

SPECIAL COMMITTEE ON RIVERFRONT ACTIVITIES

February 22, 2000

6:00 PM

Chairman O'Neil called the meeting to order.

The Clerk called the roll.

Present: Aldermen O'Neil, Levasseur, Sysyn, Pinard, Thibault

Messrs: R. MacKenzie, T. Connors, Solicitor Clark, D. Clark, P. Ramsey

Chairman O'Neil addressed Item 3 of the agenda:

Continuing discussions relative to the Riverfront and Riverwalk activities.

Chairman O'Neil stated the Committee met a couple of weeks ago and has made some specific recommendations to the full Board. We also have tonight continued discussion with the Board about the project. There were some concerns in the fall that I believe we needed to get straightened out. I believe the staff has worked hard to try to address those concerns. I guess the two people doing most of the talking tonight will be Bob MacKenzie from Planning and Todd Connors from CLD. We welcome any of the other City staff to join in on the discussion.

Mr. MacKenzie stated at this point, we don't have any formal presentation for the Committee. Todd Connors is going to provide a somewhat more detailed presentation to the full Board because it is a new Board and there are several new members of the Board. I think we have information...one of the things that the Riverwalk Team Chairman had requested was a little bit more of a description on investments by the City in the Riverfront area and what some of the major private projects are that have been ongoing. At any time during the discussion, I would be happy to provide that to the Committee. I would note that some of the other Riverwalk Team members are here, including Frank Thomas, Jay Taylor, Tom Clark and Kevin Clougherty if there are any questions relating to legal issues, financial issues or economic development type issues.

Chairman O'Neil stated there are two specific items that the Committee recommended at the last meeting to the full Board tonight. Why don't we just touch on those? One is a report of the Special Committee on Riverfront Activities recommending that the Highway Department be designated to oversee the design and construction portion of the Riverwalk. Are there any concerns from

Committee members or other Aldermen with regards to that recommendation? Okay, we have already taken action on that so we don't have to take any action on that now. The second item is recommending design and construction costs that include design of Phase IB, construction of Phase IB and design of Phase III totaling \$1,120,000 using existing fund balances as recommended by City staff. Todd, maybe this would be a good time for you to review where we are at and why we are recommending this.

Mr. Connors stated what we have completed to date is the construction of Phase IA. It is about 90% complete. We are waiting to finish spring items, such as the installation of light posts, landscaping and some brick pavers along the entrance of the section that has been constructed. What we are expecting to do for the spring is work on the design of Phase IB, which would take the existing walk which currently runs from the Commercial Street parking lot in front of Singer Field to the railroad trestle in a southerly direction to Sundial Avenue or Biron Street, which is in the vicinity of the Queen City Bridge. It is intended to keep the momentum of the project in the public eye. This is the easiest section to design and the section that is the most readily available for construction this spring and summer. The issues associated with this section of the walk are less of a challenge than some of the other phases of the project. What we have for issues here is a crossing of the Boston & Maine Railroad in the vicinity of Biron Street or Sundial Avenue. That needs to be negotiated with them and worked out. We also have some concerns with obtaining permits. The permits in this case are relative to construction close to the river and a potential impact on a bald eagle habitat, which is right around the vicinity of the railroad trestle. There are some tall pine trees where the eagles perch and they use them for fishing in the winter when they are in this area. Those are the challenges that face us for the design and supportive construction of Phase IB. We expect to be able to complete this in 60 to 90 days, at which time we could bid this project out and have it bid this summer. The other phases, which I mentioned, are a little bit more of a challenge. Heading in a northerly direction from the Commercial Street parking lot is Phase II. It heads across the Langer Mill to approximately the Granite Street Bridge or what is better known as the Loeb Plaza next to Jillians. This phase has an issue relative to the Woman's Gym building and the bankruptcy or status of ownership. What the real challenge for the design team is here is we don't have anyone who is a stakeholder or an owner to negotiate with and to discuss design concepts with so our challenge is that we can't really design a walk across a building that has no interest, has no stakeholder.

Chairman O'Neil asked, Solicitor Clark, do you want to comment on that briefly.

Solicitor Clark answered as we have discussed in the past, the property that was known as the Woman's Gym has been through two bankruptcy filings by the past owners. When the owner filed bankruptcy, it prevented the City from taking the property for taxes. The taxes have not been paid and they have been piling up. I believe they are somewhere in the area of around \$600,000 including interest. A short while ago, it did come out of bankruptcy. The City began its tax deeding process and sent out the 30-day notice to all of the appropriate people. While that process was ongoing, the holder of the note, the mortgage on the property, had a foreclosure. The note was bought by a limited liability corporation and I believe the title is Manchester Millyard, LLC. They approached the Tax Collector's Office and asked for 30 days in which to arrange to pay the taxes. However, the Tax Collector did grant them the time. It is my understanding that that is a fairly routine request for large payments to try to let them work it out because it is better for the City to collect the taxes than it is to take a building. However, the owner of the limited liability corporation then turned around and filed a new bankruptcy in order to prevent us from taking the property. We are in the process of filing the appropriate documents in court to contest the bankruptcy.

