

DOCUMENT 2 - MINUTES OF A HEARING HELD ON FEB. 11, 2014 FOR A PETITION FROM DAVE TRAGGORTH, MANAGER FOR 37 WASHINGTON ST LLC FOR A SPECIAL PERMIT FOR REDEVELOPMENT AND RESTORATION OF EXTERIOR AND INTERIOR OF 37-47 WASHINGTON ST, KNOWN AS "SURPLUS OFFICE BUILDING" PLAT 301, BLOCK 53, LOT 9, TO CREATE UP TO 19 RESIDENTIAL UNITS AND APPROXIMATELY 4,000 SF OF GROUND FLOOR RETAIL SPACE.

SUBJECT: Document 2- Petition from Dave Traggorth, manager for 37 Washington St., LLC, for a special permit for redevelopment and restoration of exterior and interior of 37-47 Washington St., Plat 301, Block 53, Lot 9, to create up to 19 residential units and approximately 4,000 SF of ground floor retail space.

Present: President John Michitson, Councillor Robert Scatamacchia, Councillor Melinda Barrett, Councillor William Macek , Councillor William Ryan, Councillor Thomas Sullivan, Councillor Mary Ellen Daly O'Brien, Councillor Michael McGonagle, Councillor Colin LePage

City Clerk Linda Koutoulas: Petition has been received from Dave Traggorth, manager for 37 Washington St., LLC, for a special permit for redevelopment and restoration of exterior and interior of 37-47 Washington St., Plat 301, Block 53, Lot 9, to create up to 19 residential units and approximately 4,000 SF of ground floor retail space. A favorable recommendation has been received from the Planning Board to incorporate the comments of the Planning Director and favorable recommendation from the Planning Director with conditions/stipulations based on an assumption that all items in the letters from the City Departments along with all requirements for special permits would be made part of the Special Permit for the project.

President Michitson: I open the hearing. Is there anyone in favor that would like to speak.

My name is Dave Traggorth, manager of 37 Washington LLC, principal of Traggorth Companies. Thank you for having us here. We've brought part of the team. I am remembering that the last time I was here was actually was 2011 was part of the Urban Land Institute Technical Assistance panel on Merrimack Street where we spent the whole day here and we landed here at the end to talk about Merrimack Street and the options for revitalization and given the news, it's really exciting to be here to be witnessing that but it's also really exciting to be here to be part of it on Washington Street as well. Just to introduce some of the team, my business partner Dan Hubbard, in the back, architect Kevin Debler, and our attorney Jim Murphy will be here to answer any questions that you may have. I'd like to run through who we are as a development company and who RODE is an architect and then the current state of the building. Then proposed plans that we have and certainly open it up to any questions or comments that you have. Feel free to stop me if you like. If we move onto the first slide. These are just some images of things we have done elsewhere and been involved in across the state of Massachusetts. All of our work is in Massachusetts. To the left there you see Atlas Lofts, which was a 53 unit of a loft building. Very similar in some ways of the building we are talking about tonight in terms of tall ceilings, exposed brick, those sorts of things. Just to the right of it at the top, you also see Atlas Lofts sort of in its context where there's a playground across the street and it was sort of a neighborhood revitalization effort that we were a part of. Just to the right of that is Standard Box and the Flats of 44 which are being built now and will be ready in April. That was all new construction with sort of existing rehab component as well for a small piece of it. Down on the right, you see the Mirais, which is in the South end of Boston. Historic tax credit project that we did. About 2,000 SF units. Very large units. Three plus bedrooms. The one right in the bottom in the middle is actually what we are working with RODE architects right now in the Jamaica Plain neighborhood in Boston. Twenty-one units, old school rehab. That's some of what we worked on in the past and what we are currently working on. RODE as well is working on a myriad of buildings including the Norberg on Kingston Street in Boston's Chinatown District. Up on the left, Allston/Brighton, on the right

is a new construction multi-family residential but we are excited to bring what we've developed and the relationship that we've developed at the Norberg School over to here. One of the key reasons why we picked Norberg, besides them being good guys, and fun to work with, is that they have a lot of retail experience and restaurant experience. They've done some great restaurants in Dorchester and Cambridge in terms of fit outs and they have a really good sense in terms of what people need in those types of spaces. We wanted to have an architect that was just as good as that as they are at the multi-family side. Moving onto our building at 37 Washington Street. I think one that you know very well. Near and dear to many peoples heart. It's a fantastic building. I was on the Mass. Development bus tour and wondered off the script a little bit and came upon this and followed it up. I think that was about a year and a half ago if not two. It's absolutely a beautiful building in terms of the façade detailing. I think uncovering some of that storefront will reveal some the windows that are still there. Obviously, there is some beautiful tin work. There's some tall ceilings and once we pull that plywood off the windows upstairs, they are really large which is exciting for us and something that we look for in the historic rehab of properties that we like to do. Some of interior shots on the top floor. You see some of the tin and then the upper floors are represented on the bottom two pictures where you see some of that exposed brick. The old fire doors that are still there and look forward to finding a new use for those whether they be within the units or some of the common spaces. In terms of location, right along Washington Street with the Wingate parking lot right behind it and prominent building on Washington Street. Isn't very much informative other than to say there's not very much in the building currently on the ground floor. If you go to the next slide, it gives you a little bit of a sense, this is a sense of the concept we are working on. What do we mean when we talk about ground floor retail in this sense and what's possible. You can see some of the exposed brick, sort of white washed up on the left. You see the long bar that goes along with the geometry of the space. While we don't have tenants yet, we'd love, but we are not there yet. This just gives you a sense of some of the possibilities that are available in this space and we would love to see if we can find the right tenant that could move in and be there. How does that play out in terms of a plan? This is the floor plan that I was talking about. This building was built in essentially three bays. We've got the right side which has the windows which has the windows along the ground floor, which is all blocked in, which we'll reopen essentially to allow light back onto the alley and visibility back onto the alley. That space together is about 3,000 SF which could be combined, as those two spaces together or could be separated as two distinct spaces depending on the type of tenant that would be interested in it. Then you have to the left, which does a lot of things for us in terms of entry for the residential portion but it also provides us with a unique opportunity. First of all, the residential entry is down to the left of the building. You go back essentially because of the grades we need to do a slight incline and then you see the elevator which serves all the floors of the building. It's a 20,000 SF building. There's four stories. Three stories of residential that will all be served by that one elevator. Of course the emergency egress stairs, part of which we are restoring, some of which we have to replace for code reasons. Essentially, the retail, that is, wraps that residential entry is what the option we are showing here is a live/work space. Where someone who is associated with the retail up front would be able to live potentially in the back of that space and walk out the door essentially and in the front of their space sell artwork. Sell professional services. I was talking to somebody about the idea of somebody who fixes computers and they can have the retail space in the front. They can have their residence in the back, and I use often the anecdote of a friend of mine, she's a landscape designer but she has a terrarium shop. Probably not a business model that would not be sustainable if it were not for her live/work space. Where her family stays in the back and she has a really unique and interesting business that has a street front presence and it works economically for her because it's all part of just her living rent and her working rent. I think Haverhill has a lot of opportunity to attract artists and professionals who would be interested in something like this. What we'd like to do is leave ourselves the option. Do we have multiple people who want this space tomorrow? No, we haven't reached out to them yet but I think that there will be multiple people who would be interested in this and certainly if it's an opportunity that we are given, we are going to make every effort to make it work. We think it will be interesting. We think it will be fantastic. We think it could really work just from a design perspective. The next slide, this is the other option. Let's say that we don't find somebody that is going to

