

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

Date: March 5, 2024

Motion to enter Nonpublic Session

Made by: Walker

Seconded by: de Geofroy

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 Callaghan

Yes

No

Not Present

Deputy Mayor Hamann

Yes

No

Not Present

Councilor Fontneau

Yes

No

Not Present

Councilor Turner	Yes	No	Not Present
Councilor Fitzpatrick	Yes	No	Not Present
Councilor Karolian	Yes	No	Not Present
Councilor Lawrence	Yes	No	Not Present
Councilor Herman	Yes	No	Not Present
Councilor Walker	Yes	No	Not Present
Councilor Creteau	Yes	No	Not Present
Councilor Sullivan	Yes	No	Not Present
Councilor Richardson	Yes	No	Not Present
Councilor de Geofroy	Yes	No	Not Present

Entered nonpublic session

Time: 6:16 pm

Other persons present during nonpublic session:

City Manager Kathryn Ambrose, Economic Development Director Michael Scala, Finance

Director Mark Sullivan, and City Attorney Terence O'Rourke

Description of matters discussed, and final decisions made:

St. Elizabeth Seton School Property, 16 Bridge Street

Director Scala presented the Council with his proposal for the City to make an offer to purchase the so-called St. Elizabeth Seton School Property (the "Property"). Councilor Sullivan asked if the City was only purchaser to resell to a developer. Scala said yes, that this would allow the City to control the development of this important downtown parcel, particularly through the RFP process. Fontneau wanted to know if the City had knowledge about the nature of the potential purchaser. Scala explained what the City had learned about the purchaser and that it was his

opinion that the potential purchaser did not have the financial capacity to fully develop the parcel. Scala said this potential purchaser has not contacted the Church since he signed a Letter of Intent and he did not follow up with Scala on a scheduled meeting.

Councilor Lawrence asked if the potential developers with capacity would be the bidders on an potential RFP. Scala stated that that would be his plan and that he has had initial discussions with those developers about working with the City. Councilor Herman wants to buy the parcel and turn it over to SOS Recovery to give rehabilitation and housing to the homeless. Scala said that he was not aware if that use would be allowed by zoning in that district.

Director Sullivan explained the financing aspects to the Council including the use of ARPA funds in order to secure a commitment for affordable housing units in the Property.

Mayor Callaghan, in response to Councilor Herman, stated that he has spoken with social services networks about the Property and that it would be too expensive for them to convert it to their uses. The Mayor then asked how the money for the State works for demolition and remediation. Scala stated that the State standards just changed that would allow the City to receive even more than the originally anticipated \$500k grant. Callaghan stated that he believed that \$750k is small price to pay to get 10-12 affordable housing units.

Fontneau said this is a critical piece of the City's downtown redevelopment and it is imperative that the City control its development to the best that it can do.

Councilor Turner asked how long it might take to resell the property. Scala stated that based on past and current experience, he envisions a signed P & S within months. Councilor Richardson asked how the Riverwalk Easement would work. Scala stated that the City would reserve an easement in perpetuity in the deed granted to the subsequent purchasers.

In response to a question from Councilor Creteau, Director Sullivan explained how a subsequent purchase would work in terms of "passing through" the ARPA money. In response to a question

from Councilor Karolian, Scala explained how the City pays a premium for properties in order to invest in our downtown.

Council Action: Motion to allow for P & S up to \$2 million made by Walker, Creteau seconded

Yea: Unanimous

Nay:

Motion to leave nonpublic session and return to public session

Made by: Walker

Seconded by: Hamann

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

Public session reconvened

Time: 6:53 pm

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

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

If yes, motion made by: Walker

Seconded by: de Geofroy

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 Callaghan

Yes No

Not Present

Deputy Mayor Hamann

Yes No

Not Present

Councilor Fontneau	Yes	No	Not Present
Councilor Turner	Yes	No	Not Present
Councilor Fitzpatrick	Yes	No	Not Present
Councilor Karolian	Yes	No	Not Present
Councilor Lawrence	Yes	No	Not Present
Councilor Herman	Yes	No	Not Present
Councilor Walker	Yes	No	Not Present
Councilor Creteau	Yes	No	Not Present
Councilor Sullivan	Yes	No	Not Present
Councilor Richardson	Yes	No	Not Present
Councilor de Geofroy	Yes	No	Not Present

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

Time: 6:53 pm

These minutes recorded by: Terence O'Rourke, City Attorney