

Ms. Burke said that over the summer the working group had indicated to the Council that they had spoken with JAG in a conceptual way about them helping to build city hall. She said that Sandy Silk agreed on a conceptual level and had showed an architect's rendering. She said that they did not proceed with those discussions because it was important not to negotiate before settling legal issues. Specifically, she said, they needed to meet with the Inspector General on 30B issues and the Attorney General on prevailing wage issues. She said that two and a half weeks ago, they had a joint meeting between themselves and the two offices. She said that both opinions had been favorable to the city's position.

Mr. Hogan said that there were three main questions that they were looking to have answered: 1. Were there issues with issuing the original RFP; would a new RFP be required to proceed with Jefferson; and how did the bidding laws play into the plan.

Ms. Burke said that, according to the IG, a waiver was available under Section 16E of 30B. She said that they would need to spell out the reasons for a waiver by citing a variety of reasons. She said that narrative would be published in the Central Register for 30 days. She said that they also had questions on prevailing wage. She said that JAG could build the building and deliver the floors in question as shells. She said that the city would need to bid and pay prevailing wage for finishing the floors. She said that opinion would be put in writing and they should have it within the next couple of days. She said that they were meeting with JAG tomorrow to continue discussions.

Mr. Hogan said that they would need to structure a deal with JAG to acquire unfinished space to be finished by public bid. He said that they could not structure the deal so that they would be partners with JAG in the building - only that they would purchase a portion of the building once it was done. He said that the team needed to know if the Council wanted them to continue and enter into serious talks with JAG.

Councillor Murphy asked if there was any liability - if the deal fell apart for some reason, where would the city be with JAG?

Mr. Hogan said that the extensions were worded to that either party could walk away, with no adverse impact.

Ms. Burke said that an additional 120 day extension had been signed with JAG in mid-September.

Councillor Murphy asked if any thought had been given to where city offices would go in the interim.

Mr. Hogan said not yet - he said that there were a number of hurdles to be crossed and, as each was crossed, another came into play. He said that they would begin working on that now.

Councillor Murphy asked about the plan for a Police Station.

Mr. Hogan said that they were now focussing on the GTA property on Eastern Ave. He said that the owner had acquired it in the last two years and was probably a willing seller. He said he thought that put the city in a better position financially and would improve the neighborhood. He said that, if the Council preferred the Hostess site, they could pursue that as well.

Ms. Burke said that one of the things they would like tonight was approval to send a letter to GTA describing the city's interest in the property.

Councillor DeMaria asked if there were any other cities that had their city offices in a mixed use building.

Ms. Burke said that she did not think so and it was one of the things that wowed Secretary Bialecki about the idea.

Mr. Hogan said that the advantage was that the city would own something and, if this proved to be unworkable, it is something that could definitely be sold again, unlike this building, which was going to be torn down.

Councillor Kinnon noted that, with respect to mixed use, we had a number of tenants in this building who were not related to our function up until very recently.

Councillor Ultrino asked about prevailing wage.

Mr. Hogan said that we would be acquiring a shell from JAG. He said that JAG was building anyhow and we were purchasing a small piece of the project. He said that was permissible because we had not started out down this path and that intent was critical in allowing this to work.

Councillor Ultrino asked if the space we would be using would be publicly bid.

Mr. Hogan said that it would.

Councillor Kinnon asked if they were going to get that piece in writing. He said that he did not believe that it was that small a part of the building and he would be surprised if the city did not get a challenge from unions.

Mr. Hogan said that it was true that the opinion would not protect the city from a union challenge.

Mr. Brennan said that they believed that there was potential to trade with the unions around the issue of building the police station.

Mr. Hogan said that the idea was that the unions could blow the whole deal with a challenge. But, he said, then no one would get anything. He said that if unions allowed it to go forward, they would get the police station and the interior of the building. He said that they felt confident in the opinion because it had been reviewed by the person who was second in command in the AG's office.

Councillor Kinnon asked if there would be a clause in the contract requiring the city to assume any costs related to a challenge from unions.

Mr. Hogan said that there couldn't be such a clause because it gives the appearance if this having been planned.

Councillor D'Arcangelo said that he would not belabor the point but he thought that we should just bide our time for four years. He said that when the debt service went down, we could build anything we wanted anywhere we wanted.

Councillor Matheson said that they wouldn't get another deal like the one offered by JAG.

Councillor D'Arcangelo said that he thought that we would.

Councillor Spadafora said that he did not like the idea of leasing and thought that this was the best of both worlds. He said that if we didn't do this, it would be the demise of the city. He said that we had the opportunity right now and needed to inject some life into the local economy. He said that this would change the nature of the square and this was a once in a lifetime opportunity. He said that he also did not want to leave Bialecki's \$5 million on the table. He said that he thought they needed to move quickly.

Councillor Murphy said that she thought that this was the best idea yet. She asked if there was an option to

lease with the option to buy.

Mr. Hogan said that there was not. He said that was what had happened in Lowell and it was seen as a mechanism to circumvent the public bid laws.

Councillor Anderson asked what the team needed tonight.

Mr. Hogan said that they needed an okay to negotiate with JAG and approval to send a letter to GTA regarding acquisition of that property.

Ms. Burke said that she would also like the right to rescind the letters to Hostess and 110 Florence St.

Councillor Kinnon said that he heard what David D'Arcangelo was saying and if this were not government he might be right. But, he said, we lived hand to mouth and were dealing with a structural deficit of \$3 million. He said that the money from reduced debt service was already spent. But, he said, the casino would provide an infusion of capital that would enable the city to bond. He said that nationally there was a 17 trillion dollar deficit which would be followed by an inflationary period. He said that the time to act was now when interest rates were historically low. He said that if we did not account for the \$1 million a year from the casino, it would be gone in the blink of an eye. He said that the time to act was now.

