

SPECIAL COMMITTEE ON RIVERFRONT ACTIVITIES

October 16, 2000

5:30 PM

Chairman O'Neil called the meeting to order.

The Clerk called the roll.

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

Messrs: F. Thomas, R. MacKenzie, K. Clougherty

Chairman O'Neil addressed Item 3 of the agenda:

Riverwalk Project Status Report.

Mr. Thomas stated hopefully the Clerk passed out a written status report that was prepared by CLD. What I will do is summarize it briefly for you and you can take the written report back with you and if you have any questions feel free to give me a call. Just to hit some of the highlights, Phase IA of the Riverwalk is basically completed now. There are a few minor little issues, but it is basically completed. Phase IB, the section of the Riverwalk to the Queen City Bridge, that project is about to be awarded within a matter of days. The contractor is Shumway Construction. In addition to that, discussions are underway with NYCOA for easements from the Queen City Bridge down to Sundial Avenue. The design of Phase III of the Riverwalk north of Granite Street is presently underway. The design is anticipated to be completed in the Spring of 2001 with construction to follow as quickly as possible. Right now, it is projected for the fall of 2001. Of course, if you remember this section of the Riverwalk involves the majority of the permitting with the core of engineers, the State, etc., so the schedule is somewhat depending on how quickly we can obtain those permits. Right now we don't have any problems, but we are still in the early stages. The State TEA-21 funds for Phase IC, the railroad pedestrian bridge, in the amount of \$600,000 has been scheduled for October, 2002. That is the \$600,000 grant that the City has received. In addition, the City is exploring alternative funding sources to fund that entire project. One of the issues that is important at least to me is Riverwalk maintenance. The staff has been discussing that. In the short term, the Park Foundation is providing the grass-cutting, etc., along with the Highway Department watering at least up until the first of the year. The Highway

Department will assume the maintenance after the first of the year until July of next year, again, grass cutting and maybe fertilizing and as an intermediate term maintenance proposal, the Highway Department will be requesting some temporary labor and equipment funds in next year's budget. This is basically a first phase of how we are going to address it over the long term. Discussions are continuing again with staff to develop a proposal for the long-term maintenance of the Riverwalk potentially through some type of trust, special revenue account or something along those lines. Also, we are going to be trying to identify potential revenue sources too. So, long term maintenance is still under discussion, but at least we have a plan to address the short term. That is about it on the status report unless you have any specific questions.

Alderman Levasseur stated I just went down there today as a matter of fact and the grass is very high and there are a lot of leaves all over the path and because of the rain there it is very slippery along that path. Will our street cleaner go down that or is it not wide enough?

Mr. Thomas replied actually it is wide enough if we remove a couple of the bollards and that is a good point. I will try to make arrangements to get a sweeper down in that area. In addition, I will to pass the word onto the Park Foundation regarding the grass because again they did take that responsibility from here on out. As far as watering, I don't think we need to worry about that.

Alderman Levasseur asked what times do the lights come on. Do they come on automatic because they weren't on and it was a little bit dark down there?

Mr. Thomas answered I believe they are automatic, but I would have to get back to you on that.

Alderman Levasseur asked with the path, do you guys have any plans to cut the trees down along the riverway so that you can see out over the water. You really can't see the water with all the brush coming in and the trees all filled in. It is not a Riverwalk without seeing the river I would think.

Mr. Thomas answered those trees as you know were thinned out initially and of course a lot of them have grown back. Right now, at least until July of next year, we don't have the mechanism to go in there and do a good clearing. Part of what we are proposing for next year's budget process are funds in my budget to bring on another temporary laborer, which can be assigned down there with some minor equipment that we already have and we can have him do that almost on a full-time basis.

Alderman Levasseur asked is there any reason in particular...I wasn't here before this whole plan started, that you didn't make the path go...I mean in some areas it is maybe 50' or 100' right down to the river before you are actually seeing the river. Was there any plan to actually put the walk along the river itself so that people could...I just came back from New Jersey and I was down in Hoboken and the riverwalk they have it literally on the river itself? Now our plans on the Granite Street side are obviously going to have that overlooking the river.

