

**CITY COUNCIL STANDING COMMITTEE
COMMITTEE OF THE WHOLE**

Monday, August 10, 2015 – 6:00 p.m.

Kyrouz Auditorium – City Hall

-MINUTES-

Present: Councilor Paul McGeary; Vice Chair, Robert Whynott; Councilor Joseph Ciolino; Councilor Melissa Cox; Councilor Steve LeBlanc, Jr.; Councilor Greg Verga; Councilor Paul Lundberg; Councilor William Fonvielle; Councilor Robert Stewart (entered the meeting at 6:04 p.m.)

Absent: None.

Also Present: Mayor Sefatia Theken; Linda T. Lowe; Jim Destino; John Dunn; Chip Payson; Tom Daniel; Sal DiStefano; Gregg Cademartori; Donna Compton; Nancy Papows; Fire Chief Eric Smith; Tim Good; James Pope

The meeting was called to order at 6:02 p.m. The Council President announced that this meeting is recorded by audio in accordance with state Open Meeting Law.

Flag Salute & Moment of Silence.

Council President McGeary explained that it is unusual for the Gloucester City Council to meet as a Committee of the Whole (Committee of the Whole). As a Committee of the Whole the Council can consider any matter which is lawfully before it. When the Council has concluded its discussion including any amendments or suggestions the Councilors may wish to offer in this matter, the Committee of the Whole will “rise and report” the results of its deliberations to the Council which will debate and adopt or amend any recommendations put forward by the Committee of the Whole. The Council has only two jobs as a result of the Committee of the Whole deliberations and actions that are to approve the selling price of the Fuller property and to dispose of the property itself. He said the intent is to have a full discussion on the matter of the Fuller RFP, and offer to the Administration any ideas that may come out of it.

He then announced in order to create a Committee of the Whole he would accept a motion to form it

MOTION: On a motion by Councilor Whynott, seconded by Councilor Cox, the City Council voted 9 in favor, 0 opposed to resolve itself into a Committee of the Whole to take under consideration the matter of the draft Request for Proposal for the Fuller School Site.

Council President McGeary said under Robert’s Rules of Order that the Council having voted to convene the Committee of the Whole he must appoint a Councilor other than himself to preside, and so appointed Councilor Paul Lundberg to act as Chair of the new Standing Committee of the City. He then vacated the Chair’s seat.

Councilor Lundberg, Chair of the Committee of the Whole, said the Committee would hear a presentation by the Administration and the Councilors will be able to question them. He made clear that this was not a public hearing, but a public meeting. He suggested that when the Council meets and hears the report of the Committee of the Whole, that there would be a public hearing. He said that the Council has the ability to hear public testimony if they wish, and would hold that in abeyance pending the Administration’s presentation. **Councilor McGeary** clarified that the Council approval of an RFP doesn’t require a public hearing only an action of the Council.

Mayor Sefatia Theken addressed the Council reviewing that the Fuller Request for Proposal (RFP) was developed by her staff with the services of a marketing analyst. She asked the Council look at the RFP with an open mind. She noted some Councilors have indicated they would prefer that a portion of the entire parcel be kept in reserve for a future municipal use, but that her staff would address why it is not recommended, as well as the reason why the selling price is pegged at \$1. She said this is the chance for the city to stop being a landlord, to look forward and not being afraid to succeed in expanding Gloucester’s tax base and expand jobs. With a portion of funds realized from the sale of the Fuller property, she announced she wants to do a real estate analysis of all city property, school side and city side.

The Mayor spoke to the city’s need for infrastructure improvements in the schools but there is no money. She said there is no more money to borrow. She said before she could ask taxpayers for a Proposition 2 ½ override or a debt exclusion, trust has to be built with the community. The schools need rebuilding; the safety departments need to be rebuilt. The School Department is looking at what is being done in order to complete their building infrastructure plans. There needs to be an open mind as to how to rebuild the city. She asked the Council to listen to the

Administration and to work together to further the city's agenda, reminding the Council that she sat with them for 13 years. She also recounted that as part of the development of the RFP before the Council that each of Councilors gave input on this parcel. She reminded the Council of the Maplewood School bidding and sale process as a cautionary tale. She asked the Councilors to put the needs of the city first and work together to make the city's infrastructure ready for the future. She said the city cannot borrow any more money for a piece of property that will sit for years like other communities.