do the live/work concept. Well then it's all retail. That's what it is in some concept. If you take away that partition, it becomes a retail space thru and thru. With most retail spaces you still need a bathroom and you still need some kind of little kitchenette. Maybe we leave that or maybe it isn't needed by that retail tenant. What we'd like to do is ask you to allow us the opportunity to try the live/work space in that area and give it a shot and try to find a really interesting unique tenant that can make it work and provide something new and unique for Washington Street. There's a rendering as Kevin says, very early lunch hour, not enough people in there. But we'll get more people in there for sure, to show some of the opportunities of some of these retail spaces. You can see some of the fire doors on the right and the exposed brick on the left. A lot of that glass is currently covered up, but we are obviously going to take that off and let as much natural light in as we can. Moving upstairs, it's a fairly vacant space. Has been used for storage probably for the past four decades. When we talk about how it can turn into residential space, again, you see the elevator up on the left, that serves all the floors. A common area that serves six units. Two one bedrooms on each floor and four one bedrooms. The way that this building lines up, it's really, sometimes we have to turn ourselves into pretzels to try and get residential layouts to work in old buildings. This is not the case for this building. It's a beautiful building in terms of how it lays out for residential purposes. We are really excited by the opportunities it provides in terms of sunlight thru all these windows, tall ceilings. We are going to be putting in fantastic finishes. Something that worked with Atlas lofts was actually an exposed concrete floor which people really like, We are not necessarily committing to one thing or another. We are looking at it from a marketing perspective. What are people really interested in. Certainly granite or some other solid surface counter top. Some appliances that people can really use for cooking and things like that. I will say that one of things that you will not necessarily see in this building is a lot of amenity space. The reason is, like we've done on many of our projects, the amenity is Washington Street. Get out. Go to the restaurant. Go to the fitness facility that's down the street. We want you to obviously enjoy living here, but we want you to enjoy living on Washington Street and in the rest of Haverhill and we want you to utilize the businesses that are already there and we don't want to sort of create this little own ecosystem. For a lot of the demographic that we've seen and marketed to, that's a very attractive option. Some people don't want to be paying for all these amenities that they don't really use on a regular basis in their rent. There's a couple of things. We think Washington Street in Haverhill has a ton to offer so let's get people of the building and to utilize that and downstairs. This is just some of the concepts we are using in terms of the interior design of the residential space, some of the inspiration that we are drawing upon. One of the things is that this building will be built National Park Service standards in terms of historic preservation. We are looking to utilize historic tax credit which puts you under certain level of scrutiny in terms of window types, and detailing and things like that. We take that as a challenge and are excited by that of being able to provide a quality level that we are very proud of. The exterior façade we tried to pull as many historic photographs as we can as part of the application process. Obviously, a big piece of that is the storefront and what it looked like in the old days and trying to bring that back a little bit. There's a lot of cast iron under there. There's some old windows. All of the storefront will be new. Aluminum, with the exception of some cast iron pieces. It will be made to replicate what was there. The back of the building. We are talking about adding couple of windows on that side that sort of looks onto the driveway to the Wingate parking lot. This is what we hope it looks like, sooner, rather than later.

We have been to the Planning and Zoning Board. Have adjusted our plans based on feedback from them. We do have a parking agreement with the MVRTA for twenty years with a ten year extension in the garage for nineteen spaces. We are happy to clear up some back taxes. We've cleaned the building and we've been proceeding. I think we are meeting on Friday with the Washington Street Historic group to talk to them. We've been talking with the Mass. Historic and the National Park Service about this building. I'd like to thank you for the time. I know we've covered a lot of ground and will take any questions you may have. Thank you.

President Michitson: Is there anybody else that would like to speak in favor?

William Pillsbury, Jr.: Thank you Mr. President and members of the Council. Again, you have the report from the Planning Board and from myself, a recommendation in front of you this evening. I am here to answer any questions that you may have. We really feel this project has been reviewed as Mr. Traggorth has said, both by the Board of Appeals. Variances have been granted by the Planning Board. Recommendations have been made and some changes and updates have been made as a result of that. Again, from the Economic Development perspective, this is a very important building in downtown. We have been trying to work on this for a long time and would feel this package tonight is ready to go and would ask for your support. I am here to answer any questions you may have as well Mr. President.

President Michitson: Thank you very much. Is there anybody else that would like to speak in favor? There was no one. Is there anybody who is against the proposal that would like to speak?

Good evening Mr. President, members of City Council, my name is Lou Fossarelli. I'm a direct abutter across the street at 32 Washington Street and I have interests at 57 Washington Street which is slightly to the right on the other side of the entrance to the parking lot. The only way I can get this podium is to tell you that I am opposed. I am not. I am so excited I can barely contain myself. I've looked at that building now over for fifteen years as a direct abutter and it's horrible. Predevelopment is something I need, Haverhill needs, the street needs and certainly the proposal, the pictures, the renderings are wonderful. But I'd like to talk to you philosophically for a moment which will have a direct effect on the practical part of what I want to say to you. The building that I have an interest in which is 57-61 Washington Street has approximately 20% less volume than this building. Roughly the same depth. Same number of stories, it's not as long. In that building there are eleven residential units. Been there since 1989 or 90. In that same relative space with 20% more space they are putting 19 units, predominately one bedroom units. And I ask a rhetorical question, do we always have to develop to the lowest common denominator? Couldn't all those things, those imagination, artists concepts, all those things be developed in a way where the building had a little uptick. It's not going to be high end luxury. No matter what happens there. But we have a preponderance of units on this street that are entry level from an economic perspective. A lot of them are one bedroom units. It's time to tweak the machine. We have CVS' that look like hamburger stands in Arizona. If you go to our surrounding towns, they look like Currier and Ives main streets. They are clapboards. We seem never to be able to rub against the development to get something a little more out of it. We don't want to chase them away. In fact they are sick of seeing me. We meet monthly and it's nice of you to join us this evening. It's really something, you don't have to be necessarily opposed to something to see something better in it. Where we grab ourselves and we elevate. If it gets done the way they suggest, it will elevate us. It will be new, fresh, historic and certainly pleasant. It will be the lowest common denominator. The predominant number of units are less than 600 SF. I know there's a need for a small one bedrooms, but we've built more one bedrooms in the last ten years in Haverhill than I could ever image possible and I'm in the real estate business. It's just not something, I don't believe, we should be doing philosophically. But I know a lot of water has gone over the dam. I heard the Planning Director, in general, the concept is acceptable. I have some specific problems with the development. The gentleman who spoke before touched on one of them right away. It is the residential unit on the first floor. There are none in the historic downtown. Even Haverhill Housing Authority doesn't have a residential unit on the first floor. It hasn't been our policy since we started doing this street in the late 80's until today. Now, I sat where you are sitting not too long ago and we did the Hamel Lofts. Same type of presentation: Artists, one room, coming to an intermodal facility at the train station. It's perfect. They are going to be working and living there, it works in their economics. The only person working in the Hamel Lofts is the janitor. There is nobody there. They are regular residential units and that's the reality of these things. Tonight you are going to decide on a special permit. If it doesn't say it in the special permit it won't be there. Keep in mind, nowhere on the street, nowhere on Granite Street, nowhere on Wingate Street, nowhere on Washington Street is there a residential unit on the first floor. This will be it. And I personally believe that cheapens the development. I really do. I believe that could