Chairman O'Neil asked is it my understanding that this could take a period of time to resolve. It might not be resolved very quickly.

Solicitor Clark answered it could take a period of time to resolve. While the bankruptcy courts aren't quite as busy as they were a few years ago, it still takes awhile for a case to make its way through it.

Mr. Connors stated the next northerly phase is Phase III, which is included in the proposed work on this project this year. This section connects the Granite Street Bridge and Loeb Plaza northerly across the Gateway I, II and III buildings, which are under an extensive renovation right now, just about to the Waumbec Mill. This section of the project will be the watershed for permitting. We expect to encounter just about all of the different permitting agencies. In this case, the Department of Environmental Services for the State of NH, the Army Corp of Engineers, the EPA, and the Fish & Wildlife people. There are a number of issues that basically deal with us constructing this Riverwalk with some footings in the riverbed. We don't think that there are any issues that we can't overcome, but it will take time to do. We are expecting in the inside 6 months, but the outside and the downside is about an 18 month permitting process so what we would like to do is once Phase IB is finished with the design we would like to begin the permitting and the design of Phase III so that it is ready for the following year's construction. As a side note to that, as part of our master planning activities we have initiated a pre-permitting program where we have gone and made initial contact with many of these regulatory agencies. We have received an initial reaction from most of

them. They are very favorable and they support the project. It is just a matter of completing the paperwork and going through the correct steps.

Alderman Thibault asked why do we have to go in the river at all. Why can't we cantilever off of the buildings rather than go into the river and get into all of that red tape and mysterious mumbo jumbo? Alderman Lopez and I went through there yesterday and we were discussing why it couldn't be hung off of the buildings instead.

Mr. Connors answered there are a couple of reasons. First off, I will mention that cantilevering off of the building will not spare us the intensity of the permitting review and the reason for that is that when you overhang the river you are still going to cut down some trees, you are still going to cast a shadow on the riverbed, there are still going to be issues with the FEMA 100 year flood plain and the flood way of the Merrimack River. These are all items that we are still going to need to address whether we have a footing in the river or not. The core of your question is why can't we do it and the answer to that is most of these mills are build so that their outside wall is part of the river wall and we have a lot of unknown conditions there where we don't know exactly what kind of a foundation those sit on. We would need to do a much more extensive investigation along the order of digging up inside a lot of the mill buildings to find out what kind of foundations they have. The preliminary design that we did to look at this alternative showed that we would basically have to build a footing inside the building and then use that to extend the walkway over the river. It is a lot more intense and it involves a lot more work inside the mill buildings. This would be a much cleaner approach using footings in the riverbed.

Alderman Thibault asked further up north beyond Arms Park, Alderman Lopez and I were there and Mr. Thomas maybe this is something for you to be aware of but I noticed that all of the snow from the parking lots has been put onto what would be the Riverwalk if you will. That is something that somebody will have to look into.

Alderman Lopez stated I just got the book tonight so bear with me. I have talked to the Chairman about this and I would like someone to explain to me why in the world wouldn't we do the bridge first, the pedestrian walkway connecting to the west side. If we connect the bridge to the east side then people are going to start using it very shortly. I understand that Ron Johnson, the project coordinator for the west side Heritage Trail has been moved from the West Side Arena to start on the west side, but you are going to have a project half completed on the west side from Second Street to South Main Street and people will not be able to walk across the bridge until whatever phase it is in. Looking at this, it seems to me that if we are going to create something for people to come down and across from the

west side or the Heritage Trail, that you would make that connection so that you could get the people down at the Riverwalk. We are getting the aspect of the Jillian's area there, which could be a long process. Believe me and I think I worked with CLD on Parks & Recreation and sometimes it took a year to get some of these things done and longer with the environment. I was just wondering why in the world wouldn't we connect the people on the east and west side first?

