



# **Programs & Services Committee Report**

## **Special Meeting**

### **City of Newton** **In City Council**

**Monday, September 25, 2017**

Present: Councilor Leary (Acting Chair), Auchincloss, Hess-Mahan, Sangiolo, Baker, and Kalis;  
absent: Councilors Rice and Schwartz; also present: Councilors Ciccone, Norton, Gentile, Blazar,  
and Lappin

#### **Referred to Programs & Services and Finance Committees**

**#259-17**

#### **Increase the number of years the City can lease Weeks House**

HIS HONOR THE MAYOR requesting consideration of a request to petition the General Court for special legislation to increase the number of years the City of Newton is authorized to lease the Weeks House from the current period of sixty-five years, as authorized by the Acts of 1981, Chapter 330, to a period of up to ninety-nine years. [08/07/17 @ 2:23 PM]

**Finance Approved 5-0 on 09/25/17**

**Programs & Services Recommended Approval 3-0 (Hess-Mahan, Sangiolo, Baker not voting)**

**Note:** The Programs & Services and Finance Committees met jointly to discuss the above item. The Committees discussed the item on September 11, 2017 but held the item for input from the City's Law Department and Chief Procurement Officer regarding the portion of the request to seek Home Rule Legislation to waive the procurement process. Chief Procurement Officer Nick Read, and Associate City Solicitor Ouida Young joined the Committees for the discussion as well as Director of Newton Community Development Foundation (NCDF) Jeanne Strickland and Counsel for NCDF Alan Schlesinger.

The docket item is a request to petition the General Court for special legislation that authorizes the City to lease the Weeks School for a term not to exceed ninety-nine years and to grant a lease extension to NCDF without going through the municipal procurement process. . The City sought and received special legislation in 1981 to lease the Weeks House for a term of 65 years and NCDF and the City entered into the lease agreement in 1983. Approval of the proposed special legislation would extend the lease to 2066. The request for the extension is because NCDF is investigating refinancing opportunities for the Weeks House and lenders require that leases extend at least 10 years beyond a 25-year term loan. If the General Court approves the special legislation, the request to extend the lease would come before the City Council for approval.

There was a question regarding whether NCDF has ever paid the City the additional 20% of the amount by which gross effective rent for any year exceeds the amount projected by the original lender as of the date of first occupancy, as required by the lease agreement. NCDF has paid the

20% payment every year except from 1996 to 2000, as there was a lease amendment to waive the 20% payment for five years.

Nick Read spoke on the request to consider waiving the procurement process. He explained that normally the lease extension would need to go through an open procurement process but because the request is to seek Home Rule Legislation through the legislature, he feels it would still be an open process. Ms. Young pointed out that it does not make sense for the lease of Weeks House to go through the procurement process. The property would not be available until 2048 making it very difficult for the City to solicit bids. As the City is already considering special legislation for the lease extension, it makes sense to ask for legislation to waive the procurement process in this instance. Both Mr. Read and Ms. Young feel that is appropriate to include the waiver of the procurement process as part of the request for special legislation. With that, Councilor recommended approval of the item in the Programs & Services Committee, which carried by a vote of three in favor and none opposed. Councilor Ciccone moved approval in the Finance Committee, which carried unanimously.

All other items before the Committee were held without discussion and the Committee adjourned at 8:03 PM.

Respectfully Submitted,

John B. Rice, Chair