be, and I know he suggested that could go to the gym, but if you go across the street to the project on the other side at 80 Washington Street, they have a little workout room in that facility. It doesn't necessarily have to be something part of the commercial if you can't get someone to rent that space, it's too large, whatever. There could be some amenities and that's a very small one and it's only a suggestion that that space could be used for. I think it's a bad policy. I think it's a break in policy that was prevalent in this community for the last twenty-five years. In that district, no residential first floor units. Having said that, I don't know how far along we are but, I'm not alone in that feeling, I would certainly appreciate at least that consideration. They've addressed the issue of the parking. It's no small matter. The parking lot that is directly behind it contains only 64 parking spaces. If you extrapolate 19 residential units plus commercial, we'll just take the 19, that could be as many as 40-50 potential parkers and they wonderfully went up the street to the parking garage and have leased for twenty years, spaces in the parking garage and I think that's great. It's a great solution but I believe it's up to this body to recommend to them that that be filed and recorded with the special permit because otherwise it's going to go away. As sure as we are sitting here that's going to disappear. Twenty years from today it's gone. As to the profitability of the building, I'm a private sector person and I love profit and I wish them all the luck in the world in developing this building. That one little residential unit on the first floor is not going to matter. This is a significant development. It's tastefully done. It's going to be successful. That little piece of the pie could be missing and I think we are all better off for it. Thank you Mr. President.

President Michitson: Thank you very much. Is there anybody else that is against the proposal that would like to speak? Is there anybody else that is against the proposal? The presenters are allowed a five minute rebuttal.

Dave Traggorth: We have seen Mr. Fossarelli a lot and I certainly respect his comments. Let me first talk about unit sizes and what we are finding from all the other projects that we are building. We're finding that people really appreciate and want well designed spaces as a primary demand; with high quality finishes, with storage space within the units; good kitchen cabinets, all those different things. Places where they can put their desk, places where they can put their bed, nightstand, things like that. How these units lay out, because of the natural geometry of the building, it works very very well, the way the units are sized. They are over 600 SF in terms of the one bedrooms and two bedrooms about 900 SF. I think the units meet the needs of the demographic and the folks that are going to live there. The parking, we are certainly, and what we've been doing just to follow the precedent that's been set. That's what we want to offer our residents, in terms of being able to park in the garage and being able to provide a copy of that to the Planning Department we are happy to do that. It is not going to disappear. We have to have places for our residents to park. If they can't park the car, they are not going to live here. It's absolutely in our interests to be able to provide them with some parking. The live/work space. Essentially what we are proposing, if you are not connected to the professional business or business that is happening in the front, you will not be allowed to live in the back. There has to be a connection between that entire space. That is a change that we've made. It's one that is important, and I understand, to the Washington Street corridor. I understand the importance of not putting residential units right on Washington Street. That's not what we are interested in. We are interested in providing a potential tenant, with a viable business plan, for an interesting business that can contribute to Haverhill. That's the option that we would like to go pursue and to see if we can make work. If we can't, then we'll make it all retail and we'll commit to it being retail. Those are the couple of things that I would like to say and welcome your questions.

President Michitson: Thank you very much. Mr. Fossarelli would you like a five minute rebuttal?

Lou Fossarelli: No thank you Mr. President, I'm fine.

President Michitson: Thank you very much. Councillors I'll take questions now and then probably some after the hearing.

Councillor Daly O'Brien: I do have a couple of concerns. One of them is, is that a commercial size elevator? This will be an elevator, I imagine, furniture and things like that so I am wondering if it's a typical size elevator or something much larger like we would see, sometimes what they (inaudible) the back of the house.

Dave Traggorth: It's not a freight elevator. It's a passenger elevator that we would install in any of our residential buildings. In the sense that it's not a limited use elevator where it's slow and it's not very attractive kind of elevator. It will be an elevator that's attractive, that's nice to be in. A lot of times what we do is we make the cab taller which assists in terms of getting your sofa into the cab and other things.

Councillor Daly O'Brien: In other words, you would really be encouraging people to use the stairway for moving.

Dave Traggorth: No, I would encourage them to use the elevator as part of the move in process, you put the pads up on the wall. You arrange that move in. Let them put the stuff in. Have the key hold and take it up. That's what we do on a lot of our properties. We'd use the elevator for that purpose.

Councillor Daly O'Brien: I'm not particularly impressed with that. I think if you want people to use it as a mode of moving furniture and such, that you would want to look at something a little larger. I'm not saying it has to be a freight elevator but I know as a nurse that works in a hospital settings, that there are different size elevators that can accommodate different things. I'm just throwing that out there as something that I think, where you are not going to have certain other amenities, that might be a nice amenity that you can actually put your furniture in there without worrying about, not just hurting the elevator, I'm really not worried about that. I am worried about people's own goods being effected. That's just one suggestion that I have. What is the exact square feet of the one bedroom and two bedroom apartments?

Answer by team member: The one bedrooms range between about 675 up to 800 SF with the largest one bedrooms. The two bedrooms are 900 SF each.

Councillor Daly O'Brien: Mr. Fossarelli brought up a really interesting concept and I know that there's only a couple of other buildings that have entertained having the larger more spacious apartments, I wouldn't toss that out as something that is impractical. It does look like this is more profit oriented in the fact that you have put 19 in this and I thought that from the beginning without even hearing his comments. It's too bad there wasn't a way to make a couple of really spacious apartments there for folks that want to have a little more flexibility. A bigger bedroom. I could never put my king size bed in any of those bedrooms. They look awfully small to me. Even if you wanted to put a bed, say a king size bed and two dressers. I don't think they would fit. I think there's different economic groups that are looking to live downtown. We have done a lot of development with exactly the kind of space you are talking about. That point is driven home all the time. I mean we've done a lot. I am not even saying they have to be three bedrooms. If they are two spacious bedrooms. Or, I like to say the third bedroom is the place where you are going to put your computer and all that kind of stuff. It can be a small bedroom.

Answer by team member: Maybe just address the bedroom size first off. All of these bedroom have a minimum size of 11' x 12' which I would agree, probably doesn't fit a king size bed with two dressers. The market for one bedrooms aren't looking for that. It's a potentially queen size bed with furniture. The dimensions of 11'x12' accommodate multiple flexible layouts.

Councillor Daly O'Brien: You know what group I think you're not looking at? I don't think you're looking at the 55 and over who don't have kids. They are probably leaving their macmansion. They want

to live downtown because of the train and the ease of the parking. The garage is very attractive. They don't want to go to a cookie cutter size. They are not starting out in life. This is where they are going to end their life because they can live on one floor. It's got elevator access. This is a population I deal with all the time because I am a case manager. There's no place for these people to live unless they go into a more assisted setting or elder housing setting. I think there's a 55 and over crowd that is looking for someplace to live on one floor that can age out in that has a little for going for it than someone who is thirty. Maybe this isn't the project for that.

Dave Traggorth: I think it should not be ignored. I agree with that. I think any building that has a new elevator in it will be attractive to elderly.

Councillor Daly O'Brien: You think 55 and older is elderly sir?

Dave Traggorth: Sorry, excuse me. I just said the elder.

Councillor Daly O'Brien: I'm just saying, you better be careful.

Dave Traggorth: Retirement age is dropping. The two bedrooms fit that sort of lifestyle a little more where you would want a visitor to stay in a room. There is flexibility with respect to the layout of some units. We can give a bedroom, take a bedroom out of a unit so there could be a few extra larger bedrooms. There is still flexibility to play with that. We are designing each one of these bedrooms to function with multiple flexibility. I would like to address the elevator as well. This elevator will accommodate stretcher code it has to by building code or by virtue of having an elevator. While it might not be classified as a large scale freight elevator, these elevators are designed to take on furniture and take that type of beating.