Jim Destino, the city's chief administrative officer, thanked the Council on behalf of the Mayor for the opportunity to present the RFP for the disposition of the Fuller site. He said drafting the RFP is a team effort; different city departments came together to devote significant time to the project which produced an RFP that provides the framework for a successful development to the Fuller site. He highlighted the following:

- Land Lease. A land lease was considered but was rejected – the sale of the land is more attractive to prospective developers and makes for a more competitive proposal.
- A sale is likely to result in more investment in the project than a lease and more money offered to the city for the property which translates into more tax revenue for the city in the future.
- In a sale the city gets the money up front as opposed to annual payments over the term of a lease.
- The lease would put the city in a position of a landlord for at least forty years which is not a municipal strength.
- Reserving a piece of the Fuller property for Municipal Use. Under GCO Sec. 2-3 (a)(6), “The mayor shall not recommend and the council shall not approve the sale or other disposition ...of any parcel of land that is less than the entire lot as shown on the city assessor's maps.” This ordinance indicates that the city can't for the purpose of selling the Fuller property carve the property up so it becomes less than a lot shown on the city's Assessor's map.

Mr. Destino indicated the Administration doesn't think that that Sec. 2-3(a)(6) is a good ordinance because it has no flexibility. He indicated his research showed that in 1987 General Counsel for the city, Brian Cassidy, said, “There are instances people have asked to purchase a part of a section of city-owned or school property. This causes problems in having maps drawn and surveying problems to extract out of a large parcel of land a relatively small portion of land.” He said the Administration would support an amendment to the Code of Ordinances to do away with this section of the ordinance, but not for the Fuller site.

- City Debt Service Capacity Analysis. A debt service analysis in the General Fund was undertaken by the city's financial team, to address the type of building improvement debt (municipal, school). There is \$16.5 million in annual debt service across all funds considered very large for a city of Gloucester's size. Over the next 10 years, \$8 million of the annual debt service will run off with \$5 million coming from the general fund portion of the debt service. Of that \$5 million in General Fund run off, half comes off in Fiscal Years 2016 and 2017, as previous borrowing for previous school remodeling projects is paid off. In FY17 the city receives the last of the approximately \$1.5 million in old Mass. School Building Association (MSBA) annual grant revenue thereby reducing capacity by that amount. Additionally the West Parish School borrowing will start to come on stream in the next several years adding \$2 million annually to the city's debt service. There are also on-going infrastructure projects -- the Commercial Street infrastructure project; the Boulevard seawall project; and necessary building improvements, all pegged at about \$5.25 million in bond debt to be issued at their completion. While it is expected there will be \$5 million in General Fund capacity to become available in 2025, there are offsets of approximately \$4.2 million-- if there is no additional borrowing for the next 10 years. It was noted that as a result, it doesn't leave capacity for another West Parish-sized project unless it is outside of the city's operating budget in the form of a Proposition 2 ½ override or a debt exclusion.

Mr. Destino addressed some strategic decisions written into the RFP:

- Use -- public purpose. As result of the Fuller Site workshops that most attendees favored a mixed use development, consistent with the non-binding ballot question of 2013. This makes the RFP open to a wide range of uses. As stated in RFP, the objective of the sale is to promote: “...a mixed use development that may include a mix of commercial, industrial, residential and/or community service uses benefitting the residents of Gloucester.” He said that the Mayor feels this is consistent with the public's wishes as attested by the non-binding ballot question.
- Timing. The Administration believes now is best time to issue the RFP to capitalize on two economic factors -- low interest rates and a strong real estate market. It was noted resulting from this favorable environment, it is ripe for new development to be taken advantage of in order to move forward with the Fuller site sale and development.

- **Minimum price.** The Administration understands the Council sets the price for the RFP. Based on the Administration's research and discussions with other municipalities and experts, the minimum bid is set at the nominal rate of \$1.

