

**City of Newburyport**  
**City Council**  
**Brown School Ad Hoc Committee**  
**February 6, 2023**  
**DRAFT MEETING MINUTES**

Chair Vogel called the meeting to order at 7:10 PM.

**Roll Call**

Council/Committee members:

- *In Attendance:* Councilor Bruce Vogel (Chair); Councilor Jennie Donahue; Councilor Constance Preston; Councilor Sharif Zeid, Councilor Byron Lane (remote)

Ex Officio (*non-voting*) members:

- *In Attendance:* Andrew Port, Planning Director; Madeline Nash, Co-Chair, Newburyport Affordable Housing Trust; Karen Wiener, Member, Newburyport Affordable Housing Trust; Christine Madore, Facilitator, Massachusetts Housing Partnership (MHP), Joseph Devlin (Designee of Mayor Reardon)
- *Absent:* Mayor Sean Reardon

Chair Vogel asked for public comment from the audience.

**Public Comment**

*Stephanie Niketic, 93 High Street* – Concerned about use of the term “highest and best use” which can mean highest dollar amount, or heaviest usage, within the development community, not necessarily what is the highest and best use for municipal goals. Community use(s) within the building could be a home for Youth Services, additional office space for City departments. The Brown School Overlay District (BSOD) was adopted by the City Council as agreed upon parameters for the redevelopment/adaptive reuse of the property. Failure to recognize and adhere to the previously adopted zoning could result in a disconnect between RFI responses and uses and activities currently permitted under zoning.

*Jane Snow, 9 Coffin Street* – Concerned about the need for broader public input on the RFI terms and expectations for future adaptive reuse of the property.

**Committee Discussion**

Chair Vogel asked if the revised 1/31/23 draft RFI outline made sufficient reference to, and incorporation of, existing baseline requirements such as zoning (e.g. the Brown School Overlay District and/or retention of the gym space).

Director Port responded that the RFI outline calls for direct reference to the existing BSOD zoning, and could also include a preference for retention of the gym space (if feasible), but that it would allow the submission of alternative adaptive reuse concepts, and in such instances would require the respondent to clarify why deviations from these preferences/expectations may be

necessary to make a project feasible, financially, programmatically or otherwise.

Chair Vogel concurred with the structure of the RFI outline as summarized by the Director in as much as it would convey the City's preferences but still allow all potential concepts to be received and considered by the City.

Christine Madore suggested that the Committee begin the discussion by reviewing each section of the RFI outline in order to confirm the substantive terms or preferred adjustments thereto, beginning with what the "opportunity" is – either by lease or sale. She noted that including both would make it harder for the City to evaluate and compare responses for lease and sale, respectively (i.e. "apples to oranges").

Madeline Nash suggested that the Committee focus tonight on the general parameters of the RFI outline while recognizing that some decisions would still be left to the City Council

Christine Madore noted that if the City opens the RFI to lease and or sale, we would be likely to see proposals focused on fee interest purchase of the property as it tends to work better for private sector development financing.

Councilor Zeid noted increased or decreased tax revenue as a potential consideration, depending on what sale, lease or tenancy parameters ultimately provide the framework for redevelopment of the property.

Christine Madore noted that outside of a potential foreclosure under private development financing, there would be relatively little difference regarding the City's level of control between *sale* of the property and a long-term *ground lease*. She further noted that land acquisition costs are a major consideration for project financing, and often times local efforts to make affordable housing includes a lower disposition value (sale or lease price). She also emphasized that financing is easier when the developer/non-profit owns the subject property outright (vs. encumbered by a lease or other restrictions which can reduce the overall valuation).

Councilor Preston confirmed that the Council would need to approve any further actions involving disposition of the property. She then suggested that we define the locus (for the RFI solicitation) as the property without the gym, but that the RFI allow respondents to propose something including reuse/renovation/replacement of the gym space (via alternatives considered "outside the box"). She then noted that an outright sale of the school building might be more beneficial to the feasibility of a project than requiring (and encumbering) disposition by lease.

