

## City eyes Spartans' building

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**Author:** ANDREW WOLFE Staff Writer

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MANCHESTER - The city of Nashua hopes to team up with a local nonprofit health clinic to buy the building owned by the bankrupt Spartans Drum & Bugle Corps, while the group itself will continue to march, but under new management.

Those pieces of news were announced Wednesday by Mayor Donnalee Lozeau and various other officials outside an otherwise uneventful hearing in federal bankruptcy court.

The Spartans former director, Peter LaFlamme, filed for Chapter 11 bankruptcy last fall. He blamed a sour economy for the group's financial ruin, but other members of the board of directors, including his own nephew, accused LaFlamme of mismanagement.

LaFlamme has recently agreed to step aside from any further role in the organization, citing health problems, said his nephew, Paul LaFlamme Jr., on Wednesday. The directors are in the process of forming a new board and trying to draft a plan for the organization to continue into the future.

"There is now a great deal of optimism that the Spartans are going to survive," LaFlamme said after the hearing Wednesday. "We don't have a lot of details yet, but we are here to reorganize the Spartans, move it forward and keep it alive."

In the immediate future, however, the Spartans will regroup under the supervision of U.S. Bankruptcy Court Judge Michael Deasy, and without the benefit of their building at 73 E. Hollis St. It will be sold to pay off the mortgage and, with luck, other creditors, Paul LaFlamme said. The prospect of buying the building at current rates (it is believed to be worth much less than the \$1 million the Spartans paid in 2005) has drawn a trio of interested groups, most notably a public-private partnership between the city of Nashua and Lamprey Health Care, a nonprofit company that runs the Nashua Area Health Care Center

and two other clinics in the state.

Two other social service agencies also have made offers on the property, according to a motion filed by Spartans' lawyer, Eleanor Dahar, of Manchester. The Plus Company, which works with developmentally and mentally disabled persons, has offered \$800,000 for the property, and **Harbor Homes** has signed an option stating it would pay \$818,000, Dahar wrote.

An entity created by Lamprey Health Care, 73 East Hollis Street LLC, has signed an agreement offering \$815,000 for the building. Both Lamprey Health CEO Ann Peters and Nashua Mayor Donna Lee Lozeau attended the hearing Wednesday, and spoke with a reporter afterward.

"I'm here because I'm concerned about both the Spartans and one of the gateways to our city," Lozeau said.

The Nashua Area Health Care Center took over pediatric services from the city's health department in 2002 and now serves roughly 6,000 low-income patients in the city, Peters said.

The center has been renting space inside Southern New Hampshire Medical Center, but the hospital wants the space back, and the agency would enjoy having rooms of its own, Peters said.

Lamprey Health and city officials saw the Spartans building as a chance to combine forces, and perhaps move the city health department from its current quarters on Mulberry Street, Lozeau said.

"We already work very, very closely" with the city, Peters said.

The Spartans building is also central to downtown and is near social service agencies, notably Southern New Hampshire Services, Lozeau said.

"It's my hope to work with them," Lozeau said. "There's a synergy of putting the two together."

"We have been talking for a long time about how we can do this together," she said. "When you look at Nashua, and this location, it just makes a lot of sense."

The Spartans building was constructed originally as a

supermarket, and has plenty of space and parking, Lozeau noted.

As for the bankruptcy court hearing, it was brief and uneventful.

A lawyer representing the mortgage holder, Mark Kanakis, said the Bank of New England is content to sit back and let the Spartans sell the building to the highest bidder. The bank will shelve its request for foreclosure, he said.

"Harmony is the key word of the day," Kanakis said, adding later, "We will give the debtor plenty of time to sell the property."

Judge Deasy said there is unlikely to be anything left for other, "unsecured" creditors, since the Spartans owe the bank roughly \$850,000, and he suggested that the Spartans would do well to act quickly on the sale, either auctioning the property through the court or otherwise.

"Get it done . . . then you'll know where you stand," he said.

Deasy also approved the Spartans' request to terminate leases for various equipment, including a postage meter, photocopy machine and, curiously, tires for their tour buses.

In addition to the Drum & Bugle Corps, in which youths paid to participate, the Spartans formerly ran a lucrative bingo game and a charter bus service.

"I didn't know you could lease tires. That's like leasing firewood, what do you get back?" Deasy asked Dahar. "If I approve this, what's going to happen, are we going to have to get some giant milk crates to put the buses on?"

Dahar didn't know, but didn't think so.

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On the net: Lamprey Health Care's Nashua service: [www.lampreyhealth.org/location\\_nashuaservice.cfm](http://www.lampreyhealth.org/location_nashuaservice.cfm)

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**Memo:** Andrew Wolfe can be reached at 594-6410 or

awolfe@nashuatelegraph.com.

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