



CITY OF NORTHAMPTON, MASSACHUSETTS
MAYOR'S OFFICE

**AD-HOC FLORENCE COMMUNITY CENTER
RE-USE COMMITTEE**

Mayor David J. Narkewicz

Douglas Loux, Florence Congregational Church

Tom Smith, Florence Civic & Business Association

Maureen Scanlon, communications professional with an office in Florence

Rich Cooper, State Street Fruit Store, Deli, Wines & Spirits & Cooper's Corner

City Council Finance Committee:

Councilor David Murphy, Chair

Council President William Dwight

Councilor Marianne LaBarge

Councilor Eugene Tacy

MEETING MINUTES

Tuesday, March 26, 2013

5:00 p.m.

City Council Chambers

Present: Mayor David Narkewicz
City Council President William Dwight
Councilor Marianne LaBarge
Councilor David Murphy
Councilor Eugene Tacy
Douglas Loux
Maureen Scanlon
Thomas Smith

Unable to Attend: Rich Cooper – his return flight was delayed

Also Present: Susan Wright, Finance Director
Joseph M. Cook, Esq., City's Chief Procurement Officer
David Pomerantz, Central Services Director
Robert Cilman, Northampton Arts Council
Mary Kasper, former Northampton Arts Council, helped in transition of Florence Grammar School to Florence Community Center
Penny Burke, Executive Director, Northampton Center for the Arts
Richard Wagner, Northampton Community Arts Trust
Florence Community Center tenants

1. Call to Order

David Murphy, Finance Committee Chair, called the meeting to order at 5:03 pm.

2. Public Comment

Penny Burke, Executive Director, Northampton Center for the Arts, read a statement:

As a founding member of the Northampton Community Arts Trust, the Northampton Center for the Arts respectfully requests that the committee consider including the following language in the RFP.

Penny then referenced a more comprehensive RFP suggestion by the Arts Trust, which is here reproduced:

The Board of Directors of the Northampton Community Arts Trust, Inc., as a party interested in submitting a proposal for the purchase of the former Florence Grammar School, makes the following recommendations for the Request for Proposals:

1. Change the first paragraph of the Instructions to read as follows:

1. Notwithstanding purchase prices offered, the sale shall be awarded to the proposer who presents the best plan to preserve the property for the following uses in perpetuity: affordable studios, offices and classrooms for non-profit arts organizations and for artists and artisans in all mediums; affordable process and rehearsal space for performers in dance, music, theater and other mediums; affordable performance space for such performers; exhibit space for artists and artisans in all mediums; offices for other arts-related and non-arts-related non-profit organizations; and, 'incubation' space for small businesses not incompatible with the overall artistic mission of the property, with the expectation that such businesses will move on once they are established.

2. Remove the Historic Preservation Restriction and leave it to the purchaser to determine whether to seek such a restriction.

3. The annual Payment In Lieu of Taxes (PILOT) due from the purchaser to the City will be determined on an annual basis as a percentage of the total rent revenue received by the purchaser from tenants in the building.

At the present time, the Center for the Arts has a pressing need for all of the above (in #1). The Young@Heart Chorus, also a founding member of the Northampton Community Arts Trust, has a need for office, storage and rehearsal space.

Richard Wagner, Northampton Community Arts Trust: Added that his board is excited about the Florence Community Center location but needs more time to collect its own data points. He asked that once the RFP is finalized that turnaround time be given to his group to respond.

3. Approval of past meeting minutes: February 26, 2013

Approval was moved by Councilor Dwight and seconded by Councilor LaBarge. The minutes for the February 26, 2013 meeting of the Ad-Hoc Florence Community Center Re-Use Committee were approved unanimously.

4. Vote on Motion to declare property as surplus

Councilor Murphy explained that the group first must recommend that the building be declared surplus before work on any Request for Proposals makes sense.

The Ad Hoc Florence Community Center Re-Use Committee recommends that the Property at 140 Pine Street be declared surplus to City needs by the City Council and that the Mayor, in consultation with the Finance Committee, be authorized to sell the property in accordance with State procurement laws.

Moved by Councilor Tacy, seconded by Councilor LaBarge

Voted unanimously in the affirmative.

5. Continued discussion of recommended Request for Proposals (RFP)

Joseph Cook, City's Chief Procurement Officer: The request we just heard from the Arts Trust would be covered under our language. He summarized the changes made since the previous RFP draft. The Committee desired to get away from restrictions on use of the building and describe what we would like to see in the building. Allowing more flexibility instead probably would get us the best price rather than loading up the building with historical restrictions. The draft before you incorporates comments submitted by Councilor Marianne LaBarge and Councilor David Murphy, and Community Committee members Maureen Scanlon and Richard Cooper. The Payment In Lieu of Taxes language was retained since the PILOT was viewed favorably by everyone concerned. What was added: the financial liability of the developer, the experience of the developer, and the length of time that their intended use would apply to the building. We ask each developer to tell us how long they are willing to have the criteria applied to the building rather than the City set some arbitrary time length. The longest period we could put a restriction on the property other than historical is 30 years, which would probably limit the number of bidders. The minimum time period is 5 years. Price is the other criteria.

