

CITY COUNCIL WORK SESSION RE: MCINTYRE PROPERTY

MUNICIPAL COMPLEX -CONFERENCE ROOM A  
DATE: MONDAY, JULY 31, 2017

PORTSMOUTH, NH  
TIME: 6:30 PM

City Council Present: Mayor Blalock, Councilors Perkins, Dwyer, Lown, Pearson, Spear, Cyr and Denton

City Council Absent: Assistant Mayor Splaine

Staff Present: John P. Bohenko, City Manager; Deputy City Manager Nancy Colbert Puff; Nancy Carmer, Economic Development Manager

Mayor Blalock called the work session to order at 6:30 p.m.

Deputy City Manager Colbert Puff gave a brief presentation of the timeline and next steps of the ongoing McIntyre Project. She then introduced Lisa McCann, Consultant, to review the Historic Surplus Property Program and her report on the character defining features of the McIntyre Property.

Ms. McCann gave a brief review of her background which includes being an architectural historian and having previously worked for the National Parks Service and has reviewed many of these applications in that capacity.

Deputy City Manager Colbert Puff stated that the GSA is looking to be out of the building by fall of 2018 and will be transferring their staff accordingly. She stated that it seems like there is a lot of time, but we need to keep on the schedule and she stated there will be a proposed draft of the RFP at the August 7<sup>th</sup> meeting. She stated there will be another open house and we may be inviting the developers to the September 9<sup>th</sup> Council Retreat. She stated if anything new is learned after the release of the RFP, and addendum can be done. She stated that at the same time, we will be going through the approval process for the historic monument process.

Councilor Spear asked if the interviews of the developers will be in public or non-public sessions.

Councilor Dwyer stated that if the team is in the running then they won't want to share their strategies publicly.

Deputy City Manager Colbert Puff stated that people interested in the site may already be doing preliminary work and they will also have to have their financial information ready as well.

Councilor Perkins asked about various documents that have not been made available and feels that those would be needed by anyone looking at the property.

Ms. McCann explained that the Park System is a sister federal agency and are considered to have the expertise in these applications, so any changes will be negotiated by the Parks Service and when they think they have a good agreement, they will send it to the GSA with a final recommendation and that is when the 15 day "clock" starts.

City Manager Bohenko stated that funding has been set aside over a number of years for this process.

Deputy City Manager Colbert Puff stated there are 2 projects in New Hampshire that have used this process but are not income producing. She then gave some examples of other projects in other parts of the country that are income-producing, but are tailored to the markets they are in.

Councilor Lown asked if the municipalities own the lease.

Deputy City Manager Colbert Puff stated that they do, but again explained that there are differences in the circumstances.

Councilor Lown stated that the GSA doesn't want to sell the McIntyre property because it is "historic", but wonders why the example given in South Carolina was not.

Deputy City Manager Colbert Puff stated that it was done before the building was 50 years old.

Ms. McCann stated that another building referred to was heavily damaged in a hurricane.

Ms. McCann then reviewed Character-defining Features analysis that was distributed to the City Council.

Councilor Spear asked for clarification as to why a site is deemed historic or not. Ms. McCann stated that 50 years and older is the cut-off point and that it also has to be intact. She further explained that renovations to the building can be exempted and explained that there is flexibility in the various parts of the McIntyre building, but demolition would be problematic.

Mayor Blalock stated he would like to see the post office stay on site, but not necessarily in the same location.

Councilor Lown asked about the process and if we can propose plans multiple times with various options and would we risk rejection if they don't like something or can it keep going back.

Ms. McCann explained that there is no limit to the work with the Parks Division as they will work with us until something is acceptable.

Deputy City Manager Colbert Puff stated that we have hired Ms. McCann and she used to approve the applications so she will have a good idea of what is acceptable.

Mayor Blalock stated we also want community support.

Ms. McCann stated that this is a rehabilitation and not a restoration project.

Discussion ensued regarding various ideas of uses for the building and what may or may not be allowed in certain parts of the building.

Ms. McCann stated that this is not a use-driven process and the city will develop the floor plan but can change their mind with agreement from both parties, even 15 years down the road.

Councilor Dwyer stated that there should be some consensus of the City Council before this goes further.

City Manager Bohenko stated that from a policy perspective the Council may want to come to some type of consensus in regards to how much open space they are looking for, how much residential, retail, etc. understanding that things can be changed.

Ms. McCann stated that the City should remember the zoning codes in the area which may limit what can be done.

Councilor Dwyer stated she doesn't want to be too conservative and be open to possibilities.

Regarding the interior, Ms. McCann stated that there are not a lot of interior elements from the original time period that need to be retained. She stated the floor plan would probably remain the same because it is expensive to move all of the electrical, etc.

Discussion ensued regarding the upcoming interview process and perhaps narrowing the field from the current 7 applicants so that those not selected would not have had to invest a lot of time, etc. The consensus was that the process needs to include more public input and refinement.

Deputy City Manager Colbert Puff stated that we need to be mindful that this redevelopment is regulated at many different angles and the market will be responding to us. She stated this is a ground lease and not a sale. Regarding the team putting in a lot of work, she stated this is a process and it is commonplace for a lot of work to be put into a response to an RFP, and they have the benefit if they are chosen. She stated that all of the teams offer different capabilities. She stated that another thing to keep in mind is that the McIntyre Building is full of asbestos and there will be a cost to remove it.

Councilor Spear stated we are not picking a team based on the prettiest design and there are many other aspects involved. He stated we should agree on the goals first.

Councilor Cyr stated there will be pulse checks along the way through the process and the teams will know if they are off-base sooner than later. He stated he is also concerned with design by committee and stated that his preferences include some commercial development relevant and open to the public, on the first floor and possible rooftop access and usage to take advantage of the views, also open to the public.

*(Councilor Lown left the meeting at 7:55 p.m.)*

Mayor Blalock stated he has strong feelings with keeping the backside low to be able to see the Church from Bow Street is important. He would also like to see the first floor have interactive uses as well as the roof and a significant amount of open space.

After continued discussion, Councilor Spear stated that releasing the RFP on August 7<sup>th</sup> may be premature and feels that the ideas given should be ranked.

City Manager Bohenko stated that he feels it is important to get the RFP out there to start the process and get feedback on it.

Deputy City Manager Colbert Puff stated she has examined many RFP's with similar objects and there is a significant financial component to the RFP and it will contain evaluation criteria. She stated that we will still get input from the Council and the public.

Following discussion regarding whether the RFP should go out or whether a draft should be presented first, City Manager Bohenko stated he will bring back a draft RFP as in informational item on August 7, 2017 and the Council can then decide if it needs an additional work session.

Meeting adjourned at 8:15 p.m.

Valerie A. French  
Deputy City Clerk