

A regular meeting of the BIDA was held on November 21, 2008 in Room 208 of City Hall.

Attendees: Chairman Jack Tulley, Vice-Chairman Don Zizzi, Dean Jackson, Buzz Harrington, Carl Andrade, Alderman Brian McCarthy, Mark Prolman

Excused Absentees: Mayor Donnalee Lozeau, Stephen Michon, Gerry Prunier, Dave Fredette, John Stabile, Mike Monks, Skip Myers, Brad Vear

Other Attendees: Tom Galligani, Lucy Jenkins

Approval of Meeting Minutes

MOTION TO ACCEPT THE MINUTES OF OCTOBER 27, 2008 WITH THE FOLLOWING CORRECTIONS: CORRECT THE SPELLING OF DONNA UPSON AND DON MONTI

Don Zizzi moved to accept the minutes with the corrections, seconded by Buzz Harrington. There being no further discussion or corrections, minutes passed unanimously.

RLF Update

In the absence of S Michon, Chairman Tulley asked T Galligani to update the Board on the status of the RLF. T Galligani presented the semiannual report for EDA funded RLF grants that was submitted on September 30, 2008. He mentioned that BIDA is meeting all the EDA requirements and guidelines. On page 4 of 7, line 20 the current balance of the percentage of total available funds is within our EDA target. They want to see it between 20 and 25%, this is down from six months ago which was at 36%. The EDA has no concerns at this time with the amount of money in the fund. Chairman Tulley wanted to know if there were penalties associated with the delay in filing the report. T Galligani said there is a one month filing deadline from the date the report is due. Chairman Tulley informed T Galligani he wants Donna Upson to be aware that the Board appreciates the work she is putting into this but would prefer to have a report in hand a couple days prior to the BIDA meeting. T Galligani added there is no material change, no added delinquencies; however Donna Upson has been meeting with all loan recipients to get a qualitative feel for what is happening. She will be keeping very close tabs on them and visiting with them to insure that the companies are continuing to be profitable.

Vice-Chairman Zizzi inquired; total loans of \$2.3 million since what date? T Galligani replied he thinks it began in 1994 or 1995 but he will check the records. Vice-Chairman Zizzi would like to have that exact date.

T Galligani has instructed Donna to start planning for a lenders summit in the first quarter of 2009. She will be working with the Chamber of Commerce, the State Small Business Development Center and some other lenders to come up with a topic. T Galligani has met with the City Attorney to review any concerns regarding financial documents and presenting them in a public setting. Concerns were raised by the board about discussing loan details at a public meeting. According to the NH Attorney General's web site, which provides general guidance regarding the public's right to know, it states confidential commercial or financial information is exempt from public disclosure. Second issue is the ability to go into non public session if we are discussing any of the above. The law provides protection for the NH Business Finance Authority, which is a state wide lender. The City Attorney will follow up and get back to us with more clarification.

Clarification was asked regarding the two reports that were presented. Conversation continued on how these reports could be more users friendly and more useful to the BIDA members. Chairman Tulley mentioned that in the future, whenever the RLF comes up in the agenda, he would like to have Donna at the meeting so that any questions from the Board can be answered.

Vice-Chairman Zizzi mentioned that at the last meeting there was a conversation regarding the loan criteria. Have any decisions been made regarding this? T Galligani mentioned that there were 2 topics discussed;

- The BIDA does not have any explicit responsibility for the RLF; the city attorney has clarified this.
- If there is no requirement or direct oversight by the BIDA, what would that oversight be?

T Galligani will present recommendations at the December meeting.

Bridge Street Subcommittee Report

T Galligani brought the Board up to date by first passing out a letter from Renaissance Development that he had received this morning. The Subcommittee met yesterday, November 10, 2008, with Don Monti and representatives from Renaissance Development to discuss, in broad terms, how to structure a deal if they were to select Renaissance. T Galligani feels that a lot of progress was made. Renaissance Development prepared a letter which is a summation of the discussions that took place—this letter was presented to the Board.

Conceptually, the City would work collaboratively for six months with Renaissance and their consultants to develop a vision and development plan for the site. After the six month period, both parties would appraise the parcel and establish the residual land value based upon the consensus plan. At the end of the six months, should the parties not be able to reach an agreement, the City will retain control of the site and Renaissance would release to the City all planning and feasibility documents that they produce during six months of planning.

Conversation continued regarding the abutter to the Bridge Street property. Chairman Tully wanted to know if the abutter knew his proposal was no longer being considered at least for the next six months. T Galligani mentioned he did send a generic letter as the Board had instructed him to do. Vice-Chairman Zizzi inquired if Renaissance had met with the abutter. T Galligani replied that no contact has been made.