Mr. Destino said that there are strategic reasons for setting a \$1 minimum bid which the Administration would be able to discuss with the Council in executive session and share professional appraisals if they wish to do so. He said the goal is to solicit as many proposals as possible, and that this is the best way to do that. He said that on behalf of the Mayor he commended his colleagues in the Administration for their hard work and collaboration to get the RFP ready for public release. He also thanked the Council for their participation and partnership in the RFP preparation process, saying that they all want what's best for the city.

COUNCILOR QUESTIONS:

Councilor Ciolino said he understood the quote of GCO Sec. 2-3 (a) (6) but stated his opinion that if the city subdivides the lot before going out to bid it would satisfy Mass. General Law and then be included in the RFP.

Chip Payson, General Counsel, said that in his opinion, the city can't subdivide the Fuller property first and then put an RFP out once it has been subdivided. He said the intent of ordinance says they can't do that and then proceed to sell the property. He pointed out that the ordinance would have to be changed by eliminating this section.

Councilor Ciolino said he was told by other attorneys the city could do that. **Mr. Payson** said he disagreed with that assessment, and that Tom Mullin, an attorney and city consultant who has practiced property law for 30 years, agreed with his assessment. **Councilor Ciolino** said at one point subdividing the property was an option for the purpose of a combined emergency services building and expressed his continued disagreement with Mr. Payson's assessment. **Mr. Payson** then gave this example: The RFP is put out to bid, and the city receives three bids and the city gives the property to the first bidder. The second bidder sues the city. A judge looks at the ordinance on the books, its intent and looks at what the city has done, and he said that in his opinion the judge would say the city violated its own ordinance. He said the Council and the Mayor put the ordinance in place and are free to change it and get rid of it. He reiterated his legal opinion that the ordinance as it stands says that they can't carve up a piece of property up and then sell it.

Councilor Lundberg suggested that the Administration's legal position might not be the most important thing but rather that the use of the property. He said that some Councilors may want to reserve some of the property for municipal use. He asked that the Council put a hold on the legal argument and move onto the question of what is the best and most valuable use of the property. **Councilor Ciolino** continued to express that he held the same opinion after General Counsel's input. **Mr. Destino** said the Administration agrees the ordinance is a bad one and supports the Council eliminating that section of the ordinance, but they don't support the subdivision of the Fuller property and then selling it. **Councilor Lundberg** said the city is telling the Council it would have to change the ordinance first before a subdivision of the Fuller property could be done. He asked they leave the issue there and move forward with the merits of the RFP.

Councilor Fonvielle spoke to the minimum bid of \$1. In reviewing the ordinance and MGL Ch. 30B, he said it is apparent in both the ordinance and state law language that what was envisioned in the process where the market value is determined for the property is the "opening salvo" and questioned the usefulness of \$1 bid. He asked how the city legally moves around that. **Mr. Payson** said he hadn't seen anything in the statute to prohibit a \$1 minimum bid. He pointed out it has been a practice in other communities to put bids out at \$1 or with no bid price. **Councilor Fonvielle** rejoined that while the state statute doesn't forbid a \$1 minimum bid, by tenor of the language envisions a process where a market value is determined. **Mr. Payson** said just because the statute is silent, it doesn't bar putting something out to bid for \$1. **Sal DiStefano**, Economic Development Director, said that a lot of work went into the RFP by the Mayor and team by looking at successful RFPs that ended up in a sale, which research was used to model Gloucester's RFP. Through analysis of these types of RFPs from cities throughout the state that a common factor was that the RFPs either didn't list a minimum price or listed a \$1 minimum price. He said by setting an arbitrary price sets an artificial ceiling to prospective developers what the city is willing to accept. He added that if the city doesn't receive the minimum bid then they must reissue the RFP at a later date with a lower price or not do anything at all. He suggested it would become a situation of the city bidding against itself. He said the point is to make the RFP as open and inviting to developers as possible and to solicit as many responses as possible to eliminate any barriers.