Joseph Devlin noted that deciding sale or lease now won't preclude later Council debate regarding preference for sale or lease, and as such it may be beneficial to keep the RFI open to alternatives (e.g. purchase not lease, considering adaptive reuse of the gym space vs. preservation/exclusion of the gym as a community space). Devlin inquired about the current legal status of "care and custody" for the Brown School building and grounds. Director Port and Councilor Zeid confirmed that the City Council accepted the property back from the School Department but has not yet assigned it to any other City division, meaning it is still under the care and custody of the Council and Mayor.

Councilor Zeid asked about potential costs to the City on expiration of a ground lease if the City (then) wanted to remove the use (e.g. housing units). Would the City need to pay for the cost of these improvements now owned by the developer/non-profit? Director Port responded that yes, this is the practical scenario the City and its partner would run into say 99 years from now when the lease expires. Otherwise a simple renewal of the lease would be expected. Councilor Zeid indicated that generally speaking a sale may be more appropriate in the case of the old/main Brown School building, in contrast to say 115 Water Street where a 60-year lease was preferred since the Wastewater Treatment Plant (WWTP) operators might need the additional space again in the future to accommodate expansion or renovations.

Councilor Donahue felt that sale would provide an easier and more viable path to adaptive reuse as housing than a lease arrangement, and that the priority should be on the creation of affordable housing, and if at all possible for accessible units to be located on the first floor.

Councilor Lane asked when an appraisal would be obtained for the purposes of obtaining a realistic market valuation (vs. the assessed value which is typically lower). Director Port noted that the decision of when to obtain an appraisal is up to the Mayor/Council (i.e. appropriation of funds) but that since any appraisal would be based upon parameters for adaptive reuse established by existing zoning or a “hypothetical” scenario, they would be looking to the City to confirm what options are possible as a “highest and best use.”

Councilor Lane asked if sale of the property at a higher market value would allow the City to construct affordable housing elsewhere in the City? He inquired what land the City has to create potential affordable housing elsewhere. Director Port responded that while this is technically possible, the practical reality is that the City has little remaining land under direct control that has no current use and could be considered “surplus” for the purposes of creating new units. In each instance those lots amount to one or two single family homes, not the order of magnitude for units feasible on adaptive reuse of the Brown School itself.

Karen Weiner suggested that we focus adaptive reuse of the Brown School on housing since the City doesn’t have any other significant properties where affordable housing could be created in such a manner. She also commented that any appraisal would be based on the proposed/viable adaptive reuse or development scheme, otherwise “comparable” market valuations could not be determined for the purposes of an appraisal.

Madeline Nash said that sale/purchase is more likely to be desirable and feasible for the non-profit/developer. She also noted some desire to focus the brown school adaptive reuse on affordable housing, in contrast to the Kelley School which was sold for market-rate only units.

Councilor Zeid outlined some revisions or clarifications he would make to the RFI outline such as: removal of the gym space from the solicitation (to be retained in full by the City), and a requirement that the Article 97 park land be clearly maintained/preserved and therefore excluded clearly from the RFI solicitation.

Christine Madore suggested that final decisions on disposition can be made at a later point by the Mayor and Council. Fixed positions at this time may prevent the City from seeing the range of possible adaptive reuse scenarios that may still benefit the City.

Councilor Zeid clarified that he did not see a scenario in which he would vote for disposition of the gym space, which he felt should be retained by the City as a community space. He therefore felt it important to include such a stipulation or restriction in the RFI at this time. Councilor Zeid asked when this would come back to the full Council and referred to a related Council Order (415) currently in the General Government Committee which may address this better.

Christine Madore noted that one reason for sending out an open and flexible RFI (i.e. one that considers even alternative concepts) is that the City has not yet gauged what the private/non-profit sector feels is feasible (financially in particular) and that soliciting responses to the RFI would help to better inform future decisions, or assumptions, regarding preferred and feasible adaptive reuse.

Councilor Vogel suggested that the RFI redevelopment goals be flushed out further (e.g. preference for preservation of the gym space) rather than strictly confining the type of responses (i.e. concepts) the City is willing to accept now, ostensibly for the purposes of discussion only.

Madeline Nash suggested that if the gym is a deal-breaker for the group at large we should be clear about that now and as part of the RFI.