Mr. Thomas answered that is correct. There are a couple of reasons. Permitting issues. You have to be by rights above the flood plain, 100 year flood, and that is why north of Granite Street we will be able to accommodate that, but in that area it would have been very, very difficult to get approval from the various agencies to put a walkway right at the water level or above it.

Alderman Levasseur stated, Mr. MacKenzie, I have a little bit of a worry about where we are going with this Riverwalk. I walked down there today and it is a nice thing to have for the community. I think it looks nice. I wish we would have been able to see the river a little more, but I wonder how we can combine the senior center in with the Riverwalk if we are going to do that. I really honestly feel that I won't back anymore of the Riverwalk unless we put the senior center down there. It just seems to me that if you are going to do a nice big Riverwalk the way you are doing it and it is looking nice and you have the lights and you have half of it...you know you got that southern part done, that it would only make sense to put the senior center in there because as you age and stuff it really makes sense to get out and do the walk and the seniors in this community should really use that. Now, I know that we have three locations and since this is on riverfront activities I am wondering if you could explain to us, now I was looking at that land today and I don't know exactly where the site is but if the site were to go where I think it is going to go, is the Riverwalk going to be a problem or is that in your plans. I don't know if before you started the Riverwalk you had an idea of putting a senior center down there.

Mr. MacKenzie stated when the Riverwalk originally was envisioned, it was not intended to have a senior center there. It was always intended that the area where the senior center is being considered, which is just to the south of Singer Park, was to be some type of development site, either a new City facility like the senior center or a private development site. So, that was always intended to be some form of development site right there just to the north of the trestle bridge across the river and south of the park.

Chairman O'Neil stated if I recall, Alderman, I think LDR called it a community center. We don't have that concept here in Manchester, but a lot of other cities and towns across the country do and I believe on the Master Plan they called it a community center.

Alderman Levasseur stated I am thinking of the location north of Singer Park where the actual parking lot is. There is a parking lot and there seems to be a big center of brush from where the Millyard building ends. I am not sure what the name of that building is, but where the Woman's Gym building ends heading south there seems to be that big spot there. I thought maybe that was the more appropriate place for your Riverwalk since it is closer to the river and the path could edge around it along the riverway but I am not into telling you where to put it or anything but I don't understand...you want to put it south of Singer Park and the rumor is around town and I am not sure if, there is talk about putting in a baseball stadium so are you thinking about putting the baseball stadium south of Singer Park? I just think that the Riverwalk is the right place for the senior center. I don't know if anyone on this Committee feels that way, but I think and feel that more people are leaning towards the Singer Park area for a senior center than the other two locations. So, I am wondering...I mean it is kind of hard for you to let things out of the bag but at the same time when we are making a plan for the City's future like this what is your plan for...is a baseball stadium going to go down there? I would like to see something...I want to see these things happen but I also want to make sure that we don't kick something out or we don't put something on the back burner because of other projects and I know the Riverwalk is there so we already have it and now we need to work around it.

Mr. MacKenzie stated there are actually several questions in there. I will see if I can try to hit each one of those. One, you talked about the growth between the parking lot to the north. Part of that is private property and part of that is public. There are environmental issues that the City should not be building facilities on that particular area.

Alderman Levasseur asked what are those.

Mr. MacKenzie answered that is where the brick from one of the old mills up near Arms Park was buried. There was a particular hazardous material in those mills. They took down the mills brick by brick. They burned them in an incinerator and dumped them at a site down at that location. So, that particular site they said should never be built upon by a facility. Now, that is not the parking lot that is the tree area to the north of the parking lot.

Alderman Levasseur asked let's say we went over that and we bricked that over and put more parking there and then just took up some of the parking lot from Singer Park for a community center. You would still get your parking spaces and still have...I am trying to think of the best use of that land if we are going to do something on the southern part of Singer Park and I want to see something done in there also.

