

Newburyport Redevelopment Authority
City Council Chambers
October 15, 2018
Minutes

1. Call to Order

Chair Bob Uhlig called a meeting of the Newburyport Redevelopment Authority to order at 7:00 p.m.

2. Roll Call

In attendance were members Leslie Eckholdt, Bob Uhlig, David St. Cyr and Andy Sidford. Also in attendance was Attorney Kathleen O'Donnell.

3. Review of Proposals for the Sale of 25 Water Street

Bob Uhlig reviewed the events that led to the issuance of an RFP for the sale of the Custom House and its lawn. The proposal from the Newburyport Maritime Society was the single response the NRA received to the RFP. Members of the NRA and the Review Advisory Committee began a discussion of the proposal at the NRA's October 9 meeting. Based on comments made at that meeting, the Maritime Society agreed to the placement of additional restrictions on the deed. The review was continued to the October 15 meeting to allow for the submittal of additional materials. In the interim the NRA crafted the deed restrictions and the Maritime Society provided four years of financial statements and a draft capital improvements plan.

Kathleen O'Donnell summarized her conversation with two attorneys from the Public Charities Division of the Office of the Massachusetts Attorney General. While the attorneys expressed some concern over the submerged tidelands and the plan to transfer property to the Waterfront Trust without the issuance of an RFP, they offered no opinion. The Massachusetts Attorney General has jurisdiction over the Waterfront Trust and the Maritime Society, but not the NRA, which is under the jurisdiction of DHCD.

Leslie Eckholdt said she is concerned about conveying title to the lawn, which she sees as a valuable public open space. She would like for the lawn to be considered separately from the building. In addition, the financial statements the Maritime Society submitted for 2017 have not yet been finalized. She would like to be able to review the finished statement, which would not be completed within the RFP timeline. She said that because it is now known the issuance of an RFP would not have been required, the NRA should not be bound its deadlines. She would like more time to analyze the information and evaluate other means of transferring the property. She is concerned the NRA is rushing its decision and that not all options have been considered. Bob Uhlig responded the process has been a lengthy one and the NRA voted to issue the RFP at its August 15 meeting. He said the benefits of the sale would outweigh any adverse effects and these would be addressed through the restrictions that would be placed on the deed.

The meeting was opened to comments from the public. Mary Carrier said she does not believe enough information has been provided to the public.

Mayor Holaday requested that the written consent of the City of Newburyport be defined as the authorization of the mayor and the city council.

Newburyport Redevelopment Authority
October 15, 2018

Mark Guay said a legal plan should be in place with checks and balances that ensure the property does not fall under the control of a private enterprise. Attorney O'Donnell responded that the property would be conveyed subject to the restriction that it be used as a maritime museum that is open to the public.

City Councilor Jared Eigerman said many believe the Maritime Society would still be able to successfully raise funds if it were to lease, rather than own, the building. He said more time is needed to refine the language of the agreement. For example, it has been not specified that the entire property must be used solely as a maritime museum.

Attorney O'Donnell explained that if a vote were to be taken at this time, it would only be to award the sale of 25 Water Street. The deed would not be signed at this meeting. The NRA would vote at a future meeting to approve the deed and accept the restrictions that have been agreed upon by the City, the Maritime Society and the NRA.

Ken Jackman reiterated the position of the Maritime Society that the ownership of the Custom House would be necessary to attract high-level donors.

City Councilor Sharif Zeid said he is concerned about the sale of the building because it would not be possible to develop restrictions that would foresee all possible scenarios. He understands owning the building would be better for the Maritime Society but questioned how it would be better for the residents of Newburyport. Bob Uhlig responded the ownership of the building might allow the museum to be operated at a higher level, which could result in increased benefits to the city. As an example, the Maritime Society has promised free admission in perpetuity for all residents of the city.

City Councilor Barry Connell said he has been told that it is not necessary for a museum to own a building in order to be the recipient of grant money. He would like the lease option to be further explored, as he believes it would be the most reliable way to preserve the structure.

Bill Harris said an acceptance of the proposal should be contingent upon mutually acceptable safeguards. He said it is important to recognize the City is a major stakeholder. He recommended a twelve month, rather than six month, right of reverter so that the City does not find itself in the position of operating a museum.

David St. Cyr moved to award the sale of 25 Water Street to the Newburyport Maritime Society subject to the following restrictions: 1) the use shall be restricted to that of the operation of a maritime museum open to the public; 2) the Newburyport Maritime Society shall comply with the existing preservation restriction agreement on the property; 3) the property shall not be conveyed, transferred, leased or mortgaged without the prior written consent of the Newburyport Redevelopment Authority or the City of Newburyport acting body, to wit the Mayor and City Council; 4) the restriction shall be binding for 900 years and shall be enforced by the Newburyport Redevelopment Authority and/or City of Newburyport and 5) the Newburyport Redevelopment Authority or its successor in interest shall have the right to enter the premises and revert title back to itself or the City of Newburyport upon the occurrence of any of the following events: the grantee ceases to exist or function as a non-profit organization operating a maritime museum or the premises are conveyed, transferred, leased or mortgaged without the prior written consent of the Newburyport Redevelopment Authority or the City of Newburyport acting body. Andy Sidford seconded the motion. The motion was approved with Leslie Eckholdt voting against it.

4. General Business

Leslie Eckholdt moved to approve a payment to Gretchen Joy for minute taking for the August 15 meeting. David St. Cyr seconded the motion. The motion was unanimously approved.

5. Minutes

The approval of the minutes of the August 15 and September 11 meetings was tabled.

6. Upcoming Meetings

Upcoming meetings will be scheduled for Tuesday, November 13 and Tuesday, December 11.

7. Adjournment

Andy Sidford moved to adjourn the meeting was adjourned at 8:27 p.m. David St. Cyr seconded the motion. The motion was unanimously approved.