



**MAYOR'S BLUE RIBBON COMMITTEE  
ON BUILDING Re-USE MEETING  
Wednesday, September 6, 2006 at 7:30 a.m.  
City Hall, City Manager's Conference Room**

The Mayor's Blue Ribbon Committee on Building Re-Use met on Wednesday, September 6, 2006 at 7:30 a.m. at City Hall in the City Manager's Conference Room.

Present were Mayor Steve Marchand, City Manager John Bohenko, Economic Develop. Program Manager Nancy Carmer, State Senator Martha Fuller Clark. City Council Representatives Laura Pantelakos, M. Christine Dwyer and Ken Smith. Also present were public representatives Heather Hurtt Chair, Tom Heany and Richard Cyr.

**I. Finalize Phase I Goals and Action Plan w/Timeline:**

The Chair referred to the goals that were broken down to Phase I and II which were given to the members.

Councilor Pantelakos referred to Phase II stating that the City Attorney negotiates Non-municipal tenants of City-owned Buildings.

Mayor Marchand felt it is important to emphasize that these are not completely linear, there is opportunity for overlap in terms of some of the work that is done earlier is relevant to the work done later. The negotiation is done by the City Attorney's office, but there is a feeling out there that some buildings some different leases from others, and not so much as what the leases are as a feeling it is almost not fair in some cases. What this seeks to address is that the City Attorney work with the exact details, negotiations.

The City Manager stated there is correspondence in the file of different people interested in various buildings.

The Chair referred to the time line to try and complete Phase I by the end of the year. Phase II will go into 2007 for 2 or 3 months.

The Chair referred to goals – draft, Phase I, Criteria being a foundation setter. The second one, Use Analysis is two part. One is a high level comprehensive use analysis focusing on the big picture Phase I. Beth S-R has a background in Urban Planning, understands the matrix to be put in place to do that kind of analysis and is willing, with other people, to handle this. One thing she added is you really can get a big picture sense of where there is some efficiencies and where there are some inefficiencies. Secondly, at present all the buildings in the City are not under one jurisdiction.

The City Manager stated that the State Law governs this, the School Department will always have authority over their buildings and Charter governs the other buildings and under the Charter the City Manager has authority over all the other buildings. Until a building is declared surplus, you do not have any control.

The Chair stated this Committee has no control, we are an advisory committee making recommendations, gathering information and sharing it. The second part is the research and gathering some public consensus around what the needs are in general and also for the specific buildings being considered right now. There will be some parallel processing as the Mayor stated. The Chair then asked for thoughts on the second goal.

Councilor Dwyer referred to the two-part nature. The importance of identifying both public purposes and criteria related to use outside particular buildings as well as applying them to particular buildings and making sure a time line does not interfere with these two purposes.

Senator Clark referred to looking at the interface between a. and b. the criteria and feels the question is “you’re going to apply this criteria and use analysis to selective properties, not sure what the difference is between a. and b. It appears to her that what we are trying to set out is a list of fundamental principles that we would ask certain questions on any building that the Committee is looking at and it may be that the use analysis may actually be part of c. in the sense of looking at certain buildings and looking at the uses they provide and then going back saying does that really meet the principles or the list of objective criteria.

Councilor Dwyer asked you would only do a use analysis on a couple of targeted buildings?

Mayor Marchand responded yes, there are some buildings that are clearly much closer to the center of the bull’s eye. Thought that Richard Cyr’s proposed criteria was a great starting point to say “what are some of the specific kinds of questions that one might ask when analyzing any building”. There will be a few buildings to start with but they are good questions to help make a final decision. As there are buildings that move into the center of the bull’s eye, the criteria, use analysis and selection of building. They all become very similar.

Tom Heaney stated that we are getting hung up on semantics. State goals, criteria, beginning, state supporting facts for the goals, #2, #3 is putting together an action plan. There are a couple of properties coming before us, almost immediately, and being asked to develop a set of criteria and to look at buildings to meet that criteria which is upsetting the process a bit by putting the cart before the horse. Suggested agreeing to set forth the goals first which is criteria.