Christine Madore reminded committee members that the RFI outline can make clear reference to the existing zoning parameters and gym preferences without precluding other alternative concepts/responses.

Director Port commented that the Council hasn't, in the years and months since acceptance from the School Department, confirmed an allocation of funds for renovation of the gym or renovation of any other portion of the building for municipal use(s). Given that it isn't yet clear what support there is for the funding necessary to retain and reuse a portion of the building or property for direct City use, he argued that it still benefits the City to solicit a broader range of options from potential outside "partners" rather than narrowly confining RFI parameters now on the presumption that the Council has/will adequately fund those improvements.

Councilor Preston said she would support an RFI based upon sale, and with retention (i.e. exclusion) of the gym space (to be retained by the City as a community space) but with an RFI allowance for alternative responses "outside the box."

Councilor Vogel suggested that the gym prioritization, while still the subject of debate, be added to the RFI's overall redevelopment goals, but that the respondents not be precluded from submitting alternative concepts for consideration by the City.

Joseph Devlin suggested that it behooves the City/Council to obtain public input on the "policy level" decisions touched upon within this RFI rather than being surprised by a potential disconnect with such input at a later date.

Christine Madore noted that the RFI, and anticipated responses, were intended by the Committee to better inform the Mayor and Council relative to financially and programmatically feasible redevelopment/adaptive reuse options. She also noted that making the RFI more complicated

might deter otherwise beneficial partners from submitting a response for the City to review.

Councilor Preston motioned to indicate sale (but not long-term lease) within the RFI's description of the solicitation opportunity.

Councilor Zeid expressed concern regarding the specificity of language changes now being debated, as they relate to the working document involved (1/31/23 RFI outline).

Councilor Lane expressed frustration with the attempt to outline preferred disposition parameters without having a current appraised valuation for the property involved.

Councilor Vogel noted that it would be practically difficult to obtain an appraisal without first determining the necessary parameters for permissible redevelopment under a "highest and best use" scenario (e.g. what is included/excluded, how many housing units would the City allow). Without this an appraiser cannot locate "comparable" market sales in order to offer an opinion of market valuation.

Councilor Vogel returned to Councilor Preston's earlier motion "on the floor" for a roll-call vote. Votes were as follows:

|                               |           |                |
|-------------------------------|-----------|----------------|
| Yes (Preston, Vogel, Donahue) | No (Zeid) | Present (Lane) |
|-------------------------------|-----------|----------------|

Christine Madore spoke about the draft redevelopment goals and provided a worksheet summarizing income restrictions applicable to "affordable housing" units within the Boston/Newburyport area. Councilor Preston asked why this level of detail was necessary in relation to the RFI outline. Madore explained that understanding these numbers, and age-restricted categories (i.e. senior housing) may help to inform the Committee's prioritization for affordable housing units at the Brown School.

Karen Wiener and Councilor Donahue suggested that the priority be placed on affordable housing for seniors age 62 and above.

Councilor Zeid suggested that the RFI goals include an AMI threshold at 60% or above.

Madeline Nash spoke about the Low-Income Housing Tax Credit program as a significant funding source for the creation of affordable housing units and clarified that allocations are made by unit count for 60% AMI.

Christine Madore suggested edits to the RFI outline to incorporate this within the redevelopment goals.

Councilor Zeid expressed concern about setting parameters that might benefit a developer at the expense of abutters and the immediate neighborhood. He noted that in the 2017 RFP focused was placed on municipal use for NYS, with the addition of affordable housing units. He reiterated that he was not interested in selling the gym space which he felt should be retained as community space under direct control of the City.

Councilor Donahue argued in the alternative that retention of the gym space was secondary to the creation of affordable housing in terms of City needs and priorities.

Councilor Vogel confirmed that the Committee would meet again next on 2/22/23 in order to review edits made by the Director of Planning to the RFI Outline, based upon the discussion this evening, prior to approving it in final form.

### **Adjournment**

Motion to Adjourn by Councillor Donahue, second by Councillor Preston. 5 yes (*CP, SZ, BV, JD, BL*). Motion passes.

Meeting adjourned at 9:15 PM

Respectfully submitted –  
Andrew R. Port, Director of Planning & Development