

**CITY COUNCIL
ROCHESTER, NEW HAMPSHIRE
Nonpublic Session Minutes**

Date: May 12, 2020

Motion to enter Nonpublic Session

Made by: Lauterborn

Seconded by: Lachapelle

Specific Statutory Reason cited as foundation for the nonpublic session:

_____ RSA 91-A:3, II (a) *The dismissal, promotion, or compensation of any public employee or the disciplining of such employee, or the investigation of any charges against him or her, **unless** the employee affected (1) has a right to a public meeting, and (2) requests that the meeting be open, in which case the request shall be granted.*

_____ RSA 91-A:3, II(b) *The hiring of any person as a public employee.*

_____ RSA 91-A:3, II(c) *Matters which, if discussed in public, would likely affect adversely the reputation of any person, **other than a member of this board**, unless such person requests an open meeting. This exemption shall extend to include any application for assistance or tax abatement or waiver of a fee, fine or other levy, if based on inability to pay or poverty of the applicant.*

 X RSA 91-A:3, II(d) *Consideration of the acquisition, sale or lease of real or personal property which, if discussed in public, would likely benefit a party or parties whose interests are averse to those of the general community.*

_____ RSA 91-A:3, II(e) *Consideration or negotiation of pending claims or litigation which has been threatened in writing or filed against this board or any subdivision thereof, or against any member thereof because of his or her membership therein, until the claim or litigation has been fully adjudicated or otherwise settled*

_____ RSA 91-A:3, II(i) *Consideration of matters relating to the preparation for and the carrying out of emergency functions, including training to carry out such functions, developed by local or state safety officials that are directly intended to thwart a deliberate act that is intended to result in widespread or severe damage to property or widespread injury or loss of life.*

Roll Call vote to enter nonpublic session:

(circle replies below)

Mayor McCarley

Yes

No

Not Present

Deputy Mayor Lauterborn

Yes

No

Not Present

Councilor Hutchinson

Yes

No

Not Present

Councilor Belken	Yes	No	Not Present
Councilor LaChance	Yes	No	Not Present
Councilor Hamann	Yes	No	Not Present
Councilor Lachapelle	Yes	No	Not Present
Councilor Abbott	Yes	No	Not Present
Councilor Walker	Yes	No	Not Present
Councilor Hainey	Yes	No	Not Present
Councilor Rice	Yes	No	Not Present
Councilor Gray	Yes	No	Not Present
Councilor Bogan	Yes	No	Not Present

Entered nonpublic session

Time: 8:07 pm

Other persons present during nonpublic session:

City Manager Blaine Cox, Deputy City Manager Katie Ambrose, Economic Development

Director Mike Scala, and City Attorney Terence O'Rourke

Description of matters discussed, and final decisions made:

Director Scala provided the Council with an update on the City's negotiations to purchase the so-called Hoffman Building. He stated that the owners would only sell for \$350k (the City had offered \$225k) and that they were not interested in selling the Ben Franklin building.

Councilor Lachance asked if we bought the Hoffman for \$350k, could we ask the owner's for a right of first refusal on the Ben Franklin. Scala stated he would make that inquiry, but that the building is not currently on the market and that they have previously sought a seven figure price

for it. Lachance moved to accept the offer at \$350k on the Hoffman and to negotiate the right of first refusal on the Ben Franklin. Motion was seconded by Councilor Bogan.

Councilor Walker asked what he thought it would cost to repair the Hoffman after the City obtains it. Scala stated that the City sees the Hoffman as a long term investment in the downtown which will increase the values of all the buildings downtown as the storefronts seek to service the needs of the nearly 100 new residential units which will be on line in about one year. The City, after a short period of time, will have a very saleable asset in a redeveloped Hoffman.

Councilor Bogan said that her constituents have been asking during her entire term what the City was going to do about the downtown and the Hoffman. She said the City needs to take this opportunity now.

Councilor Hamann asked if the City was still considering the indoor market plan and if those costs were still around \$600k. Scala stated that if the City goes forward with that plan we can obtain \$1.5 million in funding from the Economic Development Authority (EDA) for redevelopment. That funding is not available to a private owner. If we obtain the property, Scala stated that we would immediately commission a new feasibility study for the indoor market to present to the EDA. Hamann said he supports the plan with EDA funding.

Councilor Lachance stated that a much smaller office building, outside of Main Street, sold, with a lease-back, for \$475k. Lachance stated that the price of \$350k is not out of line with the market, especially considering the primacy of the building on Main Street. It might be little overpriced now, but as the downtown develops, the price will skyrocket and be more than the City would be willing to pay.