Mr. MacKenzie answered it is possible that you could brick or pave over that particular area and use it for parking. When you talk about a baseball stadium, that has been looked at for a baseball stadium. The only area where one would fit to create a modest sized minor league field is the existing parking lot. That is the only place along the Riverwalk area where you could put one. In order to not rule out that particular site for the future for a new stadium, you would want to keep that...I would suspect you would want to keep that in its current use because that is the only location you could put one.

Alderman Levasseur stated if there are plans of putting in a minor league field, where would you then put the parking. Is there another idea for that?

Mr. MacKenzie replied some of it could go to the north where we talked about that particular site, but the Rubenstein is the key to providing the parking for a number of things in the future. In the interim, the City, the Highway Department is going to put 450 somewhat parking spaces in there, which is a good chunk of parking. That is more than twice what is currently in that parking lot. In the long-term, some of that would be used up but also added would be another 600 space parking garage so parking for that general area and potentially for the Millyard and civic center would come on the Rubenstein property.

Alderman Levasseur stated so to clear everything up, if we have the spot for the civic center included...I mean the senior center is south of Singer Park right now, now the road to get to that is where the Riverwalk is unless you are going to use the high path and then keep the low path. Do you have something else in mind?

Mr. MacKenzie replied I still think there is a potential to, right now, and there was discussion about this in the Senior Center Committee that frankly the seniors did not want to be driving down a 1,500 foot parking lot because you have so many people backing out that it could be hazardous. I still think there is a potential to put a small roadway in between Singer field and what is being proposed for the parking on Rubenstein. That is still to be seen. I know that Frank and I have talked about that and that is something that we could investigate more, but that would be the best solution to providing access.

Alderman Levasseur asked what about coming in from Queen City Bridge. Is there a way to come in through that way?

Mr. MacKenzie answered currently we do not own all of the property to get back up here and there are issues with the railroad crossing.

Mr. Thomas stated the railroad crossing is a major problem at Biron Street down by Hesser College. There is a rail crossing there, but it is a private one for Jac Pac and one of the other abutters. It has been looked at as far as making it public or obtaining public rights. Everything that we have come across so far would indicate that that would be very, very difficult and frowned upon by the railroad.

Alderman Levasseur asked what about through the Transit Authority. We must own the road going into that back part or is there still some property that is owned by the railroad.

Mr. MacKenzie answered the railroad land starts to widen right behind the MTA. That is where the start of the old rail yards are. I think that would be even tougher to get. Biron Street would be the best shot to get a crossing because there has been something there, but even that is, as I would term it, a long-shot. Behind the MTA I don't ever see a potential to get a roadway across that. Would you concur with that, Frank?

Mr. Thomas replied that is correct. Obtaining a new rail crossing would be a miracle.

Alderman Levasseur stated now both of you are sitting here and you are both very knowledgeable and obviously doing a good job down in that area. The senior center, I know this is putting you on the spot, but a recommendation from you...I know we are supposed to wait another 30 days before we make that decision but...

Chairman O'Neil interjected I don't think it is appropriate that we put them on the spot. The Lands & Buildings Committee is supposed to be making a recommendation to the Board.

Alderman Levasseur replied I know but we are being asked to approve another piece of property here tonight to buy and that is the reason.

Chairman O'Neil stated I don't disagree with where you are going and what you said about thinking is it the proper spot for the senior center, but I think this land we are being asked to require on Item 5 is important whether or not the senior center goes down there. I don't want to cut you off, but I prefer we stay...

Alderman Levasseur interjected well we are in charge of the Riverfront activities.

Chairman O'Neil stated yes but the Lands & Buildings Committee has the senior center right now and I think we need a recommendation from them before there is a vote.

Alderman Thibault stated the thing that bothers me is as we continue and I may be ahead of myself here a little bit, but as we continue the Riverwalk as I understand it, it is supposed to go down through the main street and eventually keep on. I happen to know that there is some railroad land that has already been sold there. How do we get over this obstacle?