Councillor Daly O'Brien: It wasn't about the elevator as much as people's furniture that I was concerned about. My other point is, is there storage area outside of the apartment? Is there going to be a shared space where people could store things outside of the apartment?

Dave Traggorth: We are looking at the space in the left bay. If you go to the ground floor. There's space under that live/work where we could potentially, we are looking at the feasibility. We have to look at ceiling heights to allow people down there. We'd love to put storage if we can.

Councillor Daly O'Brien: I think that's a place to put bikes, winter stuff. Things like that. Summer things when you are not using the summer things. I think that's a plus. People don't always want to hang there bike from their wall in their space. I don't want to hold up a project that is this interesting and the building has needed it for so long. I would like it if you were able to look at one of the floors and make that bigger apartment size available. I can see where they fit so perfectly. Could the floor be something that we tweak or the second floor. I am thinking more of above. I definitely am not for the living projects on the first floor. As he pointed out, I think that is something we have never done someplace else. I think there could be use for it, maybe that could be the storage area. Maybe that could be place you could offer the tenants a place to store things.

President Michitson: Thank you very much Councillor for getting the ball rolling.

Councillor LePage: Thank you Mr. President. I actually want to ask Mr. Pillsbury a question first. The downtown zoning that we just gone through. Remind me, we have artists live spaces in what zone and are they on the first floor that we have those. Remind me, is it on the second floor?

William Pillsbury: What we did not change in any way, is this district which is the 40R district. We didn't change that at all. There's no specific called out area for artists' lofts or live/work space in this particular sub-zone.

Councillor LePage: But in another one is there?

William Pillsbury: There are in other sub-zones, yes.

Councillor LePage: That's the north end of Merrimack Street?

William Pillsbury: The north side of Merrimack Street.

Councillor LePage: We do have that zoning, not in this location, but we do have live/work space.

William Pillsbury: We've done it before. We did it, Mr. Fossarelli mentioned Hamel Mill Lofts, I think he misspoke. He was talking about the Cordovan project which had live/work. Hamel Mill Lofts does not have any live/work units in it. Hamel Mill Lofts was straight one and two bedroom units. Whereas the Cordovan project, if you look at the building labeled Haverhill Lofts, was set up that way. I am not exactly sure, maybe a couple more units in there other than the janitor at this point.

Councillor LePage: The sizes of the residences. 675, 800 SF and 900 SF. That's above the minimum, a good percentage above the minimum.

William Pillsbury: Certainly above the minimum code. One of the things, I certainly understand the Council's concern for us to have a diversity of units. We do have a diversity of size of units in the downtown. Some larger, some smaller. What really has to determine the outcome of these projects and their viability is the market. One of the things that we look to is the market study that this team has put together and this is in response to the market place as determined by the private sector. Much better than government. I'd rather have them determining where they are going to invest their money. How they are going to do that in a market place solution that works based on the size of the units that are marketable as opposed to what we all in government might think in our individual roles as appropriate. We still have the private sector here determining what their market belief is and yet still willing to demonstrate some flexibility and adjust floor plans and things like that. I think that's really a good statement on the developer's part.

Councillor LePage: Mr. Traggoth I have one quick question for you. We spoke yesterday a little bit. I appreciate going over some of the other projects you've done and such. One thing I was noticing. On the eastern elevation, there's a whole bunch of art actually existing in those windows. What was the plan for that?

Dave Traggoth: We'd certainly like to find out whose art it is and we'd be happy to work with them. If it's nobody's art, in terms

Councillor LePage: It's recent work. Team Haverhill's done a mural project.

Dave Traggoth: I should talk to Team Haverhill and I think we should find a good use for that art.

Councillor LePage: Are you looking to replace that and put windows in there.

Dave Traggoth: Yes, there would be windows in that space. I would be happy, is it Team Haverhill?

Councillor LePage: Yes, they would tell you. Actually, there's plaques there to say who has ownership of each one of them. They haven't been there that long.

Dave Traggorth: Okay, we will make sure to take care of them and find a good future home for them.

Councillor Scatamacchia: Thank you Mr. President. Kind of a question for you. Would it be a problem for you to include the twenty spaces in the parking garage as part of the special permit because parking is a problem down there especially this time of year. I think you have a great project. I think that when you went over your resume of the projects you completed I think you have done an outstanding job and you know the real estate market and the development process. What I am going to do is support your project but I would like to see that the twenty spaces are part of the special permit.

Dave Traggorth: I just want to clarify that it's nineteen spaces.

Councillor Scatamacchia: Nineteen spaces, what's a space?

Dave Traggorth: In terms of the agreement, we are happy to share that and if it gets attached to Inspectional Services commissioner needs to review it, prior to issuing a building permit or needs to continue to keep up with it, we are happy to do that, yes, absolutely.

Councillor Barrett: On the trash, in the Planning Board, you said that restaurants would have internal trash, what about the residents? Where would their trash be kept?

Dave Traggorth: Ground floor plan, what we've done you'll see, I'll point this area. This area right here is what I wanted to call out. What we are working on, couple of things. Number one we look at the place directly below here in terms of public access. There's a couple of options. Taking the elevator all the way down to that level where a resident could get in the elevator and go down with the trash and put it in the receptacle there, or, if the head heights and issues don't work down there in terms of public access to be able to put a trash chute in that space where it wouldn't be out into the lobby, you'd actually walk into this little area, put it in and then go in there. When the trash delivery trucks come or haulers come, the janitor service will take it out. They will meet them at the curb.

Councillor Barrett: And you'd obviously have recycling involved in that?

Dave Traggorth: Yes.

Councillor Barrett: I have one other question. You don't manage the buildings once they are complete.

Dave Traggorth: Correct.

Councillor Barrett: Do you have a management company that you generally use we can rely on?

Dave Traggorth: We have a couple that we generally use. It depends on the project and the location. What we do do, as owners of the building, and we intend to own this for a long time, is that we work very closely with that property management firm to make sure that things are happening and the building is being maintained and the residents are happy. If that is not happening, then it looks poorly on us and everybody. There are a couple that are accredited and professional and that's just what they do as professional property management is their business.

Councillor McGonagle: Thank you Mr. President. Sometimes I feel when a company like your comes with, I think, is a very good project, sometimes we kind of overwhelm you with our likes and dislikes.

One of my fellow Councillors, who is a nurse and a mom, sometimes she watches out for everyone in the City. Some of the things that Mr. Fossarelli said best, everyone loves profit. Or he likes profit but I think everyone loves profit. We know you do your homework and you've selected Haverhill and that building because you believe you can make money there. You believe that that will be a viable space. Our Economic Development team believes that's a great project for the City. I am not concerned about the size of the one bedroom or the two bedrooms. I am more concerned about, you've done your homework. You believe you are going to be profitable so I am okay with that. I do have a concern about the live/work space. Who's going to determine, who's going to have the oversight to determine what's allowable in that area?

Dave Traggorth: I think this is how it will work and someone can correct me if I am wrong. When we build out a space, we have to assign a use, a certificate of occupancy when we go to get a certificate of occupancy for that space. If it is a live/work space, and ISD does an inspection or something where they realize that the person is not connected to the retail space or something to that effect, I think is a violation of our certificate of occupancy. As we are building that space, we have to declare what it is, and we have to honor that. As inspections occur, let's say this happens, and anyone of you is walking down the street and you say, I know who's in the front, in terms of the business, and I know who walks out the back, in terms of who is living there and it's not the same and come to ISD, I think that's a big problem for us. We are going to make sure we don't do that from the get go. I do believe it's an occupancy use just if you were to, anyone who owned a building on Washington Street was all of a sudden started renting retail as residential, that would be a problem.