M Prolman commented further about the meeting with Renaissance Development. He feels Don Monti brings to the table a lot of energy, wisdom, and a desire to make this deal happen. M Prolman asked Renaissance to provide a letter from a bank or accountant to verify that he would have the financial availability to initiate the project. M Prolman feels strongly that we should go with Renaissance as they have experience, expertise and patience to move forward. His vision is consistent with the City vision articulated in the East Hollis Street and Downtown Master Plan. The principal of Renaissance, Don Monti, owns a construction company, commercial brokerage company, which affords him additional resources and perspective to move forward with this project.

B Harrington mentioned that it was his first meeting with Renaissance and he cannot add anything that M Prolman has not said. He walked away with strong feelings that he (Renaissance/Monti) would be able to get the job done.

Vice-Chairman Zizzi commented that typically this would be a great agreement but due to the times we are in with banks either being sold or going out of business, how do you put a value on the property either today or six months from today.

M Prolman mentioned that this topic was discussed with Don Monti; by first asking him today what is the value you are putting on this site? He does not want to determine a price today because he is not sure if this development is going to bloom or blossom. We could potentially have the commuter railroad coming through here and if/when the market does turn around, it's no longer a \$20 or \$30 million project but a \$100 million project. Our property has now become more valuable and Renaissance has to come back and renegotiate with the City on the price. With that uncertainty we do not want to put a price on the development today.

T Galligani mentioned that for the next six months, the City and BIDA would work closely with Renaissance so that at end of the six months we should have a concept that everyone is in agreement with. Chairman Tulley inquired as to the status of the sub-surface investigation of that land. T Galligani mentioned that the report is not back and he has spoken to Kathy regarding the status. All the lab work is done they are just waiting for the consultants to write the report.

M Prolman mentioned that the letter is just a start to the negotiations. The agreement will structure events and time tables that both the BIDA and Renaissance will have to accomplish over the six month period.

A MOTION BY MARK PROLMAN URGING THE BOARD TO SUPPORT RENAISSANCE DEVELOPMENT AND TO GIVE THE CHAIRMAN THE AUTHORITY TO BEGIN THE PROCESS OF NEGOTIATIONS

The motion was seconded by Vice-Chairman Zizzi. All were in favor, none opposed, motion carried.

Opportunities District Subcommittee

T Galligani indicated that the Subcommittee met last Friday, along with Jim Petropolis. The approach of the Subcommittee is to look at commercial districts in the city and identify opportunities. The Amherst St. corridor and Northwest Blvd were reviewed. T Galligani would like to take that information along with past summaries and provide a report to the BIDA so the Board is familiar with what has taken place and identify possible opportunities. He will try to have this report available for review by the January meeting.

Vice-Chairman Zizzi added that the intent of this work is to create future projects for the BIDA meetings. We have great participation from our current Board members. These are areas we thought had some potential by taking a look at how space is being used, circulation infrastructure issues and then to come back with a global look for BIDA to review for potential development assuming that Bridge St is on the way. Early next year would be a good time frame as we probably have 1 or 2 more of those areas to go through.

Chairman Tulley wanted to know if we get updates on land that the city takes back due to failure to pay taxes. Alderman McCarthy said we rarely take property back. The parcels that the City does obtain are usually dirty, small, or non buildable lots. D Jackson mentioned that a couple years ago, Kathy Hersh and Deb Chisholm had contacted him to take a look at some of the sites the City owned. Few had any development value.

Board Membership

The Board discussed the situation with G Prunier. Renaissance asked G Prunier to represent them on the Bridge Street Project. It is presumed that he will have to resign from the BIDA. Chairman Tulley indicated that it will be sad to lose such a valuable board member.

Vice-Chairman Zizzi asked if G Prunier had to resign from BIDA or could he just recuse himself from all business related to the Bridge Street project. Chairman Tulley will ask Corporation Counsel to provide an opinion.

Ownership of Bridge Street Parcel

Chairman Tulley has asked if the BIDA taken title to the Bridge St. land. Vice-Chairman Zizzi indicated that the City still holds title. He has spoken to counsel about this. Can Mr. Chairman sign documents on behalf of the city? Don answered that the Chair has the authority to represent the project to that extent. Alderman McCarthy stated that we would have to ask the attorney if the BIDA exists to the extent that it owns property separate from the city. He thinks it does, but it does not have title to this piece. M Prolman asked Alderman McCarthy if the BIDA need to go back to the Board of Alderman to get consent to sign a document. He does not believe so; he thinks that was in the original assignment. Vice-Chairman Zizzi mentioned that the BIDA has independent authority to proceed; we just never took title to this parcel.

Conversation returned to the matter of G Prunier, Vice-Chairman Zizzi would like to suggest that G Prunier be absent from matters dealing directly or indirectly with this project. There is the possibility that members of BIDA at one time will be engaged in something somewhere in the city that would cause some potential conflict. T Galligani will meet again with Corporation Counsel next week prior to meeting with G Prunier confirm his status.

A motion to adjourn was made by Vice-Chairman Zizzi and was seconded, and followed by unanimous endorsement. The meeting was adjourned at 9:15AM.

Minutes submitted by Lucy Jenkins