Mr. MacKenzie answered we are aware of that. Before the State helped the City purchase that entire rail line there was a piece sold off by the B&M Railroad to Tires, Inc. so there is a very small segment there that is gone. There has been identified a small alternate route around that location along Main Street and the street right beside A-1 Market and across some land that the Manchester Housing & Redevelopment Authority...

Chairman O'Neil interjected but the Board has gone on record as saying we would like to approach Tires, Inc. and see what we can do to acquire that piece of land. Let's not get a little misleading that we are going forward with getting around that piece of land. That is the one piece that keeps it from being a straight line.

Alderman Thibault asked hasn't Dave's Auto also been sold. I believe it has.

Mr. MacKenzie answered I am not aware that that has been sold.

Alderman Lopez stated on Dave's Auto, the right-of-way to get through there has already been approved from what I understand. The only one that is holding us up is Tire, Inc. and everybody knows what the problem is there. Frank, on the maintenance for January through July, you say the Highway is going to take care of that. Are they going to clean the snow off? Is that what you were referring to?

Mr. Thomas replied we will probably send a small pick-up truck down to push the snow and open it up if someone wants to walk down there in the winter. I was referring more to the spring and cutting grass, potentially getting it fertilized and that type of thing.

Alderman Lopez stated if we have some nice days in the winter, people might want to take a walk down through there.

Mr. Thomas replied definitely. We would definitely go down there with a plow or snowblower, but again it would be a lower priority after we have taken care of the streets and sidewalks.

Alderman Lopez stated Bob MacKenzie is looking at, under Lands & Buildings as you are well aware of, of the pluses and minuses for that particular area for the senior center. As you are also aware, I totally support the Singer Park location.

Chairman O'Neil addressed Item 4 of the agenda:

Seal Tanning Parking Structure (Bid Summary).

Mr. Thomas stated I would like to give you a run down on that project. The bid summary was in your agenda. Three bids were received just recently for the facility. Two low bidders were within a couple of thousand dollars of each other and the third bidder was about \$100,000 higher. The low bidder is RS Orderly and the second low bidder was Harvey Construction. Both in my estimation are excellent contractors. I have to assume because of the closeness of the two bidders who were low that the bid price that came in \$1,598,500 is a good bid based on that dollar spread. You are probably asking what are the reasons for the large increase over what was originally allocated. There were basically two main reasons. One, we knew fairly early that the construction costs were going to be higher than what was originally defined in the construction cost and that was because of sub surface problems. That site has been filled in. There are still parts of buildings underneath, etc. and in order to provide a proper foundation for the structure, piles are required to go in. The cost to install piles to support the foundation increase the cost by approximately \$200,000. In addition, the consultant was given the directive to try to maximize the number of parking spaces on that site for the scheme that was submitted. They were able to achieve additional parking. The proposed parking went from an additional 70 spaces to 96 spaces. Obviously, there are some costs connected with that, however, if you take a look at the overall cost per space, the increase per space is only modest when considering the piling. Originally as I mentioned the project was identified at one point \$2 million and part of that construction was about \$1.1 million. I would recommend that the City proceed with this project because I think the bids are good and that the Committee authorize the total allocation of \$1.7 million. Later on after I discuss the purchase of that railroad property I will go through a funding scenario as to how we can fund both projects. A little bit of information on the construction. If we can proceed with this construction immediately, the contractor, RS Orderly, has projected a completion for the project around the first of June, which I think is very ambitious. I believe the contractor has the capabilities of completing it in that time period. Again, I would recommend to the

Committee that they authorize funding up to approximately \$1.7 million. This recommendation is subject to acquiring a temporary construction easement. We have been coordinating our activities with the abutter down there that we need to acquire this temporary construction easement from. We have not received it yet. There is some concern over the allocation of parking, but we feel that between the efforts of City staff and this abutter that hopefully this will not be an issue that is going to substantially delay proceeding with the project.