Councillor McGonagle: Mr. Pillsbury do we need to add anything? My concern somebody will own that and run a business and then their nephew

William Pillsbury: I think it would appropriate for the Council to include in their motion or whatever, in the final approval of the special permit, that this would be determined at the initial issuance of the certificate of occupancy. That's when the decision would be made. If it's going to be issued as live/work. You have to decide whether you are going to permit it to be allowed to be a live/work in the first go around and how it will be enforced will be thru the building inspector and the issuance of this certificate of occupancy.

Councillor McGonagle: Right, and I don't have problem per se if it's going to be done that way if that's what the Council decides. I just want to make sure that we have that.

William Pillsbury: I think the mechanics of it would be the break point, the decision point would be the issuance of the initial certificate of occupancy for that space. It will either be a live/work unit with the residents and the unit tied together because they found somebody and that's how it's going to be. That will be preserved over time and monitored over time at subsequent certificate of occupancy or at the initial certificate of occupancy, it will be all retail. I would impose that.

Councillor McGonagle: Okay. One other thing, on the nineteen parking spaces, we have them for twenty years originally and then at ten year.

William Pillsbury: Right of ten year extension. I would suggest that the Council could incorporate that as I suggested in my letter into the special permit and that we would make the, again, down the road, that the nineteenth year or whatever, that the city would have the opportunity to make sure by reassuring itself thru the inspectional services department that that option was taken. I would suggest that the onus be put on the applicant on the owner of the building to provide that update and then we would follow that up and monitor that. It's a long way down the road. I have to commit to something nineteen years down the road, but at the same time I think it's the appropriate way to do it.

Councillor Macek: Thank you Mr. President. I'd like to start by saying I was pleased to see the level of the design and plans that was given to us at the beginning. I want to thank you for that professional approach sometimes we are given much lesser detail and design. It automatically struck me as a group that wants to do things right. I would like to address a couple of things as a Haverhill resident and City Councillor and I know the City and what we've done as our Planning Director has stated with first floor residential units. I'm really not willing to go for that first floor unit. I think it does set a bad precedent. I think there will be available commercial tenants. I don't think we are restricting you in any way because you do have front and back access. I think as you said in your first part of the presentation this evening, you might split some of these other bays. There's like three bays, so you would always have that ability. We have tried lofts that was also stated. We have not been successful in drawing that person that wants to have live/work space to the City. I would like to not start here. We've tried it in other residential properties and I think that we've somewhat learned (tape change) ...part of Washington Street with access to the parking lot, the Wingate lot, all of the foot traffic for commercial reasons and professional reasons that we want to make sure we have down there. I don't want to start with first floor residential. With that being said, at the appropriate time, I would like to hopefully, encourage my colleagues to support a motion to cut the plan to eighteen units on floors, two, three and four. I'd like to discuss, and I had a note regarding the trash room, and then you pointed out the trash room area. Could you or your architect tell me the approximate size of what you pointed out to us.

Dave Traggorth: It's not a trash room itself that area. It's basically you know, if you go and you drop your trash down and it's got. There's two options. First option is that you take the elevator all the way down to the basement and there's a trash receptacle there. In terms of head heights, and access and egress requirements for those basement areas, sometimes that's prohibitive. The other option is, and use can still use that as back of the house, but you can't necessarily have your elevator drop down. If that's the case, what we are saying in that area is that there will be a door that you open, and this is what we do in a lot of high rises, the door that you open and then there will be a box that you pull out on the wall and it has something where you flip it for recycling and it basically tells you where it's going and then you throw it into there and it will drop one story into a receptacle that is there.

Councillor Barrett: Like a laundry chute?

Dave Traggorth: It's essentially like a laundry chute.

Councillor Macek: One story, but what if you are living on the fourth floor?

Dave Traggorth: You come down the elevator.

Councillor Macek: You have to come down and drop it.

Dave Traggorth: Yes, yes.

Councillor Macek: I still want to know the size of it. I know how much trash my wife and I generate and I'm thinking eighteen units. I am not sure that is a sufficient interior space to hold that much trash and recycling.

Dave Traggorth: No matter what, the trash will be down in the basement. The receptacles will be in the basement.

Team member: We have ample room to make it sized as needed for the demands. We can put several rolling bins, which is the common thing for buildings of this size. That room will be ventilated so that

odor is not an issue, that's code requirement. We have space to work with down there. We just don't have it shown on the plan.

Councillor Macek: You also haven't shown any storage beyond what's inside the unit, a few closets. As one of my colleagues said earlier, and the reason I want to see if we can kick this around a little bit and maybe come up with an agreement that there will be a certain amount of storage, is that, for your sake, I want people to go there and feel comfortable and be able to stay there for a period of years. I don't want this to be a stepping stone location or a dormitory because we are going to have ULowell right down the street, in Haverhill, within a short period of time. That was just announced last week. It's very possible you will have young college age kids looking for places to stay. I don't want to have that type of activity in the middle of Washington Street because I want residents there that was also stated. We want quality residents downtown. Not people that are here on a stepping stone basis for a period of time. That's not to say everybody is going to come and stay for the rest of their life. They will leave a lot quicker, whether they are college students, or whether they are middle aged, or older aged people if they feel that they didn't get the space that they thought they were going to get and they are uncomfortable and they don't have the space to kind of live the life they'd like to live and have the storage. Most of the units that I'm familiar with in condominiums and rental, they do have some basement level storage. It seems as though you are only willing to commit to the left side looking at it, for storage, what are your plans for the basement areas on the other two bays?

Dave Traggorth The other two bays, on the left bay we probably have about 6 to 7 feet of clearance, probably 7 feet of clearance. The middle bay you have 3 feet of clearance, for head. The right, it's probably 3 feet of clearance as well. So you really get into crawl space conditions. That's why we only talk about the left side. We are certainly going to look into storage on that level. Kevin and I are currently working on the Norberg School as we talked about again, similar kind of situation. We are fitting storage into every little nook and cranny that we can. A lot of things that we do is we make the kitchen cabinets extra tall so you can store things up there. That doesn't take care of your bike or your old holiday decorations. We will certainly look into it.

Councillor Macek: If you are successful in receiving your special permit, what is your timeframe? Are you looking to start construction, hopefully, in the spring and hopefully, what's your estimated completion time?

Dave Traggorth: What we need in order to do this project is state and federal historic tax credits and other tools that we have used in other communities to make this work and support the fact that we are building an elevator there's substantial construction costs here. It takes time to get those tools in place. I think probably the best case is probably in the fall. Due to the seasons, it may switch over into the spring at the very latest. We absolutely want to get this building built as soon as possible. That does not do us any good to have it there vacant. Once we are under construction we think probably ten to eleven month construction period.

Councillor Macek: It's my understanding that you are looking for all your rents to be fair market rates.

Dave Traggorth: Yes, they are all market rate rents, correct.

Councillor Macek: You are probably be looking for one year leases.

Dave Traggorth: Yes, one year lease.

Councillor Macek: Not month to month tenancies.

Dave Traggorth: No. We want, just as you do, high quality tenants that are going to be there for a while.

