



CITY OF NEW BEDFORD, MASSACHUSETTS

MEETING: COMMITTEE ON CITY PROPERTY
DATE: MAY 12, 2025
TIME: 7:03 P.M.
PLACE: CITY COUNCIL CHAMBER, ROOM 214

PRESENT: COUNCILLORS MARIA GUESTA, CHAIR; IAN ABREU;
DEREK BAPTISTE; SHANE BURGO; NAOMI CARNEY;
LEO CHOQUETTE; BRIAN GOMES; JOSEPH LOPES;
LINDA MORAD; SHAWN OLIVER; RYAN PEREIRA

ABSENT: NO ONE

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Councillor Giesta called the Committee on City Property meeting to order, took attendance, and explained that the meeting was being recorded and live-streamed.

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COMMUNICATION, Mayor Mitchell, to City Council, requesting that the Committee on City Property begin the proceedings to seek proposals for the disposition of a long-term leasehold interest in property owned by the City, located at 26 Union Street, formerly known as the National Club. (Matter ID #1012) (Referred – June 08, 2023.) (July 25, 2023 – Remain in Committee) (October 12, 2023 – Remain in Committee) (February 12, 2025 – tabled)

REQUEST FOR PROPOSALS (DRAFT), (Matter ID #1013) (Referred – June 08, 2023.) (06/12/2023 – request sent via email to all Councillors asking that they retain the hard copy of this RFP for future meeting dates) (July 25, 2023 – VOTE: send a communication to all department heads inquiring if the property is needed for municipal purposes; Remain in Committee.) (July 31, 2023 – Communication sent to all department heads inquiring if there was a need for the property; no response received indicating a need.) (October 12, 2023 – VOTE: To amend the ‘Lease Term’ paragraph of Section 1 of the lease; VOTE: To determine that the property is not currently needed for municipal purposes; VOTE: That the City offer the property for lease; VOTE: That the Purchasing Department proceed with issuing the RFP; Remain in Committee.) (February 12, 2025 – tabled)

On motion by Councillor Abreu and seconded by Councillor Burgo, the Committee VOTED: To remove from the table the COMMUNICATION and the REQUEST FOR PROPOSALS.

The Chair recognized Molly Gilfeather-Rodriguez, Director of Purchasing and representing the Administration, who explained that the Request for Proposals (RFP) was issued, and that the City received one response, submitted by Lafrance Hospitality. Ms. Gilfeather-Rodriguez noted that the RFP required negotiation, as the developer sought a 20-to-30-year agreement for the property. The City recognized the Council's concerns regarding extending lease agreements for such a lengthy period. Ultimately, the negotiations led to a five-year agreement with the option to renew for three consecutive five-year terms, totaling 20 years.

Councillor Morad inquired about the presence of a clawback provision in the lease agreement, should the City choose not to renew. Atty. Eric Jaikes, City Solicitor, was recognized and clarified that the agreement does not include any clawback language. He further explained that to secure a 20-year term for Lafrance at the lease signing, the City plans to utilize all three available five-year lease extensions, effectively transforming the agreement into a 20-year lease.

Councillor Morad inquired about the apparent inconsistency, noting that the Committee had earlier expressed concerns about a 20-year lease, while the current proposal essentially involves such a lease. In response, Atty. Jaikes noted that he did not recall a discussion regarding 20-year leases and stated that while the applicant requested a 30-year agreement, that was not feasible. However, he clarified that a 20-year agreement was essential for the developer to secure financing from their bank for the project.

Councillor Lopes noted in his review of the lease language that a letter dated November 3, 2023 indicated that Bay Coast Bank supported the application for a five-year lease agreement for the vacant site, and that the agreement does not mention any requirement for a 20-year term. Atty. Jaikes acknowledged that he had not reviewed the letter the Councillor was referencing.

The Chair recognized Atty. John Markey, representing Lafrance Hospitality. Atty. Markey clarified that there are two loans involved in this business transaction. The first loan is for Lafrance Hospitality, which is responsible for the exterior work and build-out of the building, with Bay Coast Bank serving as the lender. The second loan is for Servedwell Hospitality, owned by Stephen Silverstein, who is responsible for the portion of the building to be used as a restaurant. As the lessee, Servedwell requires a 20-year guarantee through a lease agreement to secure their funding. Therefore, Lafrance is seeking approval for a 20-year agreement.

Councillor Lopes inquired whether the lender financing the improvements requires a lease term equal to the loan term, to which he received confirmation.

On motion by Councillor Abreu and seconded by Councillor Choquette, the Committee VOTED: To recommend to the City Council, that the proposal submitted by National Downtown Club, LLC, an affiliate of Lafrance Hospitality, has been hereby selected as the successful proposal submitted pursuant to an RFP for lease of the property owned by the City located at 26 Union Street, formerly known as the National Club. This motion passed on a roll call vote of Yeas 11, Nays 0.

On motion by Councillor Abreu and seconded by Councillor Burgo, the Committee VOTED: To recommend to the City Council, APPROVAL of the REVISED LEASE of the property owned by the City located at 26 Union Street, formerly known as the National Club, pursuant to the proposal selected by the Committee and hereto attached; and further that the City Council AUTHORIZE the Mayor and Solicitor to execute the lease pursuant to the attached proposal and proposed lease agreement. This motion passed on a roll call vote of Yeas 10, Nays 1. (Councillor Morad OPPOSED.)