City Manager asked are you going to look at non-municipality used buildings and municipally active used buildings? If so, we have a lot of buildings, fire stations, municipal center, Connie Bean, Public Works, Sewer Plant, Water Plant, and needs to know are we going to look at non used municipal facilities and municipal facilities being utilized by municipal government? If so, fine, we already have a lot of this in the existing conditions within the Master Plan.

Councilor Dwyer stated she thought we are talking about “what are public purposes” “what are criteria for retaining or releasing buildings and then only talking about a short list of buildings to which we are actually going to apply that or do any analysis.

Richard Cyr suggested getting very specific about creating criteria and address it to these six buildings.

The Chair said the criteria should be set up so that it can, if there ever was a need for evaluation of another City building that criteria could then be applied to those other buildings.

Councilor Pantelakos stated she would like to see the Committee concentrate on those six buildings. We are here as a Blue ribbon Re-use Committee.

Mayor Marchand stated that over the next several months whatever criteria is set up now, would need to be adjusted even within the six buildings and agrees there is an important to set up a structure that maybe useful for buildings seen and unforeseen beyond the six.

Councilor Dwyer thinks the purpose of the Blue Ribbon Committee is to make some recommendations to the City Council for long term principles or criteria that would be applied. The Committee itself will not make that determination, but will recommend to the Council here are principles that future Councilors should use.

Councilor Pantelakos stated that may be, but no City Councilor following us has to follow that criteria.

Richard Cyr stated the better thing is to come up with a way of figuring out what you are going to do with these six buildings, have some success and that by itself would become a legacy to go by.

Senator Clark stated it seems to her if one session was spent on establishing these principles or criteria feels it would make it easier to move quickly and at least have certain basic over viewing, is it cost efficient.

The Chair suggested it might help to go down to the time line and look at what we are looking at. Suggested putting a question mark next to the comprehensive use analysis and we need to define that and have it relate to the time frame and what is happening immediately. The Library and South Meeting House are important to focus on and have a sight visit next week.

Councilor Smith stated this was done at the Planning Board level and by City Charter has to come back through the Planning Board and Planning Dept. The first thing we need to do is quickly go through the list and base the criteria on the buildings that are left.

Mayor Marchand agreed with Councilor Smith and the criteria is a quick process, what it comes down to is specific matrix or answers to the fooling question: How much value is there to the City in keeping the property, how much value is there to the City in not keeping the property, how much would it be worth on the open market.

Councilor Smith stated we should look at the matrix we already have and then look at what are the holes that aren't being filled. When we come up with the final listing of items, we don't make a recommendation to the City Council, we make recommendations to Planning Board to address their matrix so that those criteria are always looked at whenever a building comes up in the future for a reuse.

The City Manager stated that it should go through City Council to Planning Board.

Laura Pantelakos asked if they can or cannot be sold, whether they have to be kept by the City. Councilor Smith responded there are some with stipulations, but because it has a stipulation on it does not mean you can't sell it with that stipulation.

The Mayor stated all it does in theory is lower the value of it, as you limit the uses of the building you limit the buyers.

Councilor Smith stated by looking at that, granted it may lower the value, it still gets on the tax rolls.

The City Manager informed the Committee there are two buildings that go back to other people if we decide to dispose of it, it goes back to the people.

Council Smith pointed out it is not just buildings, there are quite a few parcels of land, some pretty large, that fall under this, and they are on the list which he will provide the Committee at the next meeting.

Senator Clark asked to go back to the reason we are doing this, one reason is that too often in the past that one proposal may have had more of an advantage in getting the rights to use a building or to acquire a piece of land, what we are trying to do is make sure that whenever the City decides to ultimately dispose of the building that we have done it in a way that it is possible to feel comfortable about going forward that this is a fair and open, transparent process. Why we are spending time on this, working with the Planning Board is to make sure that the matrix we are working within is fair and open to everyone.

The City Manager stated and for everyone to understand that the last time we disposed of a building was the Public Works facility and was done through public bid, fully public, everybody had the opportunity, we had a full analysis of the property, totally public, no one was given any special treatment. It was the highest amount of money we took.

Councilor Smith stated that sometimes it doesn't mean what's the highest dollar amount, it is really what is the best use for what also fits within the neighborhood.

