Goffstown Selectmen and report back to the Board when they have some information.

Chairman Osborne asked does anyone have any questions on that?

Alderman Shea replied I made the motion for the Chairman of Lands & Buildings to be involved with that.

City Clerk Normand stated as well as the Chairman of Lands & Buildings.

Chairman Osborne stated okay, that's fine.

City Clerk Normand stated you can certainly receive and file this item on your agenda, Mr. Chairman.

On motion of Alderman Shea, duly seconded by Alderman Greazzo, it was voted to receive and file this item. It was further noted that this item was referred to the Mayor's Office, City staff, and the Lands & Buildings Chairman, and Alderman Greazzo would meet with the Goffstown Selectmen, and report back to the Board.

Chairman Osborne addressed item 5 of the agenda:

5. Communication from Planning and Community Development regarding the petition of Fernando Hilarion to acquire city-owned land off Gabrielle Street.

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

Alderman Roy asked does this mean that we are going to go out and sell this to the highest bidder? Is that what we are going to do? It says that they recommend that City owned lot 38A be offered to the highest bidder. If they are going to put all duplexes in that lot then we are back into…

Chairman Osborne interjected I guess Leon could come up and answer that one, whichever way they want to handle it. It doesn't matter to me.

Mr. LaFreniere stated as has been pointed out, the Planning and Community Development Department's recommendation is that it would be appropriate to find the property surplus and there are some actions that are required should you decide to do that. With regard to the manner of disposition, the proponent of the request is asking for something that doesn't comply with zoning regulations. We do have a concern about that and we would also be concerned about how the property would be disposed of given that there are a number of other abutters with conforming parcels in the area who may also have an interest. Putting it out for a bid process would be recommended.

Alderman Shea stated Leon, let's assume for the sake of consideration that this gentleman is the only one who makes a bid. What happens then?

Mr. LaFreniere replied should this Committee and the Board determine that it is appropriate to sell the property then you would need to make a finding that the property is surplus, basically the four points in the letter to meet the statutory requirements, and then the property could be sold to this individual. What he ultimately did with the property would likely require him to go to the zoning board to get variances to build what he has expressed that he wants to build, unless the Committee were to put conditions on that didn't allow that.

Alderman Shea asked so we would put the conditions on that prior to him going to the Zoning Board?

Mr. LaFreniere replied if the Committee wanted to sell the property, but not allow the development of the parcel for duplexes then you could so condition that sale.

If you just wanted to sell the property without condition and rely on the Zoning Board to review what an appropriate use of the property is you could also do that.

Alderman Shea stated so you are saying that right now, if we do approve this, we should put that stipulation on it now.

Mr. LaFreniere stated if it is the Committee's will that the property only be developed in a conforming fashion, yes, you would put that condition on, at least at the time of the sale.

Chairman Osborne asked David, could you come up here so we could get some kind of value on this? What is the size of this property here?

Mr. Cornell replied it would be 23,750 square feet.

Chairman Osborne asked it is probably 200 by 200 or something like that?

Mr. LaFreniere replied it is irregularly shaped actually.

Chairman Osborne asked what was it assessed for?

Mr. Cornell replied I would have to get you the assessment. As far as the value, once again it is going to be determined partly by what you can do there, meaning that if you can build a two family it has a different value.

Chairman Osborne asked what is it zoned?

Mr. LaFreniere replied single family. It is a landlocked parcel.

Chairman Osborne asked landlocked, so there is no way to get onto this parcel outside of an abutter?

Mr. LaFreniere replied except through an abutter's property. That is correct.

Alderman Lopez asked Leon, aren't some of these duplexes there though?

Mr. LaFreniere replied yes. There is a portion of that area that has been developed into duplexes in the Lucille Street area. These were homes that were constructed to support the returning veterans after World War II by the federal government. The federal government at the time was not subject to, and is still not subject to, our local zoning requirements. That is why they were built as duplexes even though it is a single family zoned area.

Alderman Lopez asked what would the highest value be? To put a restriction on and get the highest bid and put a duplex in those areas or single family homes? What would be the highest value?

Mr. Cornell replied clearly, if it is sold without the restrictions you should expect much higher values. If it is sold with the restrictions essentially it is going to be expanding someone's yard.