Alderman Levasseur asked when do you think this is going to get started again.

Mr. Thomas answered if we clear all of the hurdles in the next couple of days and I have authorization to execute the contract, I could have the contract signed by the beginning of next week and the contractor is geared up to start almost immediately.

Chairman O'Neil asked, Frank, do we need all seven recommendations approved.

Mr. Thomas answered well I would like to do it because if you are looking at that funding analysis, basically what I have tried to do is identify monies already spent, monies committed and there are projects that I want to make sure have your blessing. Through the Riverwalk Committee at the staff level, some of the projects such as relocating power lines, were approved but I think it is at least wise on my part to fund those by getting your authorization because the bottom line is that after tonight hopefully we are going to commit the entire appropriation of \$4 million so I would just like to spend a minute on that at the end if that is all right.

Chairman O'Neil asked if we took an action on the first six recommendations, leaving the seventh for Item 5, if we took a motion on that would that make sense. If I understand what was put together here we need...we actually to address Items 4 and 5 we need to do all seven items, correct?

Mr. Thomas answered if you took action on Items 1-6, you would be able to take action on the Seal Tanning Parking lot.

On motion of Alderman Thibault, duly seconded by Alderman Sysyn, it was voted to approve recommendations 1-6.

Chairman O'Neil addressed Item 5 of the agenda:

Communication from the Public Works Director requesting consideration of land acquisition of Guilford Transportation Property (adjacent to Rubenstein Lot).

Mr. Thomas stated the last item as you mentioned was land acquisition of some property owned by Guilford Transportation. The property in question is located east of Singer Field and the South Commercial Street parking lot, south of South Commercial Street, and west of the Rubenstein property. It is kind of a little parcel that is surrounded by City property. In my estimation and other City staff people, we feel it is a very desirable piece of property. The reason is because it is surrounded by other City property and if we acquired it we could maximize our potential in that area, whatever that may be in the future. It immediately is going to benefit us by the construction or relocation of the power lines away from Singer Field and the future stage location and it will allow us to facilitate construction of that parking lot on the Rubenstein properties because we really needed to acquire an easement across this railroad property to outlet drainage anyway. So, it is a highly desirable piece of property. The parcel is 17,922 square feet in size. The value that has been priced on it is \$44,805. This value has been looked at by the Assessor's Office and the response back is that it is fair compensation for this parcel. So, I am recommending that the Committee authorize the purchase of the property subject to the review and approval of the Lands & Buildings Committee. Recommendation #7 is to allocate \$47,000 to the purchase of this property. We have rounded it up a little bit because quite frankly there may be some recording fees and whatnot just to cover all costs.

On motion of Alderman Pinard, duly seconded by Alderman Sysyn, it was voted to approve the land acquisition of the Guilford Transportation Property subject to review and approval of the Lands & Buildings Committee and the City Solicitor.

Chairman O'Neil stated this is all within money we have already approved. It is just reallocating the money.

Mr. Thomas replied that is correct. Again, my correspondence tried to summarize in written form what I was proposing and then the last page, the table that is there, the column on the right notes in bold the action so you can see what was previously allocated and what we are recommending to do. The bottom line is that the \$4 million that has been appropriated to date, after we go through this process, will be totally committed.

Alderman Lopez stated in one of the reports here in reference to the bridge where the non-profit organization has been established and some people want to donate money confidentially, and City funding needs to be discussed and should work hand in hand with Federal and private funds, are you doing that or is Bill doing that. Where do we go from here?

Mr. Thomas replied I didn't want to touch base on that too much. I think there are going to be some announcements coming down the road, but again I think the effort here is going to be a public/private partnership to try to come up with the balance of the money needed to construct that project. There are different things being looked at. Bill and Bob MacKenzie and the Mayor's Office are all actively involved so I just basically wanted to say that we do have some money committed now and there is interest in looking at trying to come up with private money for the balance.

Alderman Levasseur asked the widening of Granite Street Bridge in 2002, are we going to be able to get the Riverwalk through that before the construction or is that going to be around the same time or is that going to be a problem.

