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CITY OF STAMFORD

BOARD OF FINANCE

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MINUTES OF SPECIAL MEETING OF THE BOARD OF FINANCE

May 22, 2017

Stamford Government Center

Board of Finance Conference Room

Pursuant to Sec. 6-20-2 of the *City of Stamford Charter*, Chairman Richard Freedman and Vice-Chair Mary Lou T. Rinaldi called a special meeting in the Conference Room of the Board of Finance on Monday, May 22, 2017 at 7:30 p.m.

AGENDA

Approval of Lease Agreement between the Board of Education and the Old Town Hall Renovation Authority (OTHRA). (Placed on HOLD at the May 16, 2017 meeting of the Board of Finance.)

Attendees: Board of Finance Members Richard Freedman, Mary Lou Rinaldi, Dudley N. Williams, Sal Gabriele, David Kooris and Shelley A. Michelson. Also present were Amy Livolsi, Assistant Corporate Counsel, Dr. Michael Fernandes, Assistant Superintendent – Secondary; Angela Thomas-Graves, Administrator BOE, Richard Lyons, Construction Projects, BOE; John Leydon, OTHRA Attorney and Tim Curtin, OTHRA Chairman.

Chairman Freedman opened the meeting at 7:35 p.m. citing its purpose as noted above; and asked if there were any members of the public who would like to speak.

For a verbatim accounting of the following commentary, please access the meeting video.

Video: 00:01:19 Mr. Al Koproski, resident of Stamford read his statement in opposition of this lease between the OTHRA and the Board of Education. He referred to the cost of refurbishing the building and his concern that no-one has taken into account what the wear and tear on the building would be and the cost. Parking was also a concern for him.

Video: 00:05:34 Mr. John Zelinsky, Member of the Board of Representatives and resident of Stamford spoke in support of the Holy Name of Jesus Church continuing the Adult Education Program. He said the current lease is “working great.” He added that changes to the Church building have been made, at a cost to the Church and with the expectation that the program would continue in the future. He provided a letter from the Chief Fire Marshall Spaulding indicating the maximum number of students at the Holy Name of Jesus Church is 360. He also provided financial aspects of the potential change.

Video: 00:11:33 Ms. Ewa Zaleski, bookkeeper for the Holy Name of Jesus Church for the last 10 years. She learned English at the Church building and spoke for the students of the program. She outlined how much they have spent to accommodate every request of the adult learning center to improve the facilities, for example, handicapped access and updating 22 bathrooms, which has amounted to \$300,000 in direct and indirect expenses. Ms. Zaleski added that they wanted to provide a safe and secure environment for the Adult Education Program. She asked, on behalf of the students and parishioners, to continue the lease with the Holy Name of Jesus.

Video: 00:16:01 Mr. Brian Ryba speaking as a concerned citizen who is not in favor of the proposed lease being approved. He suggested consolidating the adult education program at the Holy Name of Jesus school building rather than moving it to OTHRA and refitting it. He suggested the restroom facilities at OTHRA are not adequate. Mr. Ryba is concerned that the residents of Stamford will have the burden of the extra cost associated with the move to OTHRA. In conclusion it is his opinion that the OTHRA is unsuitable, highly expensive and not in the best interest of the taxpayers of the City of Stamford.

Video: 00:19:59 Mr. Gerald Bosak, began by thanking the Board of Finance for the work they are doing. He spoke of the negotiations process with the upcoming lease. He had concerns with subsidizing the parking with this proposed lease; the property being used by 400 students; the building should be a showcase; the need to rent the space and utilize it - but not at the cost of our history; and the financial aspects of \$20,000 repairs going into the building. He asked that the Board give thoughtful consideration on the approval of this.

Video: 00:25:22 Mr. Joseph Maker, Attorney representing the Holy Name of Jesus Church in this matter. He spoke of the relationship through the years and felt that there was communication that worked for the City and the public. He voiced his concern with the lack of communication with this negotiation process. Some details to consider; growth, safe environment, parking availability. He referred to the financial side of the current lease, which has gone down in cost. He compared with the OTHRA lease proposal. One last point there has been talk about parking - it is free at Holy Name of Jesus.

Video: 00:31:55 Mr. Gregory Ksepko, who is a volunteer at the site, spoke of the volunteers who have donated time to the upkeep of the building, cutting down expenses and at a great cost-savings.

Video: 00:34:10 Ms. Boga Davidson emphasized the most important fact for her on this potential lease were the significant disadvantages to the current and potential students. She values and respects the institution - most are hardworking people who decided to make a difference in life and learn English; they need easy and fast access to and from school. She added that there is safe and guaranteed parking. For this reason she respectfully asked that the Board please think about not moving the school from Holy Name of Jesus Church to OTHRA, urging the Board to think about the students.

Video: 00:37:19 Ms. Amy Livolsi, speaking on behalf of the Board of Education (BOE) and asking for Board of Finance (BOF) approval of the lease between the BOE and the OTHRA. She thanked the Board for taking the time to have this special meeting and the members of the public who were in attendance. Ms. Livolsi introduced members of the BOE and OTHRA: Dr. Michael Fernandes, Assistant Superintendent – Secondary; Ms. Angela Thomas-Graves, Adult Education Program Principal; Richard Lyons, Construction Projects, BOE; John Leydon, OTHRA Attorney; and Tim Curtin, OTHRA Chairman.