Mr. MacKenzie replied it relates primarily to money. It is one of the more expensive links in the entire project. It is likely that the bridge, if done properly, would cost about \$2 million and at the present time we don't really have that amount of capacity to commit towards that one link unless the Board was going to allocate additional funds. It also relates to funding in that this is our best opportunity to get what is called ISTEA funds. T-21 is the current name of it, but those are Federal funds that come down through the State. We have an application into the State and the Federal government for \$600,000 towards the bridge. We feel that that is the most likely possibility to get Federal funds for the Riverwalk. That process in itself will take approximately 18 months. If we are awarded that, we will know probably in the next two months if we are awarded those funds and in the State cycle it would be at least 18 months, so we are talking a second construction season. Related to that as well is that that is also, perhaps, we believe to be the prime project to get private contributions towards so we would like to see it funded with 1/3 from the State, 1/3 private contributions and 1/3 City funds. Just because of the funding cycle under the T-21 and the need to generate private contributions, we think that that would most ideally be set-up for construction in the second summer construction season. Not this coming one, but the one after that.

Chairman O'Neil stated I think, Alderman Lopez, that you make a very good point. It is the showcase of the whole project. Certainly, I think we would welcome the cars traveling up and down 293 to see it, but I agree with Mr. MacKenzie. I think he has taken the correct approach in requesting the ISTEA money. My understanding is For Manchester and I kind of heard this unofficially, is going to step up and take this on as a project on the private side. They are going to start meeting on that very shortly. I think we are heading in the right direction. I, like you, would like to see the trestle addressed earlier, but I think that based on the funding that has been approved and potential funding that is out there, this is the correct way to proceed. I would also like to note, with regards to Phase III, that the owners of the Gateway buildings have extensive construction going on now and it is a very appropriate time now for the City to partner with them with regards to the Riverwalk portion near their buildings. I also know that City staff is working to address some parking concerns down there as well.

Mr. Clark stated understanding that the length from east to west is a critical issue and for those people who would avail themselves to running on this trail, you could easily use the sidewalks that are in place now in front of the Langer Mills to get to the sections of the Riverwalk that are under construction in Phase IB, avail yourself to that bridge, get over to the west side trail system and go as far out as you would care to. It being an expensive proposition to do that and it being the best opportunity for private investment as well, I think you need all of your ducks in line before you tackle that bridge.

Chairman O'Neil asked do you want to talk specifically about what you folks have going on with Gateway right now.

Mr. Clark answered as it relates to your Phase III designs, etc., the building at Jillians has long been rehabbed and is fully occupied. You have Jillians and a major high tech employer in the neighborhood, Silknet Software. Silknet has also agreed to lease the entire Gateway II building, slated for occupancy by June and we are currently negotiating with another major hi tech company for half of what is Gateway III, which is the largest of the three buildings. I think there is an opportunity, perhaps to get with Silknet and this other hi tech company and maybe some private contribution can be made there. I think it ties in with the fact that this area has now been rehabbed. It is working closer to where the Riverwalk already exists in the Arms Park area and trying to make something contiguous, continuous and user friendly.

Alderman Lopez stated up in the north end we have hangovers and I know you said the construction, but if you were to find that the construction of Jillians could hold a hangover walkway, it would be cheaper than putting piles in the river and save you time. Would you go to that idea?

Mr. Clark replied as far as the construction of the Riverwalk is concerned, I would say that any opportunity you have to lessen the cost of it, obviously, is a palatable item. I think you are going to find that the infrastructure in the buildings themselves are not going to support the cantilevering without an undue burden to the building, especially if they are occupied and you have to dig through occupied space to create additional footers to cantilever off of the building, you will find us kicking and screaming on that one to disrupt businesses that are in those buildings already. If you are talking about a design that is going to take you six months from the time you start it so you are into the 2001 construction season, if I don't have those buildings leased by then, I am looking for another job.

Mr. MacKenzie stated I wanted to note that progress is being made on the parking issues, which are related to the Riverfront development. The Highway Department has received some additional information from Desman Associates on

what is perhaps the priority lot, the Seal Tanning Lot, in order to jive with what is being redeveloped. I don't believe that Frank or I have really had a chance to look at it so it might be appropriate to bring up the parking issues at the next meeting of the Committee. The consultant working for Public Works is also looking at all of the parking lots in the Millyard to evaluate what the options are and what are the most reasonable bang for the buck projects in the Millyard area. Again, that might be more reasonable to bring to the next Committee meeting. I am sure that Frank would be happy to present that information.

Chairman O'Neil stated there are a number of issues that can come before this Committee if we get the full blessing from the Board tonight to continue on. Are there any further questions of the Committee?

Mr. Ramsey stated I was appointed Co-Chair about two years ago. There is very little negative to say in my opinion. I think from the beginning Alderman Wihby and others insisted that if we were going to go ahead with the project that there be some economic return to it and I think Don Clark and many other owners along the mill are proof to that fact and it is only going to get better in my opinion. Manchester is a great City. It is easy to be negative about projects, but this project can only go forward in a positive way and a lot of it is because of our City staff. We have some pretty good City staff people.

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

A True Record. Attest.

Clerk of Committee