Councilor Verga said that the RFP is excellent with the exception of the \$1 minimum bid. He said the Councilors did meet with the consultant individually or in small groups to convey their opinions and had in their minds what the property should or could sell for. He pointed out that if the city gets bids back that aren't what they expect they can turn down the bid, which **Mr. DiStefano** confirmed. He said the spirit of the ballot question included some municipal use. He said they also have to determine whether it is important to retain a piece of the property for municipal use. If that is the case, the Council will have to change the ordinance and then issue an RFP.

Councilor Whynott said that he didn't agree about selling the property at all. He said once the city sells the Fuller property, the money gained from the sale will be gone in a year and the property gone forever. He suggested if some neighborhood schools become unsustainable, in order to consolidate several schools there has to be someplace the school district can do that. He said that letting the last large city property go for short money is not appropriate. He added he agrees with Councilors Ciolino and Verga that the city should save some of the property and start the process tonight to change the ordinance which was designed for people who had a residential lot. He said he doesn't think the Fuller building is a tear-down. Had they let someone like Kirk Noyes (developer of several former city school buildings) assess the property they may have had a different result.

He suggested that a PILOT (Payment In Lieu Of Taxes) program with a non-profit could work, and he asked if they put an RFP out can they include something that says that any non-profit that now and future will have to pay PILOT fees. **Mr. Destino** said that option is included in the Fuller RFP. The property can be owned by a non-profit or owned by another entity and could be leased -- the property would still be paying taxes, other than a PILOT. He noted the marketability of the site and the debt capacity analysis of the city. He suggested that if the city holds onto the property for 15 years or longer because the city can't afford to erect a building on it, something will have to happen with the Fuller building. He pointed out that anyone who has been the building will acknowledge that the building has to be torn down which would mean borrowing \$1 million to do it. He said the Administration is trying to turn a liability into an asset. He suggested that if the Council wanted to pull out a piece of the property for a public safety building, it would need to look at all the needs of the city. He suggested that the biggest need for the city is expanding its commercial/industrial base as a way to alleviate the residential tax burden. He said this is the prime piece of property to do that. Municipal consolidation doesn't belong in a prime industrial/commercial property, he added, and that the timing is right to do it now. **Councilor Whynott** pointed out that the city has never put out an RFP with a \$1 minimum bid before, and highlighted the process for the successful development of the Eastern Avenue School. He said they should put a price on the Fuller property. **Mr. Destino** recounted for the Council of the Maplewood School sale process which was originally sold for \$750,000, permitted and never developed, then sold ultimately, and only recently for \$120,000, which he said was just about giving it away. He pointed to the example of the city of Beverly and the development of the Cummings Center. When that property was developed, that city wanted to carve out several acres for a municipal public safety building. He noted that 18 years later Beverly hasn't been able to find the money to do that. He reminded the Councilor that the city doesn't have to accept anything. They are attempting to find out what the real value of the property is.

Councilor McGeary said no one pushed harder on the idea of putting a public safety center at the Fuller School and pointed out that he had wanted an extensive study conducted because he could see the knock on effects of freeing up the Fire and Police Stations properties. He noted he but has subsequently has backed off of that stance. He suggested that the ordinance is a minor impediment. He said he was swayed by an answer that came up several times during discussions on the RFP that lopping off 3 or 4 acres would affect marketability to draw interest from the development community. **Mr. DiStefano** said that after extensive research and discussions and debate on the team they found splitting the property creates a lot of problems that may not make it marketable. He explained that there is a finite universe of prospective respondents, some of whom only want a parcel of a certain size, and by shrinking the parcel by several acres those prospective bidders are eliminated. The city also would not know what exact part of the property should be kept, and to determine that without knowing what the actual development will be is difficult. By not knowing when and what will be built is not favorable to a developer and can act as a deterrent. He said the experts said by carving out a parcel it would extremely limit that development universe and defeat the purpose to get the highest bid and best use of the property for the city. He pointed out there is also is a cost to maintain any property, snow plowing, grass cutting, etc. It is wear and tear on the city budget. He also noted the municipality of Beverly having set aside a parcel still vacant after a great length of time. He also cited that the city is trying to turn a liability into an asset with letting the market telling them what it will bear. He also cautioned by waiting too long that economic climate may change.

