Newburyport Redevelopment Authority

Newburyport Public Library October 2, 2013 Minutes

1. Call to Order

A regular meeting of the Newburyport Redevelopment Authority was called to order at 7:10 p.m. by Chair Tom Salemi.

2. Roll Call

In attendance were members James Shanley, Tom Salemi, John Morris, Patty Dorfman and Adam Guild.

3. Reading of Mission Statement

Patty Dorfman read the mission statement.

4. Minutes

James Shanley moved to approve the minutes of the September 18 meeting as submitted. Adam Guild seconded the motion. The motion was unanimously approved.

5. Treasurer's Report

Adam Guild said the balance in the checking account is \$23,423.50 and the balance in the money market account is \$122,095.98.

Adam Guild moved to approve the payment of an invoice for minute taking for the October 3 meeting in the amount of \$150. Patty Dorfman seconded the motion. The motion was unanimously approved.

Adam Guild moved to approve the payment of an invoice from GZA for the borings and analysis in the amount of \$41,500. Mass Development will reimburse the NRA \$16,000 for the work. James Shanley seconded the motion. The motion was unanimously approved.

James Shanley moved to approve the payment of an invoice from Union Studio in the amount of \$1,200 for the master plan presentation. John Morris seconded the motion. The motion was unanimously approved.

Adam Guild moved to approve the payment of an invoice from National Grid in the amount of \$197.29 for service for the month of September. James Shanley seconded the motion. The motion was unanimously approved.

Adam Guild moved to approve the deposit of a check from Not Your Average Joe's in the amount of \$250 for dumpster area rent for the month of September. Tom Salemi seconded the motion. The motion was unanimously approved.

Newburyport Redevelopment Authority October 2, 2013

6. Legal and Regulatory Issues

The dumpster used by Not Your Average Joe's sits partially on Waterfront Trust property and the Trustees have requested that it be moved. Carol Powers said the Trust has agreed to bear the expense of the relocation and would not seek reimbursement for past rent if the move takes place in a timely manner. The new location of the dumpster and its enclosure must be approved by the NRA. Ms. Powers added she spoke with the local manager of the restaurant and she intends to meet with the facilities director of the corporation. The restaurant has been put on notice that the dumpster is to be moved and the area around it must be kept in better condition.

Ms. Powers said she has drafted a letter to the editor of the *Daily News* that clarifies the issue of eminent domain and outlines the steps that would be necessary for the process. Her letter was made in response to an earlier one that suggested the City Council take the NRA land by eminent domain.

Ms. Powers added she is researching book and page listings in order that the NRA might be added as an owner on the boundary survey.

7. Public Outreach

James Shanley said he received quotes from two companies for the printing of mailers. The materials would be delivered by the Postal Service to every residence and business in the city. Patty Dorman moved to approve the hiring of Deschamps Printing of Salem, MA, for the printing of mailers at the cost of \$4,487. John Morris seconded the motion. The motion was unanimously approved.

8. Presentation by Abramson and Associates

Barry Abramson said his company works to maximize the financial outcomes of development projects for the public sector and community-based organizations. He said the objective of the proposed NRA development is to expand and activate the park and reinforce the connection between the downtown and the waterfront while maintaining a reasonable amount of parking and funding the maintenance of the open space. He estimated the cost of design, engineering and construction to be \$4,040,000 in 2013 dollars. He reviewed the pros and cons, feasibility and revenue generation of both the Union Studio plan for residential condos and alternate concepts.

Mr. Abramson concluded that because the market is strong for condos, the proposal is reasonably feasible in terms of financial considerations. It would be tempered by the cost of underground parking, which would be \$13,000 more per space than usual for underground parking. He estimated that even without proceeds from the sale of the land, a surplus that would support the maintenance of the park could be derived from real estate taxes, a supportable bond and non-city grants. The surplus would grow after the bond has been paid and as real estate taxes increase.

Mr. Abramson said a modified plan that does not include condos would generate only half the income in real estate taxes and would not be feasible without dedicated parking. Office use would increase the demand for parking during peak hours and would not activate the area at night. One-story commercial structures would be economically feasible but would not generate real estate taxes and would not be in keeping with the scale or character of the neighborhood.

Newburyport Redevelopment Authority October 2, 2013

9. Comments from NRA Members

Patty Dorfman asked if retail condos had been considered. Mr. Abramson responded that most retail establishments would prefer to lease. She commented she has researched noncity grants and does not believe the \$750,000 estimate that was included in the presentation is realistic. She said the project must be self-sustaining in order to be approved by City Council.

Adam Guild asked what the next step would be. Mr. Abramson responded that a developer must be confident the public improvements around the development would be made. Without this assurance it would be unlikely for a response to the RFP to be received. The Mayor and City Council must support the project in order for the RFP to be attractive to developers.

James Shanley said he would consider a modified plan and he would like to see renderings of various scenarios.

Tom Salemi asked about the estimated proceeds from the sale of the land, which range from \$0 to \$1 million. Mr. Abramsom said the developer would determine what would be left for the purchase of the land after the expenses were estimated. The NRA would set conditions that the developer must meet before the land would be conveyed, such as financing being in place and construction beginning within 30 days.

10. Upcoming Meetings

The next meeting of the NRA will be held on October 16 at 7:00 p.m. at the Newburyport Public Library.

11. Adjournment

James Shanley moved to adjourn the meeting at 8: 55 p.m. Tom Salemi seconded the motion. The motion was unanimously approved.