

City Council Work Session
Lafayette School

November 15, 2004 – 6:30 p.m.

Conference Room A

City Council Present: Mayor Evelyn Sirrell, Councilors Grasso, Ferrini, Pantelakos, Hynes, Raynolds and Whitehouse

City Council Absent: Assistant Mayor Hanson and Councilor Marchand

Officials Present: John Bohenko, City Manager, Cindy Hayden, Deputy City Manager; Suzanne Woodland, Assistant City Attorney; Steve Parkinson, Public Works Director; Nancy Carmer, Economic Development Department; David Holden, Planning Director; John Burke, Parking & Transportation Director; David Moore, Community Development Department; Steve Griswold, Deputy Fire Chief; and Robert Sullivan, City Attorney; and Kelli L. Barnaby, City Clerk

Others Present: George Robinson, Executive Director of Portsmouth Housing Authority; Ted Connors, and John Leith, Housing Authority member

I. Call to Order

Mayor Sirrell called the Work Session to order at 6:30 p.m. Mayor Sirrell said this meeting is for the City Council to review the proposal as submitted by the Portsmouth Housing Authority for the proposed reuse of Lafayette School.

II. Introduction

City Manager Bohenko said that the City Council received a letter from Mr. Robinson, Executive Director of Housing Authority regarding the proposed reuse of Lafayette School and requested a Work Session to further review the matter.

III. Presentation – Site & Building Issues/Past Uses

Deputy City Manager Hayden reviewed the history of the site and past uses of the building. She advised the City Council that the proposal would not effect the playground or basketball court. She reported that the building has been vacant since 1997. She discussed the replacement of playground equipment that took place in 2001, which also required some drainage issues to be addressed through the process. She advised the City Council that this proposed use would not create a large impact on parking and traffic.

IV. Discuss Reuse of Lafayette School

George Robinson, Executive Director of Portsmouth Housing Authority advised the City Council that they would like to obtain a lease for the purpose of creating 10 affordable workforce-housing units. He said 5 of the units would be set aside rentals for city employees. He reported that the Housing Authority is requesting a 99-year lease for the sum of \$1.00. He said that they would like to have a review of the building and design plans from professionals with estimated costs. He provided estimated costs of \$1.2 million for the proposed development.

V. Discussion and Questions

Councilor Whitehouse said it is a wonderful opportunity but he would like to see the parking issues resolved early in the process.

City Manager Bohenko asked Mr. Robinson the number of parking spaces needed for the development. Mr. Robinson responded a minimum of 15 spaces with a maximum of 20.

Councilor Pantelakos asked Mr. Robinson what he was looking for from the City Council. Mr. Robinson said he would like the City Council to indicate that they would consider leasing the building to the Housing Authority if all requirements are met.

Councilor Grasso asked Mr. Robinson if they are planning on expanding the building. Mr. Robinson said not at this point, the plan is to use the existing structure.

Councilor Hynes indicated that he does not have enough information to make a decision or provided a consensus on the project.

Councilor Ferrini said he would like to see the project proceed through the land use boards.

Councilor Reynolds said he is in favor of the concept and he would like to see a more ambitious effort with tax credits. Mr. Robinson advised Councilor Reynolds that tax credits do not work in this setting because income limits would be above the required levels.

Councilor Pantelakos said that she would like to see the City Council put faith in the Housing Authority for this project. She said that workforce housing is needed and it would not impact the neighborhood.

Mayor Sirrell said she wants to ensure that the playground, basketball court, and trees will not be impacted by the project. She suggested that off-street parking be used for the development.

Councilor Grasso said she wants Mr. Robinson to pursue the project but the City Council would reserve the right not to move forward until detailed figures are reviewed for the cost of this project.

City Manager Bohenko advised the City Council that the Planning Board could review the proposal in order to conduct site review and layout parking as well as other issues. Planning Director Holden said that the Planning Board could hold a work session and receive public input on the project.

The City Council agreed by consensus to allow the Portsmouth Housing Authority to move forward and obtain figures for the proposed development.

At 7:15 p.m., Mayor Sirrell closed the meeting.

Sheraton Conference Center and Parking Garage Work Session

Mayor Sirrell called the work session to order at 7:30 p.m.

VI. Introduction

City Manager Bohenko said we are here to discuss a public private partnership for a proposed conference center, hotel and parking garage at the Sheraton Hotel. He said that Steve Griswold, owner of the Sheraton approached the Economic Development Commission with the expansion idea back in 1998. The Economic Development Commission then set out and created the Northern Tier Study. City Manager Bohenko reviewed the map of the northern tier with the City Council. He advised the City Council there is a need for a conference center and this expansion due to the recent closing of Yoken's Restaurant and Conference Center. He said that the expansion would allow the City to host large conferences and it would become a prime venue in the State.

VII. Presentation – Representative of the Sheraton Conference Center

Steve Griswold, owner of the Sheraton, discussed the original process and memorandum of understanding in addition to the construction of the Sheraton. The original architect for the hotel reviewed proposed plans for the expansion with the City Council.

Don Peterson, representative for the Sheraton, discussed some of the features the expansion would provide in terms of additional hotel rooms and a conference center. He advised the City Council that vehicular and pedestrian access would remain on Russell Street. He reported that there would a connecting bridge from the new conference center to the existing hotel over Russell Street. He reported that the main exhibit hall would be 11,000 square feet and could be split into four sections.

Mr. Griswold discussed the direct economic impacts of the expansion such as the tax benefit, annual wages, and the annual offsite spending in restaurants, attractions, retail stores and suppliers. He also discussed the addition of approximately 300 daily downtown garage-parking spots for use by the public. He reported that the City would maintain the garage.

City Manager Bohenko said that the cost to build the parking garage would come from parking fees with no funds coming out of the general fund.

Sherry Young, representative of the Sheraton, advised the City Council that the new conference center would provide a much needed conference facility in the City. She reported that it would allow the city to compete for larger conferences on a regional basis, including larger New England based events and smaller national events. She said that partnerships would be created with other local hotels for rooms.

VIII. Economic Development Commission Perspective

Dana Levenson, Chair of Economic Development Commission, said that this is a great proposal and much needed for the City with the recent closing of Yoken's. He said this project would assist with the future development of the northern tier. He advised the City Council that being able to provide parking is an important vital economic tool for the City. He urged the City Council to pursue the project.

IX. Review of Memorandum of Understanding

Assistant City Attorney Woodland discussed the proposed Memorandum of Understanding. She advised the Council that the memorandum allows Mr. Griswold or the City to pull out of the agreement if need be and that the memorandum is a working document. City Manager Bohenko said he would like the City Council to allow us to move forward with the Memorandum of Understanding for a vote at the November 22nd City Council meeting.

X. Discussion and Questions

The City Council agreed that they would like to see the project move forward and action on the Memorandum of Understanding would take place at the November 22nd City Council meeting. City Manager Bohenko thanked the Economic Development Commission for their efforts and hard work on the project.

XI. Adjournment

At 8:30 p.m., Mayor Sirrell closed the meeting.

Respectfully submitted by:

Kelli L. Barnaby, City Clerk