Councilor McGeary said the VHB study of 2012 the Fuller site was listed as 13.37 acres and now listed at 10.63 acres and asked for an explanation for the discrepancy.

Gregg Cademartori, Planning Director, recalled for the Council the permitting of Gloucester Crossing, and the laying out the public ways for Gloucester Crossing Road and School House Road, expanding the original stub off of Route 128. The action of recording that layout plan reshaped the parcel from 13.37 acres to 10.61 acres.

Councilor Cox said she didn't wish to delay the RFP further. Prior to not knowing about 2.3(a) (6) with the splitting of the lot, she suggested if that was something the Council wanted to do, it should have been done months ago, and to do it now is only doing it for the sale. She said she had been an opponent of selling the property as a whole because she was concerned they weren't saving any city-owned land for its future. She said she recalled asking the Administration to identify all city-owned land that is large enough to build a combined public safety

building. **Mr. Destino** said the Mayor wants to use some of the proceeds of the land sale to conduct the study of the needs of the city. He noted parcels would not be restricted to city-owned as there are options for the city such as purchase or eminent domain if a parcel meets the city's needs. The city only looked at public safety needs based on the Fuller property. He noted that a study showed emergency service response times weren't significantly improved. **Councilor Cox** said the response times were no better or worse from the Fuller parcel than other city locations now housing its emergency services and it is still a viable location. She also noted she didn't believe the Council should change the ordinance to fit the needs but rather amended to shape the future. As to the \$1 minimum bid, she said just because something hasn't been done before doesn't mean it shouldn't be tried. She said she is in favor of anything to move this process forward. The city needs to get moving on something, whatever that may be. She pointed out that if the process ended up in a sale, a good sale, it is a positive for the city. **Mr. DiStefano** gave the example of a state municipality that used the \$1 minimum bid on a real estate RFP and received four qualified responses -- three bids at \$1 and one bid for \$12 million. He noted that the city can reject any proposal that doesn't meet the guidelines laid out in the RFP. He assured the Council that the city won't just take a bid for one particular aspect but the best bid for the city overall. There were municipalities that set a high price years ago then moved later to \$1 and were then successful, in order to get properties back on their tax rolls, he said. **Councilor Cox** asked if the RFP is released, can the city still reject all bids at \$1. **Mr. DiStefano** said they can reject those that are counter to what the city laid out in the RFP. **Councilor Cox** said that after going through many RFPs for I4-C2 (65 Rogers Street), she was willing to do almost anything to give something a chance so as not to repeat that process. She reiterated that to change the ordinance now is too late.

Councilor LeBlanc observed that the city is spending \$40 million for the new West Parish School, and if spending \$20 million on a public safety, how long would it be before the city can consider building it. **Mr. Destino** said that building can be done tomorrow with a Proposition 2 ½ override or debt exclusion if the community supports it. In the budget on the General Fund, he said that Gloucester doesn't spend that much money on schools or Public Safety, or DPW, it is spent supporting the city's debt service that has doubled in the last seven years. If the city holds just that level of debt capacity, it would be a minimum of 15 years if there was no further municipal borrowing before the city could borrow to build a public safety building. He noted that he and the CFO did the analysis that the city has to borrow smartly and conservatively. He pointed out that this Administration hasn't put forward much borrowing, only for things such as the LED streetlight conversion that in six years it pays for itself and thereafter saves the city \$100,000 a year, infrastructure improvements; and for fixing the wiring in City Hall to protect it from a fire and upgrade its outdated telephone service. He warned that a lot could change for the city in 15 years, pointing to interest rates as an example. He highlighted the partnership between the Council and Administration in putting new financial policies to benefit the city in place. He reiterated that it was the right time for the RFP to be issued and to sell the Fuller property. **Councilor LeBlanc** said he agreed. He then noted a \$1 million price tag to tear the Fuller building down, and that the RFP says as the property is bought as is. **Mr. Destino** confirmed the winning bidder will be responsible to tear the building down if they want and is their determination to make. **Councilor LeBlanc** then indicated he was in favor of the RFP as presented and wanted it released. He said to hold a piece of the Fuller parcel for a public safety building could jeopardize the sale of the property by deterring bidders by making it less attractive. He said is in favor of what Tom Gillett, EDIC director, had indicated to the Council, that there are other surrounding sites that may be useful to the Fuller site that could piggyback on each other. He also highlighted that the non-binding ballot question came back with mixed use as the preference for the property. Getting top dollar and the best use for the property is their responsibility to the community, he said.