Council Dwyer stated it is the renewal of discussion with the Master Plan in place with additional people looking at it to say what are the key principles for disposing of property, what are the key principles for wanting to provide a favorably use of existing property that we retain and we may just reaffirm the same principles the Planning Board does and then go ahead and apply to the property we have to work with.

Mayor Marchand stated that perhaps a good place to start that may be a brief conversation is with the existing matrix and then see if it needs changes.

Councilor Smith stated that the first step should be to look at the entire list and go through it.

Council Dwyer feels this group doesn't need to look at all the buildings, needs to focus on the ones identified and not try to make decisions about each building. We need to understand as a group what is the criteria the Planning Board used to decide on retaining city property, here are appropriate uses. When deciding to dispose of property here are some guidelines.

The Chair summarized that all were in agreement that we need some matrix criteria to look at, need to gather information around what the public wants and apply that to these specific buildings in a certain time frame. Before delving into the Planning Board's matrix, looked at the initial timeline.

Referred to site visits and the need to visit all eight buildings on the list and scheduled the visits on the off weeks starting with the library and the South Meeting House.

Councilor Pantelakos would like to see site visits do the site review for the Plains, Creek and Athletic Club and asked if these could be looked at on either the 4<sup>th</sup> or 5<sup>th</sup>.

At the October 4<sup>th</sup> meeting whatever criteria we are recommending to the Council that it would be sited and simultaneously will do some financial analysis of certain buildings and the due date would be November 1<sup>st</sup>. Any public input sessions that we would need to do would be November 15<sup>th</sup>. Use Analysis on November 15<sup>th</sup>.

Councilor Dwyer suggested it would make sense to not try to do all the financial analysis of all the buildings, once we have the principles then look at a building at a time as opposed to trying to treat the buildings as a block.

The Chair responded that whatever financial analysis is done for whatever buildings that we have all of it done by the first of November.

Senator Clark stated that there are three buildings, the Rock St. garage, the Plains School and Creek Athletic Club that we might be able to arrive at pretty easy recommendations and put these first so we can perhaps move ahead move quickly.

The Chair asked if the Committee wanted to do Group 1 and Group 2 and put dates around this.

Mayor Marchand stated the Library is the important one as we have a firm date when it will be vacant and a lot of positive and negative ramifications of delaying this. Also feels it generates the most public interest and early successes, Rock St., Plains School and Creek Athletic Club there is a success factor here if you make a quick determination, but the library is a priority and deserves an early start.

Councilor Dwyer stated she would have a hard time going with Martha's suggestion for the reason the Mayor just stated.

The City Manager felt Senator Clark relative to grouping is probably a good idea, but March 31<sup>st</sup> the two leases come due on the Creek and could shave a built in deadline to get some kind of report to the City Council by the end of March 2007.

Richard Cyr's opinion and experience you are better off focusing on one thing at a time and then move onto the next thing.

The Chair agreed that it is helpful to start one thing, finish it and move on to the next.

Senator Clark feels it is important to have the site visits as soon as possible.

Nancy Carmer agreed, it is very important to think of the context of these buildings. Also felt Senator Clark's suggestion of taking those other three might be fast tracked with a subcommittee after getting the basic criteria.

Councilor Smith feels the criteria is important and feels the matrix should be looked at now, have David Holden give his presentation on it and we'll quickly come up with what the current policy is.

The Chair suggested moving on to Criteria and will redo the timeline brewing out sort by buildings or grouping of buildings.

The Chair passed out an informational matrix from the Planning Board. David Holden went through the Matrix stating the Planning Board has used this for a number of years which was developed as a basis rising from the Charter requirements the Planning Board report back to the Council. It was taken from a Federal guideline for an environmental impact statement. What it is meant to do is quickly take on the depth you want to go into, either a quick overview or to be an in depth study of how a property is proposed to be reused, how it is being used or how land might be used in the future. It is rather comprehensive in that it directly addresses the Master Plan and Zoning Ordinance, directly addresses impacts on proposed use, noise, air quality and environmental design. It directly gets into historic values and also addresses potential impact on the community, community services and facilities. It can be done either as a brief overview of each property and define areas you need to obtain more information or go directly into it and go as deep as you need to. It has been used for a variety of rezoning and sale of City property, it forms a basis of what was done on the Lafayette School, formed the basis of disposition of Public Works taking a look at zoning, how it can be developed, it all evolves from this. This is offered as a basis of a format or framework from which you can then base your discussions and decisions. The final page is a summary of the issues basically indicate what the particular concerns or

particular goals are. The Master Plan goals fit directly into #1, and from there goes out to the general community's interest.