Alderman Lopez stated I would move forward and see what kind of bid process we get at a high value. To me, the person has to go before the Zoning Board and Planning Board who share the responsibility to go along with that. I know the Board can do some of these things when they sell the property, but I think that the highest value is to go out for bid and not put the restriction on.

Chairman Osborne asked Leon, if this is landlocked why are we going out to bid? This is only good for the abutter to this property, isn't it?

Mr. LaFreniere replied but there are eight abutters and that is why we are…

Chairman Osborne interjected there are eight abutters and this land locked land is accessible to all eight abutters?

Mr. LaFreniere replied yes, each of these abutters would have access to the property. What they could do with it would depend on the configuration of their own parcels once this was annexed to their own parcel.

Chairman Osborne asked so these are going to be the only ones bidding if they want it anyway?

Mr. LaFreniere replied we would anticipate that the only parties who might have an interest would be those eight abutters.

Chairman Osborne asked should we start at any particular value on this property?

Mr. LaFreniere replied I would defer to the Assessor on that.

Mr. Cornell stated the unique part is that you really have two values. One is just expanding somebody's yard, which would be a very minimal value. The bigger value is expanding it to build another lot. My hunch would be that there is only one individual who is looking to develop the site. For a single family for a developable lot in the City, the sales coming in would be anywhere from $60,000 to $85,000.

Alderman Roy stated Mr. Hilarion, the individual who petitioned for this, owns several lots in the area. He stated that his intention is to gain access to those lots to build duplex buildings, not just one single family or anything like that. That is in the information that I have. That is his intent. We're back to the burden on the schools and everything else like it was on the previous one if that is how you want to look at it. It is going to be worth more to him. I would assume that the bid from him would be much more significant than the other abutters who are just going to expand their yard. That may help answer those questions.

Alderman Lopez asked what is wrong with that? Just a comment. There is land out there that is dead and someone wants to develop and we want to continuously stop them from developing and put them on the tax role. I just don't understand it. I believe this should go out to bid and get the highest value. If the eight abutters, as Leon said, want to buy a slice of it and they want to divide it up and get a backyard, fine. If there is only one entrance to it and there are a couple duplexes that can go in there, I see no problem with it. There are duplexes there. Something has to give somewhere along the line.

Alderman Roy stated I didn't say that to stop them from developing. I just wanted to give that information to let everyone know what was coming. I agree with you that we can't keep stopping it.

Alderman Lopez moved to approve this item as recommended. The motion was duly seconded by Alderman Roy.

Chairman Osborne called for a vote on the motion. The motion carried, with Alderman Greazzo voting in opposition.

Chairman Osborne addressed item 6 of the agenda:

6. Communication from Planning and Community Development regarding the petition of Jonathan and Monique Rice to acquire a portion of city-owned Raco-Theodore Park on Precourt Street.

Mr. LaFreniere stated if I might, we have provided the Committee with a report on this, raising some concerns about why we felt that this was a matter of significant public policy. Subsequent to that time, in fact just today, additional information has come forward and I believe that the director of the Parks Division of the Highway Department has some additional information that may be very pertinent to this.

Mr. Peter Capano, Director of the Parks Division, stated just this afternoon we got our hands on the deed from the Theodores, Raco and Victoria Theodore, from 1963 where they gave the property to the City. The last paragraph of the two page deed, which is almost entirely a description of the properties, states that the above described land is to be used by the City of Manchester for the purpose of establishing a pubic playground and this conveyance is made upon the expressed condition that in the case the above described land shall ever cease to be used by the City for a pubic playground or other public use then in that case the above described land shall revert back to the grantor as if this conveyance had not been made.

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

Chairman Osborne addressed item 7 of the agenda:

7. Communication on behalf of Berchmans and Lucille Vaillancourt regarding the purchase price of tax-deeded City property located at Riverdale Avenue, West Mitchell Street and Dunbar Street.

Alderman Shea moved to approve this item. The motion was duly seconded by Alderman Lopez.

Chairman Osborne asked does everyone know what they are voting on?

Alderman Shea replied we went down there and visited that.