Councillor DeMaria asked the team to explain why they were interested in the GTA property.

Ms. Burke said that they had looked at that property a couple of years also as a site for a central fire station. She said that the location was the driving force and the project manager thought that it would fit in the space. She said it had not been priced out yet.

Mr. Hogan said that the building needed to be taken down but that the property was underutilized now and that would limit the city's exposure. He said that it was also a perfect location.

Councillor Kinnon said that a study had been done several years ago for the fire station and that portion of Eastern Ave. Provides the best access to the entire city. He said that there were the same factors in play here.

Councillor Ultrino asked if the soil was clean.

Mr. Hogan said that they had a 21E.

Ms. Fallon said that she wanted them to know that her office had issued a cease and desist on the mound of dirt and that it was under review by DEP.

Councillor Matheson asked how fast a decision had to be made.

Mr. Hogan said that JAG wanted a solid plan in place by the end of the year.

Ms. Burke said that Bialecki would be gone at the end of the year, and the state's potential contribution would go with him.

Councillor Matheson said that there was a question on casino gambling on the ballot in November and it wasn't clear that the casino would be going forward. He said that other developers would perceive this as inside trading and that he did not think that we needed to take a vote tonight.

Councillor Anderson said that he had a conference call scheduled for tomorrow with Bialecki and assumed that he wanted some sense of the Council's support for the plan.

Councillor Murphy asked if it was necessary to release the other properties right now - couldn't it stay status quo in case the circumstances changed again.

Mr. Hogan said that the only argument would be that they were holding off on doing things because of the uncertainty the city had created for them.

Councillor D'Arcangelo said that he would like to know how much time Debbie and Ron were devoting to this project.

Ms. Burke said that was hard to say. She said that right now, she and Mr. Hogan met a couple of times a week. She said it would become more intense as they started to negotiate with JAG.

Councillor D'Arcangelo said that he was concerned with the amount of time because there were other projects, like the ballfield and the hospital, that needed to be addressed as well.

Mr. Hogan said that, if they were directed to move forward tonight, there was nothing that would be done that couldn't be undone. He said that point would come where things couldn't be undone but we were not there yet.

Councillor Spadafora said that the \$1 million annually from the casino was a sweetener but that the \$8 million from Bialecki was critical. He said that they wanted to start the flow of money but needed a project to do that.

ON THE MOTION TO DIRECT THAT A LETTER OF INTENT BE SENT TO GTA RELATIVE TO ACQUISITION OF THE PROPERTY

(10)Y-(1)N, Councillor D'Arcangelo opposed (SEE ROLL CALL)

ON THE MOTION TO AUTHORIZE THE TEAM TO NEGOTIATE WITH JAG

(9)Y-(2)N, Councillors D'Arcangelo and Matheson opposed (SEE ROLL CALL)

ON THE MOTION TO SUPPORT THE PROJECT AS CURRENTLY PRESENTED

(10)Y-(1)N, Councillor D'Arcangelo opposed and Councillor Matheson voting present (SEE ROLL CALL)

ON THE MOTION TO ADJOURN

(11)Y-(0)N

MEETING ADJOURNED

8:45 P.M.

238-24

Communication: During the meeting of April 30, 2024, the Council unanimously voted to enter into Executive Session with legal counsel for the City, in accordance with Exemption Seven Massachusetts General Laws Chapter 30A Section 21(a)(7), to comply with, or act under the authority of, any general or special law or federal grant-in-aid requirements, in order to act on the periodic review of those executive session minutes listed herein; council vote is required prior to release of the executive session minutes of the following dates:

May 20, 2014

June 17, 2014

August 19, 2014

September 30, 2014

October 14, 2014

November 18, 2014

A motion was made by Councillor Sica, seconded by Councillor Crowe, to release the aforementioned Executive Session minutes, pending appropriate redaction at the discretion of the City Solicitor. The Order was adopted by the following roll call vote:

Yea: Colon Hayes, Condon, Crowe, Linehan, McDonald, Sica, Simonelli, Taylor, Winslow

Absent: O'Malley, Spadafora

Sponsors: Stephen Winslow

Attachments: Final Paper: 238-24

Clerk Desiderio noted that after the redaction of released records by Solicitor McNeil, the Executive Session minutes would then be posted accordingly for public review.

A motion was made by Councillor McDonald, seconded by Councillor Taylor, that the Communication be placed on file. The motion carried by a unanimous vote.

8. COMMITTEE REPORTS

239-24

Committee Report: The Standing Committee on License to whom was referred Papers 192, 198, 199, 201 through 207 Series of 2024, having considered the same make the following report: Committee recommends these petitions out favorably to the Full Council.

A motion was made by Councillor Sica, seconded by Councillor Crowe, that the Committee Report be received and filed. The motion carried by a unanimous vote.

192-24

Petition: Fortune Teller: Chris Burgan Full Heart Tarot, 73 Linden Avenue #1, Malden (New)

A motion was made by Councillor Sica, seconded by Councillor O'Malley, that the Petition be granted. The motion carried by a unanimous vote.

198-24

Petition: Pool Tables: AOH Division 12, 259 Charles Street, Malden, 1 table (Renewal)

A motion was made by Councillor Sica, seconded by Councillor O'Malley, that the Petition be granted. The motion carried by a unanimous vote.