Councilor Stewart said he had found some technical corrections to the RFP which he would like to forward in a memo to General Counsel, but that they weren't substantive to the RFP's drafting. **Mayor Theken** gave her assent. **Councilor Stewart** said he was active in the discussion leasing the Fuller property versus its sale. He said he believed there are risks to leasing the property. He pointed out the city has no money today to do things **Mr. Destino** has brought up; the city would be stuck with long-term leases and faces the risk of default and that the projected increases in rental income over the years are out of line and becomes lost revenue. If they get the money it can be invested for the good of the people and the city control the risks and benefits, he said. He pointed out there are several building vacancies currently in Gloucester Crossing. He said default on a lease is risked as well. He asked if these risks real and are there benefits to leasing he has overlooked. **Mr. Destino** added that anyone wanting to lease the Fuller property will have difficulty in finding financing. The city would have to lease it for a minimum of 40 years and said he didn't see a benefit to the city to take the property over 40 years from now which he added wasn't the best way to go. They would have to put the terms of the lease in the RFP. Putting terms for a mixed use into an RFP is difficult as well as the terms for it in a lease, he pointed out and said the administration didn't think it would be advantageous to the city to promote a lease of the property. **Councilor Stewart** asked if city self-financing for the buyer was ruled out. **Mr. Destino** said it is not intended. **Councilor Stewart** said he was

convinced leasing is not the way to go based on the risks of leasing versus receiving money up front which he added is far preferable. He said the \$1 minimum bid is not an issue at all. The mixed use proposal brings out the possibility of any combination of things and makes best use of the property they can to get with the best economic results. He said that as to the subdivision of the property, if a developer says they need only eight of the 10 acres, the city can subdivide it then. Subdividing it now is the city deciding, not the market which is not a good idea, he noted. He said the city is in no position to finance or pay for a first-class operation of a Public Safety Building and is a pipe dream at best. The best approach is to take the property they have and put the RFP out see what comes back.

Councilor Lundberg acknowledged a large gathering of the public present and that if a member of the public had a substantive question he would allow it. He said if Councilors want to offer an amendment to what is before the Committee of the Whole, they can continue the meeting for several weeks to allow Councilors to work on their amendments to the RFP to submit them for a final vote of the Committee of the Whole. **Mr. Destino** added that procedurally they ask the Council to vote to dispose the land and vote to set the minimum bid for the RFP. They can offer amendments for conditions, but they are charged with those two things, he said.

COUNCILORS' FOLLOW UP:

Councilor Ciolino said regarding the ordinance, ordinances are changed all the time and doing so isn't a problem. As to the two acres being spoken of to keep in reserve, it is the soccer field. He said the Council has the RFP before them and he will vote for it, but will still request they carve out two acres to be held for a municipal use. He then reviewed his own analysis of square footage necessary for a Public Safety Building and said it came out to two acres. He said he didn't know why a developer would have an issue being adjacent to such a facility. He warned the Councilors need to think about today and repercussions five years from now. He said a ball field only requires grass cutting and is open space that can be used by the community, and that land banking is good for the city. The Fire Department is nearly outgrown Central Station now. He also noted the domino effect that if the Police and Fire Departments vacate their downtown buildings, it is possible to move city employees from Pond Road to the downtown which would be more convenient to residents. He said carving two acres out of the Fuller property will make no difference. He urged Councilors to change the ordinance.