On motion by Councillor Oliver and seconded by Councillor Burgo, the Committee VOTED: To receive and place on file the Non-Price (Technical) proposal packet submitted by National Downtown Club, LLC, an affiliate of Lafrance Hospitality, for lease of the property owned by the City located at 26 Union Street, formerly known as the National Club; and further, to receive and place on file the Revised Lease Agreement packet for the property owned by the City located at 26 Union Street, formerly known as the National Club.

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WRITTEN MOTION, Councillors Gomes and Pereira, requesting, that the Committee on City Property meet with Director of Parks, Recreation and Beaches, Mary Rapoza, and a representative from the Administration to discuss the opening of the Ashley Park Warming House community room for a senior citizen day program; and further, to discuss other possible City services that can be located in said building and location. (Matter ID #2033) (Referred – November 26, 2024.)

Councillor Gomes clarified that the request is to open the Ashley Park Center during weekdays for senior citizens, recognizing that the facility is utilized for a youth program on Saturdays.

The Chair recognized Isidro Thomas, Administrative Coordinator for Parks, Recreation & Beaches. Mr. Thomas agreed that this matter merits consideration. He clarified that the space is not solely occupied on Saturdays; there is also an adult program on Fridays from 1 PM to 3 PM, followed by a youth program from 3 PM to 5 PM, along with game nights in the evenings. He recognized that seniors desire a daytime gathering space. However, the current challenge is a capacity issue, as none of the departments, including Council on Aging, are able to staff the building for daily operation.

Councillor Pereira asked that, at a minimum, the facility should remain accessible to seniors during the colder months to provide a space for gathering. He noted that during warmer months, seniors usually congregate outside on the benches. He suggested an informal program for volunteers to help them understand the daily operations of the building, noting that this could improve community engagement and social interaction. Councillor Pereira requested that the Director of Parks, Recreation & Beaches be consulted regarding her support for establishing a volunteer program to manage the Ashley Park Center, and that she provide a written response to the Committee.

Councillor Lopes mentioned that during his tenure as the Councillor for that Ward, he collaborated with the Immigrants Assistance Center (IAC), who provided volunteers to help manage the building's schedule. He suggested that it might be beneficial for the Department to connect with the IAC, particularly where it is a predominantly Portuguese community.

Councillor Carney expressed the importance of keeping the building accessible for seniors to gather, play cards, checkers, and engage in social activities, such as a knitting circle. She suggested that a department might utilize the space for an office, which would allow its ongoing use. Mr. Thomas raised concerns about the potential cost to the City for necessary infrastructure improvements, including internet access. The Councillor disagreed, stating that she believes these issues could be resolved easily.

Councillor Gomes noted that the internet infrastructure should have been integrated into the building during the renovations of both the building and the park.

Councillor Baptiste expressed support for the idea of office space, but understands that it would entail additional expenses. He proposed involving community groups to share the responsibilities of managing the building and suggested that the building's programming mirror the programs currently offered at the Hillman Street Center.

Councillor Pereira recommended tabling the discussion until a response is received from the Director of Parks, Recreation & Beaches regarding the inquiries raised.

On motion by Councillor Lopes and seconded by Councillor Baptiste, the Committee VOTED: To receive and place on file two flyers announcing activities for the Parks, Recreation & Beaches Department.

On motion by Councillor Pereira and seconded by Councillor Gomes, the Committee VOTED: To table the matter at this time.

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WRITTEN MOTION, Councillor Pereira, requesting, that the Committee on City Property investigate the feasibility of obtaining the Hastings Keith Federal Building for the purpose of establishing a “City Hall Annex”. (Matter ID #1659) (Referred – October 10, 2024.)

Councillor Pereira clarified that although the City remains interested in having a Federal Building, if the planned closure proceeds, he believes the Federal Government should consider transferring the building to the City. This would allow the City to convert it into a City Hall Annex. The goal would be to consolidate various City departments currently located in separate buildings. This would enable those buildings to be repurposed for other uses, potentially including sale.

Neil Mello, Chief of Staff for the Mayor’s Office, expressed his appreciation for the Councillor’s recommendation and agreed that the Administration would like to see the building continue as a site for Federal Government Agencies. Mr. Mello noted that in November of 2023, the City received notification from the General Services Administration (GSA) regarding its intention to close the building. The Mayor reached out to the GSA to arrange a meeting to discuss the closure, which was planned for January or February of 2024.

Mr. Mello stated that the Congressional Delegation, led by Senator Markey and Representative Keating, submitted a letter reinforcing the City’s stance on the importance of keeping the building open. However, the GSA did not respond to the inquiries raised, and reaffirmed their decision to proceed in closing the building. This issue has been ongoing and will eventually be addressed. He also informed the Committee that in January of this year, the Mayor met with Senator Markey to discuss the status of the building.

Mr. Mello noted that the GSA is not usually involved in disposing of their properties and acknowledged that the process for selling or transferring the building will take several years. The City does not want to undermine its position by pursuing a takeover of the building, since it prefers to keep Federal Agencies in the area rather than relocating them to other communities. He also mentioned that while the building is solid, it will require HVAC improvements. The building has not undergone significant renovations in quite some time, but it could potentially be suitable for City offices in the future, if that decision is made.

On motion by Councillor Pereira and seconded by Councillor Carney, the Committee VOTED: To recommend that the City Council take “**NO FURTHER ACTION**” on the WRITTEN MOTION, Councillor Pereira, requesting, that the Committee on City Property investigate the feasibility of obtaining the Hastings Keith Federal Building for the purpose of establishing a “City Hall Annex”.

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

This meeting adjourned at 7:54 p.m.

ATTEST:

Denis Lawrence Jr.
Clerk of Committees