Mr. Thomas answered actually we have included the construction of that portion of the Riverwalk under the Granite Street Bridge as part of the Granite Street project.

Alderman Levasseur asked and the Riverwalk will go under the bridge, Frank.

Mr. Thomas answered in that location right now, it is being proposed to go under the bridge.

Chairman O'Neil stated I know there is one other item that Kevin, Bob and maybe Bill need to talk about.

Alderman Levasseur stated I have one more question. Do we have aerial photographs of that whole area? I know that Don Clark is here. Maybe he can get Dean to take a picture out of that helicopter for us so we can get a nice view of what is going on over that whole section. Do we have any nice black and whites or anything right over Rubenstein and the Singer Park area?

Mr. Thomas answered no.

Mr. Clougherty stated I just want to take a few minutes and make sure that everybody is clear on the financing options that we will have to deal with if we go along with the Seal Tanning structure. Just a little bit of history. In the early 80's, cities and towns were issuing bonds for McDonalds and K-Mart and things like that and the IRS came down pretty hard and in 1986 the Federal Tax Reform Act prohibited cities, towns and municipalities from issuing debt that would primarily benefit private companies and private individuals. So, since 1986 there have been these tests that you have to pass whenever you are going to issue tax-exempt debt. Basically, the rules that they put in were pretty stringent to discourage you from

doing that. Now, when you get into parking garages, if you are going to build a parking garage or in this case a deck and it is going to benefit primarily one company, you flunk the test. Now, that is okay. That doesn't mean you can't do the project. There are a couple of ways to deal with that and that is what I want to talk about. One is that if you flunk the test because you are going to primarily benefit one company or because most of the revenue is going to come back and benefit a company, you can't do the project. There are two ways that you can deal with that. One is you go ahead and as a town issue taxable bonds instead of our regular tax-exempt debt. Now if we went out today and issued taxable bonds, let me give you the difference. If we issue tax-exempt debt today the rate is about 5.50. If we issue taxable bonds, the rate is about 7.60. So you are talking about 250 basis points or 2.5 percentage points. That is still a pretty good rate from where the companies sit, but what it does is it rides up your debt service and it has an affect on some of the things that Bob is trying to balance with his CIP plan and how much debt you can issue. That is one option that is available. The other option is that the key in the Federal tax law is that it is not by project. The measure isn't by project; it is by bond issue. So, you could take a project that is \$1 million and fold that into a \$20 million bond issue and the 5% works so you can get away with...that project may not qualify on its own but when you bundle it with everything else, it is still less than 5% of the total bond issue and you can do it that way. So, there are a couple of things that are available to us and as we are going along on this project we want to make sure that the Board understands that. The 144 spaces that are already on the ground aren't an issue as I understand it from talking to the people this afternoon. Those were issued before and I don't think there is a problem on the 144. You can do with those as you see fit. We will look at that in more detail, but I think you are okay on that. It is the new deck that we would have to wrestle with as financing. Worse case, we may have to spend some more money in interest costs to do the project. In best case, we may be able to fold it all under a bigger project and it is a non-issue, but we want you to know that because at some point in time I may come back to the Board and say we have to move this bond issue to that bond issue to do a little footwork here to make sure that we comply with the tax law and get the project done.

Chairman O'Neil asked but you are not ready tonight to make a recommendation to the Board.

Mr. Clougherty answered I won't be tonight because what has to happen is as you get out and look at the project and Bob starts to wrestle with all of the CIP projects and all of the potential bad money items that we are looking at, you may find out that you want to put in a string of meters in 10 spaces or something in order to make sure you qualify so you may get done to some nits and nats that you have to do some things on in order to make sure we can get these bond issues done, accommodate the companies and get the lowest possible rate that fits in his plan.

That is fine and we are prepared to do that. We are just not at that point now because we haven't finished the planning and you haven't looked at all of these things.