Ms. Livolsi spoke in response to the concerns noted above, including parking options, renovations made to the Church facilities under the assumption that the lease would be renewed in the future - there was no representation that the lease was going to be renewed; the fact that Holy Name is not set up perfectly, requiring the need for the program to be in two locations, which is problematic. Also, there are no renovations needed to accommodate the Adult Education Program in OTHRA. She spoke of the financial aspects and the communications between the BOE and the Church during the negotiation process. A side-by-side comparison for the first year of the least showing actual numbers was done.

Ms. Livolsi also noted that this is a public function and perhaps it needs to be held in a public building. For last 10 years the OTHRA has not sustained itself financially. She added that the BOE is a good faith tenant and that good faith and fair dealing has been practiced. The BOE is a solid, no-risk tenant for OTHRA and it would be a very good match.

Ms. Livolsi asked Principal Thomas-Graves to speak on the issue of requested renovations during the tenure of the lease at Holy Name. Ms. Thomas-Graves indicated that there had been requests only for minor repairs and general upkeep. She spoke of the student survey done for the purpose of parking requirements. Board Member Kooris asked her to further break down the survey numbers; Ms. Thomas-Graves will provide the BOF with more detailed summary sheets.

Video: 1:04:41 Dr. Fernandes spoke of the educational programming issues, including the OTHRA location taking advantage of the Downtown area and bringing the Cloonan program together with the program currently at the Holy Name of Jesus Church.

Board Member Williams questioned the capacity issue of combining the two different campus programs and referred to the Fire Marshall's letter. Mr. Lyons stated that the capacity in the Fire Marshall's letter did not include all the OTHRA space being devoted to the programs. In response to Mr. Williams' question on the need for furniture, Mr. Lyons stated that the program could commence operation without the purchase of more furniture.

Mr. Williams asked about the arrangements for parking, to which Ms. Livolsi responded in detail.

Video: 01:15:39 Superintendent of Schools Earl Kim, at the request of Mr. Williams, was asked to speak about whether there is a programmatic educational value to making this move. Mr. Kim spoke to the benefits of the BOE moving the Adult Education program to the OTHRA and advantages to the students. He said this is an opportunity, the surveys that were performed didn't suggest there would be any decrease in participation from existing adults and there was significant potential upside, so they did see a potential educational advantage.

There was discussion about the effort made to lease OTHRA to other private tenants and Mr. Leydon responded. Board Chairman Freedman asked to explore the financial implications of moving the program from Holy Name to the Old Town Hall, concluding that the savings to the taxpayer should be \$200,000 per year.

01:39:44 Superintendent Kim said that the continuing education program is of vital interest and the goal is to proceed in the most cost-effective way. He wants to provide quality programming to the community at the lowest possible cost. The net cost to the taxpayer with this lease is significantly lower. He said they are trying to create something better for the BOE and of greater benefit to the citizens. From a financial standpoint this is a benefit for Stamford and a potential accelerator for the adult programs and even some of our other students.

Mr. Zelinsky commented further on the Norwalk Community College bringing 100 students to Stamford.

Attorney Maker made final comments regarding furniture removal and parking opportunities at the Church buildings.

Mr. Freedman then asked if there was a motion. Ms. Rinaldi said, for the sake of discussion, she would make a motion to approve the lease agreement between the Board of Education and Old Town Hall (OTHRA), which was seconded by David Kooris.

Ms. Rinaldi spoke of her concerns with the use of the OTHRA building for Adult Education purposes and her discomfort with the way negotiations were handled and that she could not support this lease.

Mr. Kooris spoke of his frustration with the way the negotiations were handled. He said, however, the purpose of the Board of Finance is to consider the fiscal impact on the City. With this lease the Board of Education is set to save two hundred thousand dollars. He said he would support this lease as it is in the best interest of the taxpayers.

Ms. Michelson spoke of the financial aspect and suggested that the Cloonan program be integrated with the current program at the Holy Name of Jesus Church. She further said she could not support this lease.

Mr. Gabriele said that the City spent a lot of money to refurbish Old Town Hall for the purpose of renting to corporations, not to conduct a school and he was not going to support this lease

Mr. Williams concurred a lot with Mr. Kooris' comments and added that, from a financial view, it looks like a positive move for the City. He said he was going to support this lease.

Mr. Freedman commented that he has sat on a number of non-profit boards, that fundraising is difficult and he has a lot of empathy for the people gathered in support of the Holy Name of Jesus Church faced with the loss of revenue. He added that he represents the City, however, and this Board makes fiscal decisions. The Old Town Hall has proven difficult to lease to private businesses and a lease to the Board of Education will save the taxpayers a substantial amount. He said that it appeared that the motion was going to fail, and that he had to make clear that in rejecting the lease this Board is going to cost the taxpayers \$200,000 per year. The numbers are indisputable.

He then called for a vote: All those in favor - 3, those opposed - 3 (M. L. Rinaldi, S. Gabriele, S. Michelson). Approval of the lease fails by a vote of 3 to 3.

Motion to adjourn moved by David Kooris, seconded by Sal Gabriele at 9:35 p.m.

The Board of Finance conducted a special meeting for the above-stated purpose at the Stamford Government Center on Monday, May 22, 2017 from 7:35 p.m. to 9:35 p.m.

cc: Mayor David Martin
Michael Handler, Director of Administration
Kathryn Emmett, Director of Legal Affairs
Jay Fountain, Interim Director of OPM
Randall Skigen, Board of Representatives

Donna Loglisci, City and Town Clerk
David Yanik, Controller
Clemon Williams, Director of Human Resources
Jon Fontneau, Police Chief