Councilor Murphy read aloud the criteria:

Evaluation Criteria. Submit a narrative how your use of the property will address the following criteria and how many years the City will be able to enforce such uses in a court of equity. Proposers agree that the contents of their proposers shall bind future purchasers of the property.

1. Support for the arts.
2. Support for small business development.
3. Historic Preservation of the building.
4. Development experience of the proposer.
5. Financial backing of the proposer.
6. Space available for short term community use.
7. Length of commitment to the proposed uses.

Joseph Cook: You are also free to reject all proposals, refine the RFP and start again. This is a very flexible approach for dealing with the property. The City Solicitor will supply an updated purchase and sale agreement and PILOT agreement to include with the RFP.

Council President Dwight: The previous version of the RFP was much more restrictive. What is before us tonight is more flexible and represents the carrot approach rather than the stick.

Councilor Murphy: One of the reasons behind the time frame is respect for the current tenants in the building. We would like to know within 45 days if we have a reasonable purchaser of the building before the current tenant leases run out. It would then be up to the tenants to renegotiate space with the building's new owner.

Thomas Smith: I favor the lack of restrictions but in one way this approach worries me. Must the City accept the high bidder even if that bidder doesn't address the criteria in a way the City likes? Does price always determine who wins the bid?

Mayor Narkewicz: No.

Joseph Cook: Price is one of the criteria, not the only one.

Councilor Murphy: The former South Street School was leased at a very favorable rate for a very long time because we approved the use to be made of the building by the Community Music Center.

Councilor Murphy re-read Penny Burke's statement and asked if the language was more restrictive.

Maureen Scanlon: I don't see anything missing in our criteria that is on the Arts Trust list other than historical preservation.

Council President Dwight: I see nothing in the Arts Trust suggested criteria that would preclude what is in our draft recommended criteria. My fear is that the other potential bidder, with more of an educational endeavor, would find it more difficult to comply if we were to incorporate the more specific arts language suggested by the Arts Trust into our RFP. I fear we would discourage a bidder.

Douglas Loux: I fear that if we incorporate the Arts Trust criteria into our RFP, another bidder could protest the RFP as favoring one bidder.

Councilor Tacy: The existing RFP language encourages more bidders.

Councilor Murphy: What I like about Joe Cook's language is that we want to reassure the community that we are open to getting the full value for a City asset in very hard budget times.

Councilor Dwight: My counter to that: We've established through our past discussions that the value of an incubator business system can't be measured in dollars and cents, and will have a more lasting intrinsic value not least culturally but also fiscally. What we heard in all the arts advocacy was not to promote the sale as a quick stop-gap sale to plug the City's \$2.4 million budget gap.

6. VOTE

The Ad Hoc Florence Community Center Re-Use Committee hereby approves the recommended Request for Proposals (RFP).

Moved by Councilor LaBarge, seconded by Douglas Loux.

Voted unanimously in the affirmative.

7. Dissolution of Ad-Hoc Florence Community Center Re-Use Committee

Motion to adjourn the Ad-Hoc Florence Community Center Re-Use Committee was moved by Councilor LaBarge, seconded by Councilor Tacy, and voted unanimously in favor.

Their task having been completed, the Re-Use Committee was dissolved and the community members thanked for their seriousness of purpose in approaching their work. Tom Smith thanked his fellow committee members for the careful consideration given to the task, a trait not always associated with government undertakings.

The Ad-Hoc Florence Community Center Re-Use Committee meeting adjourned at 5:35 pm.

8. Convene meeting of Finance Committee

Councilor Murphy, Chair called the Finance Committee to order at 5:36 pm.

9. VOTE of Finance Committee to recommend the following Order to City Council

ORDERED THAT the Property at 140 Pine Street is declared surplus to City needs and that the Mayor, in consultation with the Finance Committee, is authorized to sell the property in accordance with State procurement laws.

Moved by Councilor Dwight, seconded by Councilor Tacy.

Voted unanimously in the affirmative.

10. Adjourn

Council President Dwight moved to adjourn, seconded by Councilor LaBarge.

The meeting adjourned at 5:40 pm.

Respectfully submitted,
Corinne Philippides, Mayoral Aide
April 8, 2013