Councilor Fonvielle commended the city staff for their excellent work in putting the RFP together. He said that setting a market value price limits the potential of what the city might get. He noted the example of the municipality that got three \$1 bids and one \$12 million bid. He asked if possible to set a minimum bid to discourage junk bids but at the same time to not discourage valid bids. **John Dunn**, CFO said he's been involved in a number of RFPs for sales of schools. The first three all had \$1 bids with no minimum, likening the one as a home run, the second as a ground rule double; with the third done four times having to reject the first three bids. The advantage of a \$1 minimum bid says to the market tell us what you want to do and what it will cost in order to get the most wide open responses. He said it is not a bad thing to say that a bid doesn't meet needs of the city now and go out later again to bid. **Tom Daniel**, Community Development Director said that in terms of weeding out bids, there is requirement of a \$25,000 deposit.

Councilor Verga said the Council can't be shortsighted and has to think about the future. He reminded the Council that in 2011 some of them had fought putting this matter on the ballot as a non-binding question. They are now looking at \$1 million to tear the building down and said it will come out of the sale price. They cost the city \$1 million and five years of opportunity. He asked they move forward and see what happens and to avoid such mistakes in the future.

Councilor Whynott said if an RFP respondent hit most advantageous on all points but bids \$1 do they have to take that bid. **Mayor Theken** said that they don't have to take any bid, and it is up to them all to decide yes or no. The Mayor assured the Council the city will have a chance to know. **Councilor Whynott** said he still agrees with **Councilor Ciolino**.

Councilor Whynott then proposed a motion to delete GCO Sec. 2-3(a)(6) in its entirety, with **Councilor Ciolino** seconding. **Councilor Lundberg** said that the Committee of the Whole would not entertain a motion to amend an ordinance at this meeting; that would have to be done through normal Standing Committee channels.

Councilor Whynott cautioned that there isn't any more land available. He mentioned that eminent domain taking of property costs money also.

Mayor Theken said there is five and a half acres now available due to tax takings by the city. She said this is just an example of why the city needs to study what it has and what it should plan for those parcels. She spoke to some of the issues with the portion of the Fuller property Councilor Ciolino suggested should be kept in reserve for the city that had access issues, whereby a parcel of land might have to be taken by eminent domain to make it a viable Public Safety property. She said there are some instances where it is more advantageous financially for the city to lease properties than it is to own them. She highlighted that they need to do what the best is for the city.

Fuller was the strongest school ever but she can't say what happened as to its maintenance. She assured that \$1 million for the building to be removed will not come out of the sale price.

Councilor Whynott returned to the issue of his proposed motion to amend the Code of Ordinances and proper process. **Councilor McGeary** said as a Committee of the Whole the only motions that are in order are to amend and adopt that which is before them and therefore Councilor Whynott's motion is out of order.

Councilor McGeary said he would support the RFP as written. On page 4 the RFP speaks to any use of existing access driveways will need to be negotiated with abutting landowners and asked if those easements are not transferable. **Mr. Destino** said there are easements there that the city doesn't own that would be from Sam Park organization. **Mr. Cademartori** noted another document referred to in the RFP is the Host Community Agreement associated with the TIF agreement when the Gloucester Crossing project was permitted. There are some easements that are explicit for city use and some were agreements with the School Committee when they were negotiating certain improvements to the property when it was used as a school. He pointed out that there is some access to municipal uses that have been on that site that are not memorialized with an easement. **Councilor McGeary** confirmed with **Mr. Cademartori** the easements aren't in the deed. **Councilor McGeary** reconfirmed his support of the RFP as laid before the Committee of the Whole saying that the best social and economic return to the city is to see what they can get for its full extent undivided. He said the only thing he would insist upon in formulating the RFP was that it was as wide open as possible to any and all comers. They have all participated in past in the creation of RFPs custom tailored to meet the needs of one interested party and expressed he didn't want to do that in this case. He added that it is in the best interest of the city to try to get most bang for the buck for the property, not just in the short term but long term to raise city revenues, taking the burden off of property tax payers and transferring it more to the commercial and retail enterprise sectors. He said the city will get the most long-term benefits by disposing of the Fuller property indicating when the time came he would be pleased to offer that motion.