Councillor Macek: The only other thing I would like to at least discuss with you, while I am okay with the twenty year with a ten year extension with one parking spaces per unit, which if we, if the Council does agree with me and go with eighteen unit it would be eighteen spaces, I would like to see it as a deed inclusion. A deed restriction or requirement. And I would also like to see that should you or if you guys decide, you know what, time to get out of this game, and you sell the property, I would like to have a deed restriction that also requires that if the property is ever condoed that it will require that the condo be sold with a renewed twenty year plus ten parking permit. So that if you wait ten years, and you decide to condo that building, which we have no control over, the courts have spoken You used to have to come back to the Council to get permission to get from rental to condo but no longer. Should you decide, that hey, the market is hot, let's condo this. I'd like to have a deed restriction or requirement that you will also need to then restart that twenty plus ten for the new owner.

Dave Traggorth: I think in terms of the deed restriction, I'll have to rely on people.

Councillor Macek: It's just a note. Just noticing it to the world and long as you are in compliance with it, there's no issue.

Dave Traggorth: Okay. What I would ask, in terms of thinking about this, that provide us the flexibility, if at all possible, to seek the parking requirement wherever we can find it.

Councillor Macek: I also have in my notes, it would be in the MVRTA garage or equivalent alternate location.

Dave Traggorth: Equivalent, that would be great, just in terms of providing us with options.

Councillor Macek: If the City ever builds a deck behind you, maybe we'll want you there.

Councillor Ryan: Thank you Mr. President. Let me just say I think it's a terrific proposal. I know you have been looking at it for a while and I am so pleased that you have decided to pursue this project which many others have looked at. I know the owner of the building used to stop me, I used to walk by there in my exercise routine and tell me the difficulty he was having in selling it because of all the restriction. The fact that there is a big parking lot in the rear and you can't park there. You can hear from my colleagues, parking is an issue. It's always an issue. When we started out with all the changes for the downtown area, I have obviously been around longer than my colleagues, and I have been involved in every one of them from the Ornstein to all the way up to today. Every time we do one of these projects, the circumstances are always different. At the beginning, you people couldn't believe that people wanted to live in a shoe factory. Most of them have worked in there. They were full of machinery and grease but yet, look how far we have come. If I had taken everyone in this room on a walking tour, we could go in a time machine, just 1975, they'd all run to get out of the Washington Street area. It was a scary, full of bar room, go-go dancers, the Tangerine Lounge, which is a beautiful park today. Boarded up buildings, not a place you'd want to invest. We've come so far and we've done it piecemeal. If we could have done the whole downtown area at once, we'd do it all different. And we'd have a much different downtown. We weren't afforded that luxury. We had to do it piecemeal. One building at a time. Building people's confidence. The first apartments down there, I was Mayor at that time and people couldn't believe that somebody would actually buy a condo or move into the downtown area. Now many people are there. It's a desirable place for people who like to live in the urban setting. When we did the lofts on Walnut Street, that was one of the earlier projects down there, that was on Locust Street. That was a good idea. We wanted it to work but I think we were wishing that it worked but it was a different area, a different time. There was a dingy bar room on the corner right across the street. That's been bought out by the developer's .

Everything has changed. A beautiful restaurant around the corner, Butch's Uptown has been developed. We've got a building down there that you can see thru on Essex Street. White cement building. The Mayor and I chatted the other day about maybe we should put it on the demolition list. We really want to save that building because you could never put another building of that size and structure there, that will be gone forever. You couldn't get it approved. We are hoping that the people who own it can get the financing and find a developer to go in there and do that, maybe you folks will look at that project and make us all happy that we don't look at it. I heard some of my colleagues concern about the live/work situation. I think that's a good idea. Having just commercial downstairs on the first floor. We have a number of stores on Locke Street which is the Hamel properties, on the first floor. I've never seen any activity. They look beautiful, but there's no one in them. We as a community, forced them to put all of this commercial down below and there's no one down there. I wish somebody had come up with a better idea or I wish they would come back. At least you've come up with an idea. There are many people looking for that kind of lifestyle. You are going to rent those three live/work operations over night because people have the kind of business that doesn't really generate the revenue. If you are making paper flowers, how many people come in. Designing bridal gowns or something. You are going to have a little work space area, but it's offset because you pay your rent for the apartment. You've got to live someplace and that would be, as you pointed out, not two rents, just one rent. I really don't think we are going to see any restaurants. We have El Forno up the street which has been empty for a long time. People have looked at it. Every realtor in the City has given it a shot with a sign in the window and nobody has been able to move it. Not that we can't have more restaurants. I think we've got to get our population up a little more and it's got to chance with more downtown people. I don't want more restaurants there, in that building. I think it's a bad thing. I think we've had it. I think we hurt existing restaurants that are down there. Many of them aren't making it. They are struggling and people have tried. It's difficult to develop one of these projects. You are using all these historic tax credits and every other type of credit you can possibly find. There may be state guarantees in the City guarantees. I know the City is doing everything to make it work. The numbers don't always work. If you try to go conventional and walk in, buy the building, hire a contractor and build it, you'd go bankrupt. You couldn't make it. The building, we are talking about the ULowell potential, that's a building where the state has given \$10 million up front loan thru the city. ULowell signed a lease for two floors, maybe four, who knows. You know when you go for a loan at a bank you go in with a letter, you've got a guaranteed tenant, like ULowell, plus you have a non-profit, Catholic Charities is doing it. They are not looking to make any money. They have done a number of projects, they don't make any money. They lose money but they are in there to get projects done. I think the live/work is a great idea and I hope that my colleagues will give you the chance to see if that concept works and not do the same thing over and over again. I think it is a very interesting idea and I am going to support the project and the way you presented it. I know the Planning Department and the Mayor and everyone has been very much involved in making this fit into the Washington Street area. I hope my colleagues will give you a chance to make this work. If we make it reasonably easy for you to make this work, you'll stay here and do more projects. If we give you a hard time, at every corner, to put pressure on you to do things the way we personally want them, you are going to look around and say Haverhill is a tough place to do business I'm going to go on. I've heard people say that in the past.

President Michitson: We have two more Councillors and then we'll close the hearing and then hopefully, hear some motions.

Councillor Sullivan: Thank you Mr. President. You know when you speak at the end of the chain, you have a choice to make. You can either repeat everything that everyone else said. Or you can be brief. I'm going to be brief. I want to congratulate you on this project and I want to thank you for believing in downtown Haverhill. I share some of the concerns that Lou Fossarelli did raise about the size of the units. I have a feeling you know better than we do what sells in today's market or what you can rent in today's market so I am going to go with that. I also agree with Councillor Ryan. I don't have a problem with trying a live/work unit. It may not work but it may work out very well and just because we never allowed

it doesn't mean we shouldn't try it because it is being tried in a lot of other communities and downtown areas and it apparently is catching on there. I think it deserves a shot. I would like you to take a look at the Trattoria building at some point down the road because I think that's the last building on Washington Street that really needs a shot in the arm if this one is approved tonight. I think that would be huge to also be able to solve the problem of the Trattoria building. I do plan to support your project. I do plan to support the live/work piece of this project. I wish you well. I hope if you have any problems or issues you will come back and address them with us. I hope we can keep the lines of communication open with you. I do think a restaurant could work at your location. I disagree with Councillor Ryan only in that I don't think you can never have enough good restaurants. I think good restaurants bring more good restaurants sometimes to these districts, and it becomes known as a restaurant district, which is actually something we have created and we've tried to foster.

Councillor LePage: I will echo everything that my fellow Councillor Sullivan said so I will try to be even briefer than him. In your experience Mr. Traggorth, the other projects that you've been doing, like you said. I am not sure we know the clientele or the residents in all, but the projects that you've done, and you've done them for quite a period of time, this is what you see, right. This is the trend when you came here in 2011 and you see that this kind of fits and you know the first time let's say in Haverhill, in Chelsea, Jamaica Plain or what other communities are you in. What other things can you tell us, reassure some folks that this is what it is and that the market will drive what people want.

