

NEW BEDFORD, MASSACHUSETTS

MEETING: COMMITTEE ON CITY PROPERTY
DATE: JULY 26, 2022
TIME: 7:00 P.M.
PLACE: CITY COUNCIL CHAMBER, ROOM 214, MUNICIPAL BUILDING

PRESENT: COUNCILLORS MARIA GIESTA, CHAIRPERSON; WILLIAM BRAD MARKEY, VICE CHAIRMAN; IAN ABREU; SHANE BURGO; NAOMI CARNEY; HUGH DUNN; SCOTT LIMA; LINDA MORAD; RYAN PEREIRA

ABSENT: COUNCILLORS DEREK BAPTISTE; BRIAN GOMES

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Councillor Giesta called the City Property Committee Meeting to order and took attendance. The Clerk read a Communication from Councillor Gomes explaining his absence from this meeting. This Communication was received and placed on file by Councillor Markey and seconded by Councillor Burgo.

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Notice, City Clerk of reference of a COMMUNICATION, Mayor Mitchell, to City Council, submitting a DRAFT Request For Proposals (RFP) for the lease of the entire third floor of the Quest Center Building at 1213 Purchase Street (Ref'd 05/24/2022) (06/08/2022 – VOTE: Committee send a communication to all City departments inquiring if the space was needed for municipal purposes; main motion tabled) and a REQUEST FOR PROPOSALS (RFP) for the lease of Office Space at 1213 Purchase Street (Ref'd 05/24/2022) (06/08/2022 – tabled) was removed from the table and received and placed on file by Councillor Burgo and seconded by Councillor Carney. (1, 1a)

On motion by Councillor Morad and seconded by Councillor Burgo, the Committee VOTED: To receive and place on file the Comparative Market Analysis and Request for Proposals document. This motion passed on a voice vote.

On motion by Councillor Abreu and seconded by Councillor Burgo, the Committee VOTED: To receive and place on file the Department Head Responses, regarding no use for the entire third floor of the Quest Center Building at 1213 Purchase Street. This motion passed on a voice vote.

Attorney Mikaela McDermott, representing the Solicitor's Office was present and explained to the Committee that the city had completed its market analysis as it related to the proposed leasing of the third floor of the Quest Center Building at 1213 Purchase Street. The per square footage (sf) assessment came in at \$12 per sf. This increased the minimum rent from \$144,000 a year to \$192,000 per year. This figure would include operating expenses, plus utility costs.

The Committee asked how the taxes would be collected where if leased it would now be a for profit company. She explained that the tax bill would be issued by the Assessor's Office directly to the tenant and they in turn would have to pay the bill. This lease has a tax provision that will be enforced.

The Committee asked about separating the utilities which are currently a single service. The Committee was informed that DFI has looked at this issue and the city would be separating the utility hook-ups. This would include gas heat, air conditioning, electricity, and hot water. This way the tenant would be responsible for the payment of their utilities and not the city. She also added that the tenant will also be responsible for their own phone and internet services.

Attorney McDermott confirmed that the RFP has been changed to include the new minimum rent fee and the separation of utilities. She was asked if the entire floor was not leased to a single entity would the city be able to split it up or would the company leasing the property be able to sub-lease it. She replied that per the RFP it specifically states the entire space must be rented. If the city is unable to rent the entire space, the city would have to revisit the usage of the property. As for the ability to sub-rent, the RFP is use-specific and if there was a move to sub-lease the property it would have to meet the specific RFP requirements.

Derek Santos, Director, New Bedford Economic Development Commission, confirmed that there are several offshore wind companies that have expressed an interest in the leasing of this space. He confirmed that though the third-floor space was mostly vacant, that there were several non-profit businesses currently utilizing the area. He explained that he has reached out to these non-profits and explained to them that they may need to relocate. He stressed that if the third floor is leased in its entirety that it may be built out to suit the incoming business which could take up to nine (9) months to design, which he believed would be ample time for the current tenants to relocate.

On motion by Councillor Pereira and seconded by Councillor Burgo, the Committee VOTED: To inform the City Council that the City Property Committee determined that the described third floor in building commonly known as the Quest Center, located at 1213 Purchase Street, in New Bedford is not currently needed for municipal purposes. This motion passed on a voice vote.

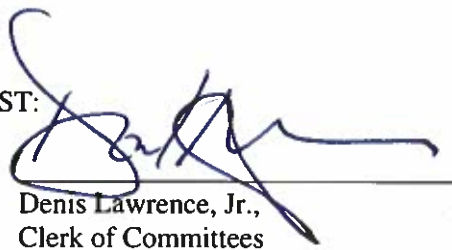
On motion by Councillor Abreu and seconded by Councillor Burgo, the Committee VOTED: That the City Property Committee recommends that the City Council authorizes the City to offer the described third floor of the building commonly known as the Quest Center located at 1213 Purchase Street in New Bedford for lease. This motion passed on a voice vote.

On motion by Councillor Abreu and seconded by Councillor Lima, the Committee VOTED: To recommend that the City Council authorizes the City's Purchasing Department, in close consultation with the City Property Committee Chair, Councillor Giesta, to proceed with issuing the Request For Proposals (RFP) in accordance with Chapter 30B Sec. 16 of the General Laws in accordance with Section 2-16 of the City Code; and that all bids received be submitted to the Committee on City Property with any written recommendation for selection that the Administration may choose to make the Committee; and further that the RFP be substantially similar to the Draft RFP that has been received by this Committee relative to this property. This motion passed on a voice vote.

Councillor Burgo made a motion to adjourn, which was seconded by Councillor Pereira.

This meeting adjourned @ 7:24 p.m.

ATTEST:



Denis Lawrence, Jr.,
Clerk of Committees