Councilor Cox asked if it was possible for the Administration to commit that when the RFP closes to share the bid information with the Council prior to choosing/awarding any development proposal, in executive session or not. **Mayor Theken** agreed to share that information in executive session with the Council. **Councilor Cox** said that with the Mayor's commitment, she didn't see a reason not to move forward with the RFP knowing the city can reject any offer; knowing that while the RFP is released the Council can start the process of changing the ordinance. She added with the Administration sharing the bid information in executive session she said she didn't see how they can go wrong. She said the Fuller school was a city asset and it was a shame what happened to it, but the goal is to never let it happen again. She said she supports the RFP.

Councilor LeBlanc expressed his agreement with Councilor Cox. He said he has been in the building and noted many of the building's issues -- windows are gone; the roof leaks; plants growing out of the sides and top of the building; tiles peeling off the floor; ceilings are falling; mold is everywhere. He noted the P&D Committee tour of the Maplewood School that morning, a building untouched in five years, and said such neglect has taken its toll. He said the Fuller building; at least most of it needs to be torn down. He added his support for RFP saying the city should get top dollar for the property and put the property to use for the community.

Councilor Stewart expressed his commendation of his fellow Councilor comments, including Councilor Verga's comment saying that the future is going to come and can't be predicted. All the Council can do is to make the best judgement and hope it works out for the future generations. He pointed out that he Administration has some smart people who have gone through all aspects of the RFP and answered tough questions from Councilors in small and large meetings. He asked they trust their judgement and that of the Council as experienced in their respective fields, and do what is right for the city now.

Councilor Lundberg said he will support the RFP in its entirety with the property not subdivided in order to get the highest bid.

PUBLIC QUESTION:

Everett Brown, 127 Mt. Pleasant Avenue asked if there was a compromise possible to agree for a parcel of eight acres for bid, and an ancillary bid for two additional acres as an option they may wish to take and said it is legal. **Mr. Destino** pointed out that the feasibility study for a municipal Public Safety Building was predicated on over four acres. They do not support splitting the lot in any way in two RFPs or two parcels.

Councilor McGeary moved that the Committee of the Whole recommend to the City Council the disposition by sale of the property known as Fuller School at 4 School House Road Map 262 Lot 14, and was seconded by **Councilor Cox**.

Councilor Verga said the Administration needs to keep in mind an inventory of the Fuller School needs to be done as there is an important cornerstone in the School Committee Room and a bust of Abraham Lincoln as well as

other items worth preserving. **Mr. Destino** assured the inventory has been done and anything of value had been removed.

Councilor Ciolino said he will support the RFP and looked forward to it going out to bid.

Councilor Whynott said he wouldn't support the RFP. He warned the Councilors they will regret this action long term.

MOTION: On a motion by Councilor McGeary, seconded by Councilor Cox, the Committee of the Whole voted 8 in favor, 1 (Whynott) opposed, to recommend to the City Council under GCO Sec. 2-3(a)(2) the disposition by sale of the property known as Fuller School at 4 School House Road, Map 262, Lot 14.

Councilor McGeary moved that the Committee of the Whole recommend to the City Council that the minimum bid price for the property known as Fuller School at 4 School House Road Map 262 Lot 14, be set at \$1.00, and was seconded by **Councilor Verga**.

MOTION: On a motion by Councilor McGeary, seconded by Councilor Verga, the Committee of the Whole voted 8 in favor, 1 (Whynott) opposed, to recommend to the City Council under GCO Sec. 2-3(a)(4) that the minimum bid price for the property known as Fuller School at 4 School House Road Map 262 Lot 14, be set at \$1.00

Councilor Lundberg noted that on August 25 after the Committee of the Whole rose and reported that the Council would then vote to surplus the Fuller School property.

A motion was made, seconded and voted unanimously to rise and report the outcome of the meeting of the Committee of the Whole at 7:40 p.m.

**Respectfully submitted,
Dana C. Jorgensson
Clerk of Committees**

DOCUMENTS/ITEMS SUBMITTED AT MEETING: None.