Dave Traggorth: People want really functional space and they want to be close to transit and they want to be close to walk out your door and be somewhere that is lively, that has options. That's why Haverhill, beyond this project, has so much potential. It's a combination of the transit, the location, just the feel of walking down Washington Street and to Merrimack Street. What's going on. The restaurants you can step into other things that are happening. That combined with really functional and responsive city government, provides the right mix. I get on a bus, via Mass. Development and these are the things I am looking for. Transit, walk out your door, be somewhere significant, interesting. That's why we are here. That's why we are interested in this building. It's larger than just this building why we are here. I think what you've got is attractive to people in their mid-20's to late 30's. Certainly by the time, two or three kids, these spaces aren't perfect for that, but 55 plus. We have one project that we do asset management for in Watertown that is 55 plus. People love elevator building, that's next to everything and where they want to be. It has an extra room for their child that wants to come visit. There's a box end demographic that all up and down Washington Street you are going to see very attracted to living there. I think you already see it. It is not something we are inventing.

Councillor LePage : You mentioned a school project that you rehabilitated If other people are offering properties we also have the Cogswell School, the Smiley School and hopefully the Greenleaf and when we do the Hunking. You have to show to the entire Council and it seems that you have done that with the Planning Director, the Board of Appeals and the Planning Board of your presentation and what you've done. One of the projects that you are doing, you are doing something different that I have mentioned before in the past, if you would mention what you are doing with the Flats 44, how you are constructing that.

Dave Traggorth: We are doing a different construction delivery in the sense that it is modular.

Councillor LePage: No don't say that word please. No one likes that word.

Dave Traggorth: It's a beautiful building. We showed it in one of the buildings. Yes, it shortens the timeframe in terms of delivery of the project. We can start and about 7 months later we can be done. Whereas, otherwise the timeline would be 12 or 14 months. Obviously, that is not appropriate in the historic context. We like to look at all kinds of different ways to get projects done. That is certainly a way

that is up and coming and very interesting in terms of being able to make projects work financially that otherwise would not.

President Michitson: I now close the hearing. Council what is your wish. Councillor Macek.

Councillor Ryan: I want to make a motion to approve the special permit.

President Michitson: Councillor Ryan motion

Councillor Macek: Second with discussion.

President Michitson: Councillor Ryan motion seconded by Councillor Macek for discussion.

Councillor Daly O'Brien: I think you guys owe me for galvanizing these guys in your favor. I think it's a good project and I am not going to stand in the way of it. Whatever you can do to improve it at every level will be, It's in Haverhill's better.

Councillor Macek: Just a few comments and then maybe I would like to amend the motion and also articulate what the motion really needs to be. While I agree it would be nice to see live/work space work somewhere downtown, this is Washington Street. This is the center of Washington Street. I think it is the wrong place to start that. I also think that what you spoke about where people like to walk out their door and have opportunities to go to different types of establishments and different types of shops, restaurants, professional offices in close proximity. If we start allowing, say if we had never required, and this requirement for first floor commercial usage has been around for decades and we have never approached it in any way to change it. I am just worried that this is a bad precedent for one small unit. I know it's only 500 SF of about 1,000 SF bay, I just think it's a wrong move. I'll move now to have the permit be for 18 residential units on floors two, three, and four and the first floor to remain commercial in compliance with the zoning for the district.

President Michitson: Motion by Councillor Macek seconded by Councillor Daly O'Brien. Is there any discussion.?

Councillor Scatamacchia: Mr. President, just a point of order. Are we done with any amendments?

President Michitson: No, this will be the first one. We can come back with more.

Councillor Ryan: Just to clarify it. This will eliminate the live/work concept.

President Michitson: That is correct.

Councillor Macek: Could I also just clarify for Councillor Ryan that he spoke of three units. They are only intending to do this in the left bay. The other two bays are fully commercial. We are only talking about one small studio unit.

Councillor Ryan: I stand corrected. I am glad somebody was listening to me.

President Michitson: Mr. Pillsbury, it looks like you have something to add.

William Pillsbury: Just a point of clarification, so it's stated for the record. Our requirement in all of our zoning for ground floor retail use is on the street front. It is not on the parking lots. We have residential units in other areas on parking lot, we do, including around the Wingate lot itself. Again, I just point that

out. We are not violating our requirement. This has street floor commercial on Washington Street as proposed by the developer. The 500 SF unit is in the back. It's on the parking lot. This would not be the first time we have now no longer allowed or have allowed it on the street front. We still would not be doing that. Just a point of clarification.

William Macek: Could I ask Mr. Pillsbury a question. President Michitson-yes. If that's the case, can you just give me one or two where we have residential in the rear of commercial buildings.

William Pillsbury: Right on the Wingate lot. You've got some ground floor residential on the Wingate lot. You've got ground floor residential at Cordovan Haverhill Loft, ground floor residential.

William Macek: But they are not live/work, they are straight residential?

William Pillsbury: They are straight residential, right. They are not live/work. What we are trying to do is move into the world of the opportunity for the live/work. It's really what we are trying to accomplish as both and, if they can't accomplish I would suggest maybe a further amendment maybe to talk about at the first certificate of occupancy issuance then they would have to decide what it's going to be.

William Macek: Isn't also true that the Planning Board and reading the Planning Board minutes, this was a topic of discussion, it was pretty much flushed out and the developer actually agreed

William Pillsbury: No, the developer did not agree to change the plan. The tenor of what we said at the Planning Board was that he would give consideration to the concept and try to clarify that concept. The conversations that I have had with Mr. Traggoth and his team since then, he's done that. It wasn't that clear at the Planning Board. It's much clearer tonight as to the live/work aspect of it. Before it was possible just a residential unit in the back. That was what was discussed at the Planning Board and needed further clarification. There is much more information on the table tonight for the Council to consider, that's what we had hoped to get.

Councillor LePage: Mr. Pillsbury, hopefully to clarify. Is there a timeframe if it were to stay as it is at 19 with work/live space, however this goes, is there a timeframe from once they commence, if they say, okay we don't have an occupant. Is there six months, a year it stays vacant until they find someone or some kind of time period that is associated with that.

William Pillsbury: The benchmark we would use would be the certificate of occupancy issuance whenever that is going to be. I don't speak for them but I don't think they are going to want that space vacant. I think they are going to want it occupied. It's in their best interest, the market's best interest to get it occupied so they get some cash flow. If you wanted to put a timeframe on there, one year, I wouldn't recommend that, but if you wanted to put a timeframe you could.

President Michitson: Councillor Macek would you like to restate your motion.

Councillor Macek: I just would like to state, there's no real financial take away here. Actually, if they could rent it commercially I am sure they will make more money than they'll make if they do it residentially. It doesn't affect the possible success of the project. My motion is to have the special permit be for 18 residential units on floors two, three and four and that the first floor held as commercial space.

President Michitson: And there is a second on that motion.

Councillor LePage: Does this also include the twenty year ten that you spoke of parking?

Councillor Macek – on parking? Yes

Councillor LePage: We can roll that all in.

Councillor Macek – I think those are motions that will follow.

President Michitson: Madame Clerk please call the roll.

Clerk Koutoulas: On the first amendment, Councillor Scatamacchia-yes, Councillor Barrett-no, Councillor Macek-yes, Councillor Ryan-no, Councillor Sullivan-no, Councillor Daly O'Brien-yes, Councillor McGonagle-no, Councillor LePage-no, President Michitson-yes. 4 Yeas, 5 Nays

President Michitson: That amendment fails. Is there another amendment to be offered.