Councilor Lachapelle said he is voting no because he doesn't want to pay over \$300k for a dilapidated building and that the State should do something about it.

City Attorney O'Rourke said that the City was stripped of eminent domain powers by the State for only economic purposes and that the City has hit the owners with every compliance action possible and that the owner did not bat an eyelash at the costs. It is vital to the City to get possession of the building to redevelop downtown.

City Manager Cox agreed with the sentiments of Councilor Bogan. He said that what the City has done with the Scenic/Salinger has been a game changer and that residents want more of that same type of activity by the City.

Councilor Gray asked for input from the new members.

Councilor Hainey stated she fully supports the purchase and the idea of the market place. She wholeheartedly supports the motion.

Councilor Abbott stated he wants the building but doesn't want to pay the cost of rehab. Councilor Belkin said she really wants the building, but also fears not have the resources to fix it and being stuck with a dilapidated building.

Mayor McCarley stated that this building has been at the top of her list for her entire four and a half years as mayor. She said that residents ask her constantly, "What is the City going to do about the Hoffman?" One of her first calls as Mayor was to the owner of the Hoffman who kindly rejected her overtures. The Mayor stated that she fully supports this Motion and that the City has to have.

Deputy Mayor Lauterborn states that she entered the meeting in the same position as Councilor Lachapelle, but that this conversation convinced her to vote in favor of the Motion to purchase.

Scala reiterated that he is convinced that he will be able to obtain State and Federal money to fund the entire project.

Councilor Rice stated that he wants to see the City control the narrative downtown and to control the building. Rice supports purchasing the building for \$350k, but doesn't want the City to either dump \$1million into the building or sell it to a private developer for \$1.

Mayor McCarley called the roll:

Yea: Rice, Walker, Belkin, Bogan, Hamman, Lauterborn, Hainey, Abbott, Lachance, McCarley

Nay: Lachapelle, Gray, and Hutchinson

Motion passed 10-3.

Motion to leave nonpublic session and return to public session

Made by: Lachapelle

Seconded by: Rice

Motion: **PASSED** / DID NOT PASS (circle one)

Public session reconvened

Time: 8:41 pm

Motion made to seal these minutes? **Yes** No (circle one)

Indefinitely? **Yes** No (circle one)

If yes, motion made by: Lauterborn

Seconded by: Walker

because it is determined that divulgence of this information likely would:

☐ Affect adversely the reputation of any person other than a member of this board.

☒ Render a proposed action ineffective.

☐ Pertains to preparation or carrying out of actions regarding terrorism.

Roll Call Vote to seal minutes:

(2/3's vote of members present required)

Mayor McCarley	Yes	No	Not Present
Deputy Mayor Lauterborn	Yes	No	Not Present
Councilor Hutchinson	Yes	No	Not Present
Councilor Belken	Yes	No	Not Present
Councilor LaChance	Yes	No	Not Present
Councilor Hamann	Yes	No	Not Present
Councilor Lachapelle	Yes	No	Not Present
Councilor Abbott	Yes	No	Not Present
Councilor Walker	Yes	No	Not Present
Councilor Hainey	Yes	No	Not Present
Councilor Rice	Yes	No	Not Present
Councilor Gray	Yes	No	Not Present
Councilor Bogan	Yes	No	Not Present

Motion: **PASSED** / DID NOT PASS (circle one)

Time: 8:42 pm

These minutes recorded by: City Attorney Terence O'Rourke

Note: Under RSA 91-A:3, III. *Minutes of proceedings in nonpublic sessions shall be kept and the record of all actions shall be promptly made available for public inspection, except as provided in this section. Minutes and decisions reached in nonpublic session shall be publicly disclosed within 72 hours of the meeting, unless, by recorded vote of 2/3 of the members present, it is determined that divulgence of the information likely would affect adversely the reputation of any person other than a member of this board, or render the proposed action of the board ineffective, or pertain to terrorism. In the event of such circumstances, information may be withheld until, in the opinion of a majority of members, the aforesaid circumstances no longer apply.*

Review of Sealed Minutes:

If these minutes were sealed, the Council will be requested to review these minutes within six months and annually thereafter to make a determination as to whether unsealing these minutes is required per RSA 91-A:3.

The date of first review: _____ (within six months of meeting)

The of second review: _____ (within 1 year of first review)

The date of third review: _____ (within 1 year of second review)

The date of fourth review: _____ (within 1 year of third review)