Councilor Smith asked David Holden if he could run through how the Rock St. parcel would be looked at and run it through the matrix to see how it works.

David Holden responded that you first take a look at the Master Plan in how it relates, it would highlight that the area has a lot of industrial use and mixed uses including residential in the area, you would quickly identify that there are a lot of compatibility issues, slow corrosion soil would not be necessary, hazards would jump out because of the proximity to the rail line, noise would come out because of same, air quality would not necessarily be an issue. The environmental design you'd be looking at the value of the existing structure and that would carry over to historic values, i.e. railroad shed built about 1880, historically used for storage. The character of the neighborhood would not be affected by reuse, probably would be beneficial, no displacement, employment and income patterns could be affected. What would come out under community services and facilities you would discover that DPW uses the biding for significant amount of storage, so they might indicate it would need to be replaced in some manner. Natural features, probably find out it is in the flood hazard zone or in an area prone to flooding. Then you'd go into the natural features.

Councilor Pantelakos stated if we set up our own criteria it still needs to go back to the Planning Board.

City Manager stated only if you want to dispose of the property. If you want to lease the property you could do it via the City Council. This only requires if there is a disposal of the property.

The Chair thanked David.

Senator Clark suggested that the City Manager give us for the next meeting a page showing what the process is in terms of decision making for the sale, lease of property and for retention of the property, who makes those decisions.

The City Manager responded ultimately it is the City Council. If you dispose of City property, sell it to somebody, whoever is requesting the purchase of the property would send a letter to the City Manager who would send it to the City Council. The Council then refers it to the Planning Board for a report back and then David would work with the Planning Board to fill out that matrix and the Planning Board would report back to the City Council and then the Council would look at it and say you want to dispose of this and would be done by sealed bid or negotiated sale.

This would be on a case by case basis. In the event there is a request for a lease, there has never been a set criteria for that, if there was something available, we have tried to utilize non-profits or arts based organizations for those leases. We have a requirement at the Seybold building for the next 20 years to have non-profits that benefit primarily low or moderate people as we received over \$800,000 community development block grant money to upgrade that facility, so this is a requirement for the next 20 years which makes things easy when people come and ask about space in the Seybold building we have certain criteria already established and they have to meet that. With regards to a building becomes available such as the South Meeting House and an academy wanted to utilize that, the matrix that Dave handed out would be important as it shows what is around the facility so does it fit the environment. You also need to set a criteria, it is important, but it also comes down to almost to a case by case as to what will be the best use if you are going to lease it. The Council will look to public input, look at the criteria from the matrix and ultimately as the policy making board of the City, will determine what is in the best interest of the City, if it's a dollar a year for a program adding value to arts or recreation that might be better to a law firm or bank.

Councilor Dwyer stated this is key set of principles that this Committee needs to develop for when we are going to give what she called "favorable reuse". We have focused on disposing and

yes it is important part of it, but then there is the retaining and then after the retaining there is when are we going to give below market reuse from a lease perspective.

The Chair then referred to the sheet passed out to the Committee regarding Criteria – Draft.

1. The use of the property will be for an “essential public use”.

Councilor Dwyer stated we may want to get more specifics than that.

2. City Ownership of the property helps effectively achieve goals put forth in the Master Plan.

The Chair went through the Master Plan pulling out some goals that seem to link with this area.

Councilor Dwyer feels we need to have discussion around criteria and priorities for “below market or favorable conditions reuse”.

3. The current or intended use of the property is the “best and highest use”.

Mayor Marchand stated that the existing information matrix fit well and put a sub header under them for more detail, but most of the goals on list either fit well already and you do not need to go to far to complement it.

Councilor Dwyer stated two other areas in the Master Plan, entrepreneurship and creating space for high income jobs.

The Chair heard from Council Dwyer she may be more favorable in selling it to an entrepreneur kind of use.

Councilor Dwyer said the other goal is related to transportation and goals that facilitate more kinds of alternative transportation uses.