Chairman O'Neil asked but this does not...this allows us to continue to move forward and get Frank to award the construction contract and get this thing built. It is just something that we are going to have to work out during the process. It shouldn't greatly affect what we are doing, it is just how does it fit into our...

Mr. Clougherty replied right and the other thing that gets complicated or gets confused in all of this is you have tax exemption and taxable issues and then you have revenue bonds. If you, just based on the numbers I have looked at for the cost of it, if you go to \$1.7 million, the debt service that you will have to pay on that if you wanted to have these revenue bonds you would have to charge over \$100/month per space, which is not going to work. My understanding is it is either going to be a tax exempt or taxable issue. You are never going to recoup all of the cost of those spaces. You are doing it for economic development purposes in the City and you have to subsidize. I think that is where we are. I just want to make sure that everyone is clear so that as we are going down this path we may have to come back in after for some help.

Chairman O'Neil asked is that something that the Board will have to take action on at a later date.

Mr. Clougherty asked on what.

Chairman O'Neil answered determining which...

Mr. Clougherty interjected no. I think the resolutions that have been adopted to date give me the flexibility when I issue them but I will look with Bob to make sure that if I don't...we want to make sure that we get the best rate we can and we want to make sure that we can accommodate all of the projects that he is trying to do and to do that sometimes we have to come back to you and say well we have to move this from here to here.

Chairman O'Neil asked it won't affect lease agreements that the City has worked on or any of that. It is going to be all on our end?

Mr. Clougherty answered correct. That is my understanding based on what I know about it to date.

Mr. MacKenzie stated I am not sure what final lease agreements have been made but the goal is to try...

Mr. Clougherty interjected I haven't seen them. The lease agreement. I haven't seen it.

Chairman O'Neil asked well isn't there a general understanding of what the cost per space is going to be.

Mr. MacKenzie answered yes.

Chairman O'Neil asked you are not going to come back and say to the owners now we need \$25 more per space. What happens is going to happen on our end, correct?

Mr. Clougherty answered yes. It is really up to you. You know what the cost of the facility is going to be. Frank has guessed around \$1.7 million from what we heard tonight. You know how many spaces you have got so we can tell you what the debt service would be on that and if you just take the debt service and divide by the spaces from what I have seen it is about \$100/space and you charge them about \$45 now so you are not even halfway in terms of recouping that. So, we would take the revenue and obviously that parking goes against the bond, but it would have to be a general fund contribution as part of your CIP planning process and that is the way it has always been. You always know that and that is why I am telling you tonight that the debt service may go up.

Chairman O'Neil stated just to review, you can make this determination as Finance Officer what is in the best interest of the City.

Mr. Clougherty replied I think it is myself and the Mayor on the resolutions. If I am not, I will come back to you guys and say this is where we are and this is what we will need for additional action to get it done.

Chairman O'Neil asked so this is for information only.

Mr. Clougherty answered yes.

Mr. Thomas stated I want to make it clear that Kevin mentioned that by rights I can sign the contract and there is no hurdle there. The hurdle that I presently have is that I don't have a construction easement because the garage goes right up to an abutting property line. So, we still have a little hang up that could delay the start of construction. In one respect Kevin is correct. From the City point of view we have the money to spend. Unfortunately, until we resolve some issues with parking allocations, etc., I can't go ahead until I do have that easement.

Mr. MacKenzie stated I would like to just add for the record, I know this sounds like a sizable investment for the City but you have to remember that this parking is critical for the private expansion that is going on now and that could be on the order of \$8 million of additional investment in the area and when you start to look at the tax implications of that, that is on the order of almost \$250,000 to the City in net gain in terms of taxes. So, it is important for economic development, but it is also a good pay off in terms of an investment.

Mr. Clougherty stated my only point, Mr. Chairman, was I can make certain distinctions within the tax law. I can't just automatically go in and say whatever it is it is. We will obviously try our best to get the best deal for you, but I may have to come back. I just wanted you to be aware of that.

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

A True Record. Attest.

Clerk of Committee