Councillor Macek: I would like to ask a deed rider be placed on the developer's property deed that would require that 19 twenty year parking leases be held, one per unit in the building and it would include 10 year extensions.

President Michitson: Motion by Councillor Macek seconded by Councillor Scatamacchia. For discussion. Mr. Pillsbury.

William Pillsbury: A suggestion, after talking with Attorney Cox a little bit and the applicant. Maybe to try to help Councillor Macek, with the suggestion would be, this now goes from special permit to definitive plan. That definitive plan is recorded. You can make it a condition of the special permit, the same language that you approved. We are not sure how to do a deed rider. We don't own the building we are not conveying it. There's not a conveyance of a deed that's going to occur. The special permit and the definitive plan gets recorded at the registry and would have that stipulation and language, same language, but it would be a different vehicle of recording it. Don't know how to get it in a deed.

Councillor Macek: I won't get into discussing it at this point. I do have a concern. All right, we can move on this a condition, rather than a deed rider, make it a condition of the special permit and the definitive plan.

William Pillsbury: Right and the requirement, on the definitive plans that get recorded at the registry. I think it accomplishes the same thing.

Councillor Macek: When I go for the next condo conversion we are going to need to discuss this future. I am okay with it as long as it's rental property.

President Michitson: Councillor, do you want to restate one more time and see if you get your second from Councillor Scatamacchia.

Clerk Koutoulas: What I have is, as a condition of the special permit and the definitive plan to require 19 twenty year parking leases with a ten year extension and that it be part of the special permit and definitive plan and that it be filed at the Registry of Deeds.

President Michitson; That motion was by Councillor Macek and seconded by Councilor Scatamacchia. Madame Clerk please call the roll.

Clerk Koutoulas: Councillor Scatamacchia-yes, Councillor Barrett-yes, Councillor Macek-yes, Councillor Ryan-yes, Councillor Sullivan-yes, Councillor Daly O'Brien-yes, Councillor McGonagle-yes, Councillor LePage-yes, President Michitson-yes. 9 years, 0 nays

President Michitson: That passes, any further amendments?

Councillor Macek: I would like to also see if the building is converted to condominiums at some future date, that there be a requirement that each new condominium deed include a new twenty year parking lease one per unit with a ten year extension, either in the MVRTA garage or an equivalent alternate location.

President Michitson: Motion by Councillor Macek seconded by Councillor Barrett. Any discussion?

Solicitor William Cox: For the record, Bill Cox City Solicitor. We are not able to regulate the form of ownership and I think that the recommendation that you are proposing is exactly that. For that reason, if would be my recommendation that you not make that a condition because I don't think that is enforceable.

Councillor Macek: I will go along with your legal opinion. I don't want to have a battle here over this but I would hope there would probably be a common sense desire to include that because it would facilitate the condominium versus not including it which would then create parking problems in downtown Haverhill.

Solicitor William Cox: Right, and probably a better way, and I apologize, because I don't remember the exact wording of the last amendment, but if you were to have language that said the building's owners will provide x parking, and you did exactly as Mr. Pillsbury recommended, it's a condition of the special permit, it's included on the definitive plan, then I think that is an enforceable condition against these owners or any future owners. In that way, without getting into the question about form of ownership, you can ensure the same condition.

Councillor Macek: You are suggesting we just did twenty years with a ten year option, you're suggesting we maybe go further and say at all times, in perpetuity, that the building owners shall provide parking either in the MVRTA garage or suitable alternate location?

Solicitor William Cox: No, I don't think I am saying quite that. What I am saying, in wording an amendment with regards to the provision of parking, if you worded it if it began with, words such as, the building's owners shall provide or however else you want to word that. Whatever the details beyond that, I'll leave that to you. I am just suggesting, if you make it a condition of the building's owners without getting into the form of ownership that would be then be a valid condition that's enforceable. But if you make the form of ownership the primary criteria for the provision, then I think you are into some unenforceable language.

Councillor Macek: But the building's owners at some point could be twenty-two people. It would actually fall under the individual's shoulders to provide their own parking.

Solicitor William Cox: It would be the condominium association who would actually probably be the responsible party with the owners all being members.

Councillor Macek: You know what, I don't have a crystal ball and I like this project and I am just trying to think about quality life in downtown Haverhill for a long time but I am going to withdraw my motion.

President Michitson: That motion is withdrawn. Are there any other amendments before we vote on the amended proposal?

Councillor Daly O'Brien: Mr. President, should we include the recommendations made by the Planning Director. I think those would be important.

President Michitson: Yes, absolutely. So there's a motion by Councillor Daly O'Brien to include all the proposed conditions, stipulations, and recommendations of the Planning Director in a letter dated February 7, 2014 to include the department head letters. That is seconded by Councillor LePage. Madame Clerk please call the roll.

Clerk Koutoulas: Councillor Scatamacchia-yes, Councillor Barrett-yes, Councillor Macek-yes, Councillor Ryan-yes, Councillor Sullivan-yes, Councillor Daly O'Brien-yes, Councillor McGonagle-yes, Councillor LePage-yes, President Michitson-yes. 9 yeas, 0 nays

Councillor Ryan: Move the amended document

President Michitson: Motion by Councillor Ryan seconded by Councillor Daly O'Brien. Madame Clerk please call the roll.

Clerk Koutoulas: Councillor Scatamacchia-yes, Councillor Barrett-yes, Councillor Macek-yes, Councillor Ryan-yes, Councillor Sullivan-yes, Councillor Daly O'Brien-yes, Councillor McGonagle-yes, Councillor LePage-yes, President Michitson-yes. 9 yeas, 0 nays

Respectfully submitted,

Barbara S. Arthur
Administrative Assistant to the City Council

February 21, 2014

REASON FOR VOTE - DOCUMENT #2

Special Permit for redevelopment and restoration of exterior and interior of 37-47 Washington Street, Plat 301, Block 53, Lot 9, to create up to 19 residential units and approximately 4,000 SF of ground floor retail space

In granting the special permit, those members voting in favor found that the application fulfills all of the general conditions contained in Chapter 255-80 (as applicable) of the Haverhill Zoning Ordinance.

President Michitson: I voted in favor because it complies with all requirements of Chapter 255-80 and it fits the strategy for downtown.

Councillor Scatamacchia: I voted in favor because it will rehabilitate a long vacant building in our core downtown area and meets the zoning ordinance requirements.

Councillor Barrett: I feel this project will be a great benefit to the city, a truly positive improvement. It also is a revitalization of a vacant property.

Councillor Macek: I voted in favor of this Special Permit because it is a quality redevelopment of property in keeping with zoning and other area property.

Councillor Ryan: I voted in favor best it is good for the city.

Councillor Sullivan: Based on a review of the project and the various city boards' positive recommendations and the presentation by the developer, I believe it is in the best interests of the city and, particularly the Washington Street Historic District, to all this mixed use development to move forward.

Councillor Daly O'Brien: I voted yes for this special permit because it's a substantial investment in a historic section of Haverhill. It a reutilization of an underutilized building and it provides new tax revenues.

Councillor McGonagle: I voted in favor of the project based upon the recommendation from the Economic Development Director and the positive effect the building will have on Washington Street.

Councillor LePage: I voted in favor of this Special Permit application with the included conditions and stipulations made by the City Council at the public hearing due to the proposal meeting the goals and objectives of the Downtown Smart Growth Overlay District zoning ordinance.