Senator Clark stated the other issue to look at is there is nothing to do with issue of sustainability and environmental value. One other issue we should be trying to evaluate the use in terms of will it promote smart growth and opposed to sprawl. If you strengthen your core it will save the City in terms of certain kinds of costs in terms of whether it is sewer, electricity, as you move further out you have different kinds of impacts and another piece is we want to determine whether or not it is going to strengthen or perhaps weaken downtown or intercity revitalization.

Councilor Pantelakos stated this is public property and we are able to set down a criteria that says I have to be an entrepreneur in order to buy this property.

The City Manager responded what would happen is if you have reuse of a building that would be a long term lease, the City could set up a set of criteria and rather than going to the Planning Board for leasing would go to City Council, so that when a building is available you go through this criteria and then basically put out a Request for Proposal (RFP) that would reflect this criteria and somebody would come in and make a proposal based on that and the Council has a right to do that.

There also is a negotiated sale that you could do but would have to be a public process, rather than a sealed bid or auction you would follow this criteria as described and put together a RFP and the Council could then short list the RFP down to three people they are interested in and have those three entities come in, present the reuse of the property to the Council and then using your criteria you could then say we believe this is in the best interest of the City.

Nancy Carmer suggested in addition to the matrix some of the things we have talked about to add to that would come under category Community Impact and Vitality.

The Chair stated the current or intended use of the property is the best and highest use, is the location the best location for the intended use, is the square footage adequate for the current use now and in the future. The situation with the library is they have that property but grew out of the space. The financial analysis of the property is it favorable for City ownership, which is looking at market value, assessed value, how much will it cost to make the capital improvements, how much are the operating costs, what is the return on investment for the current use. This is a real key part to balance this with everything else.

The Mayor stated two recent examples are the South Meeting House and Lafayette School there have been determinations made by various parties, UNH did a preliminary study saying it would cost money, which was early in the process and some groups were interested and said not for us. The City Manager referred to the Lafayette school that the neighborhood was against certain reuses and the Council at that time chose to reject all proposals and go back to the drawing board. The Lafayette School is a good case study as to how you could follow a criteria and then find that ultimately with public input that doesn't go forward.

It was decided that the Library would be visited first and check with the Children's Museum for a visit on Wednesday, September 13<sup>th</sup>, Nancy Carmer and Everett Kern will attend. The City Manager will not be available. Mary Ann will be asked to be present at the Library.

Mayor Marchand asked if there was a general idea of how long the tour will take, what we are seeking to get out of it.

The Chair asked if the building were to be sold what some of the restrictions might be would be helpful.

The City Manager stated that the exterior is pretty straight forward, but the interior is new ground for us because the State Historic Preservation Office has indicated they want to see certain things preserved of significance and have not defined it yet.

The Chair asked the Committee to look at the financial analysis we will be doing on these properties and what that involves and looked for volunteers who have some financial experience in doing this and would be willing for the next meeting put together some sort of data that we should be looking at, operating costs.

Councilor Dwyer stated that a good template would be the UNH study on the South Meeting House.

The City Manager suggested doing it internally as a staff function and then the Committee can tweak it. We will use the UNH study as a template and pull the information together.

The City Manager asked Richard Cyr if he would like to spend a few minutes, to use his expertise would be helpful and put together a template. Will set up a meeting with the Finance staff before the next meeting.

The Chair asked Councilor Dwyer if she could think about public input ideas for the next meeting and come with some ideas about what research we could do and how it should be formatted.

Mayor Marchand stated there are four separate but related criteria, tours, public input structure and putting together numbers,

The Chair stated the next meeting will focus more on this criteria and in terms of prepping for that, a couple of people could work together in order to move it along and come to meetings with ideas to discuss.

Councilor Smith offered to sit down with David together with the Chair and Senator Clark and have a meeting prior to the next meeting. The Chair will ask Beth Shepard-Rabadam if she is available and Councilor Dwyer will be available by phone for a criteria work session before the next meeting.

The Chair asked if there were any other thoughts.

Mayor Marchand responded there is enough grinding within the next two weeks that he feels good that it will be well clarified in a number of ways.

Respectfully submitted,  
Heather Hurtt, Chair