Chairman Osborne stated I made the motion down there. I remember.

Alderman Roy stated we did go down there. I believe we did the right thing when we said that we wanted to sell to these people. However, I think there is a problem with the price. It is assessed, I think I read, at $14,000 and in the letter I don't see a number that is being offered other than delinquent taxes. I would like to know what that price is. Can anybody from staff give me an idea of what delinquent taxes are?

Mr. Cornell replied we placed a value between $14,000 and $16,000.

Mr. Richard Joyal, Attorney on behalf of Berchmans and Lucille Vaillancourt, stated I did calculations in conjunction with conversations that I had with the Assessor's Office and the Tax Collector's Office and it turned out that 70 years ago, there was $18.96 due in taxes. Because the Tax Office was not quite sure

what the interest rate on delinquent rates on taxes was going back that far, if we extended the current rate of 12% over those 70 years and the interest generated on the delinquent tax of $18.96, it amounted to $159.26.

Alderman Roy asked so your offer is $159?

Mr. Joyal replied no. I do that just by way of example to approximate what the City's loss has been over the years that this property has not generated any taxes at all. Really what I wanted to ask you about, over the last 45 years the Vallaincourts have used this property and the City has not had the benefit of receiving any taxes on it and it would seem that going forward, it would be better to generate tax income from the property and allow things to continue as a practical matter as they have, accepting that the parcel is now going to generate income instead of doing nothing. We are prepared to make a nominal offer. I don't think it is appropriate to do it on the public record, but I will make that representation to you. My other explanation, which is contained in my letter to you to consider, is the assessed value, under ideal circumstances, we think doesn't really apply to a situation like this.

Alderman Lopez asked sir, I'm still trying to figure out how much you are going to offer for this property. If the City Assessor is saying $14,000 to $16,000 and we visited it, I don't think there is anything wrong because it is directly abutted. I think, if the City Solicitor wants to tell us the offer, maybe we can make a decision.

Mr. Joyal replied I don't think it is appropriate for me to do that, except in writing and I say that from a lawyer's perspective.

Alderman Lopez stated then I will table this and you will submit your writing to the City Solicitor, please.

Alderman Greazzo stated Mr. Shea's original motion was to approve.

Alderman Shea rescinded his original motion to approve this item. Alderman Lopez rescinded his seconding of the motion.

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

Chairman Osborne addressed item 8 of the agenda:

8. Communication from the Tax Collector regarding the receipt of a sealed bid from Steven Barriere for Lot 611-4A on Island Pond Road for review and approval.

Alderman Roy moved to accept this item. The motion was duly seconded by Alderman Lopez.

Alderman Roy stated it went through us before and then it went out for public bid.

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

Chairman Osborne addressed item 9 of the agenda:

9. Communication from William St. Jean requesting the execution of a Revocable License Agreement with the City for use of the City's property adjacent to his 90 River Road property for the location of a storage shed.

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

Mr. Arnold stated I guess what I could add by way of background is that some time ago, the former City Clerk, Leo Bernier, approached the City about getting a revocable license so he could put a short storage shed next to his then home at that location. The revocable license was granted. The storage shed was put up. I think it is presently still in that location. Mr. Bernier sold the property. Since the revocable license was with Mr. Bernier, we were of the opinion that that revocable license no longer applied and that the present property owner should either petition for a revocable license of his own or remove the shed.

Chairman Osborne asked should we come before the City Clerk for this one?

City Clerk Normand stated Mr. St. Jean has sent a letter requesting that license. We have not seen the language. We should probably table this.

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

**TABLED ITEM**

10. 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 2nd 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; Committee requests the Solicitor to provide an updated Certificate of Insurance for the property; re-tabled 12/2/08; information to be provided by the Assessor; re-tabled 7/07/09 waiting for disposition letter; re-tabled 9/1/09, Finance Officer and City Solicitor to provide a final disposition letter; re-tabled 1/19/10; Mayor, Finance Officer and City Solicitor to provide a final disposition letter; re-tabled 6/21/2010)*
*On file for viewing with Office of the City Clerk, One City Hall Plaza.*

This item remained on the table.

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

A True Record. Attest.

Clerk of Committee