



CITY OF CONCORD

NEW HAMPSHIRE

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Amended 2/3/12

ECONOMIC DEVELOPMENT ADVISORY COUNCIL

Minutes

JANUARY 6, 2012

8:00 A.M.

The meeting convened at Lincoln Financial Group, One Granite Place, Concord, NH. Refreshments were provided courtesy of Byron Champlin.

PRESENT: Tim Bernier, Christopher Carley, Byron Champlin (arrived 8:05 AM), Mark Coen, Peter Cook, Stephen Heavener, Brad Hosmer, Connie Rosemont, and Claudia Walker

ABSENT: Allen Bennett, Walter Chapin, Michael DelloIacono, Larry Gloekler, John Hoyt, Jan McClure, William Norton, and Dan St. Hilaire

STAFF: Carlos P. Baía, Deputy City Manager - Development
Matthew R. Walsh, Assistant for Special Projects
Bev Rafferty, Administrative Assistant

1. MINUTES FROM THE NOVEMBER 4, 2011 MEETING

Tim Bernier made a motion to accept the minutes as written; seconded by Mark Coen; motion passed unanimously.

2. CATCH RSA 79-E APPLICATION FOR ENDICOTT HOTEL

Carlos Baía informed EDAC that the Concord Area Trust for Community Housing (CATCH) has submitted two RSA 79-E applications for the renovation of the Endicott Hotel. CATCH is converting its existing subsidized housing units into 25 market rate apartments. The three commercial/retail bays are part of a separate condominium owned by CATCH that will also be rehabilitated. The Green Martini will remain. CATCH is seeking tenants for the remaining retail spaces.

Mr. Baía indicated that City staff is recommending the full applicable credits for the \$1.8 million residential conversion (5 years plus an additional 4 for historic renovations) and seven years for the \$270,000 commercial rehabilitation (3 years plus an additional 4 for historic renovation).

Chairperson Carley noted he would have to abstain from the discussion on this issue as he is the architect for the project.

Mr. Baía explained there are currently 36 subsidized residential units and 3 retail bays. Mr. Baía gave a breakdown of the number of 1, 2, and 3 bedroom units CATCH will build and the respective rents (ranging from \$975/month to \$1,350/month). There is no parking for this building; tenants may use the parking garage for overnight parking.

Peter Cook inquired if CATCH owns any other market rate units. Matt Walsh noted the Endicott will be its first market-rate effort. Claudia Walker inquired if CATCH qualifies for any other enhancements. CATCH is going to pursue federal historic tax credits on this project and they have applied for a \$200,000 gap loan from the city's Revolving Loan Fund program.

Mark Coen asked if this would be a good model for other owners of downtown properties. Carlos Baía noted it is hoped this project will do just that.

Stephen Heavener explained that the equity in the building is the primary reason this project is going to work. Claudia Walker noted the location of the building, particularly next to the parking garage, is important to its success. Tim Bernier noted CATCH does a lot of good things in the city and it would be positive to see market rate residential units downtown.

Connie Rosemont made a motion that EDAC endorse CATCH's applications for RSA 79-E tax credits; Byron Champlin seconded the motion; Chairperson Carley abstained from voting and the motion passed unanimously. Carlos Baía will draft a letter to City Council for the Chair's signature noting EDAC's endorsement.

3. NH BINDERY PROJECT

Matt Walsh distributed a handout of a presentation regarding the Bindery Redevelopment Project. Mr. Walsh noted there would be a public hearing on the development agreement with Bindery Redevelopment LLC. The project would be to demolish the current bindery building and the old Beneficial Finance building and construct a new 69,000 sq. ft. \$8.6M mixed use building.

If Council approves the project, the City would waive the impact fees to Bindery Redevelopment LLC – approximately \$75,000 - and lease 125 parking spaces in the Capital Commons parking garage. Mr. Walsh noted that 91 public spaces will be converted to lease for this project and 34 spaces will be released from Michael Simchik's 150 space allocation. The parking lease will be for 20 years; years 1 – 14 will be subsidized. Revenue generated by the bindery to the TIF District will be deposited in the city's parking fund to off-set the debt obligation remaining from the construction of the Capital Commons Garage. Mr. Walsh continued with a full explanation of the lease fees, where funds will be deposited, etc. and he noted there will not be any 79-E tax credits on this project.

There was general discussion about parking lots and fees waived for development. Matt Walsh noted that impact fees have only been waived on three projects: Capital Commons, Blue Cross/Blue Shield, and now the bindery project.

Some members noted it would help to have an extensive discussion about the city's parking facilities and the revenue produced. Chairperson Carley asked that this item be placed on a future EDAC agenda for discussion.

Tim Bernier raised an equity concern as to the City's practice of waiving fees or providing tax relief. Mr. Bernier believes that smaller projects bear an unfair burden in having to make costly off-site improvements disproportionate to their project budget and do not attract the type of City financial intervention that large projects do.

Mark Coen asked if this project couldn't be seen as incentivizing tenants currently renting from one property owner in the city to move to another. In essence, is the City creating an unfair impact on existing taxpayers.

Matt Walsh explained that most of the projects downtown in the last 30 years had city participation and offered to make a presentation to EDAC in the future that would illustrate this history.

Mr. Cook noted if a company is looking for a Class A building and Concord does not offer this product, the business may simply move elsewhere.

Mr. Walsh noted that 662 jobs have been preserved or created in the downtown over the last few years through the City's involvement.

4. **This item was not discussed at today's meeting**

5. **UPDATE ON REZONING REQUEST FOR 107 COMMERCIAL ST.**

Carlos Baía updated EDAC on the recent developments in this matter.

Mark Coen asked if it would be appropriate, based on the new information, for EDAC to make another recommendation to City Council.

Connie Rosemont made a motion to send a letter to Planning Board (with a copy to City Council) endorsing Delta Dental's request for rezoning as revised; Brad Hosmer seconded; the motion passed unanimously. Carlos Baía will draft a letter for Chairperson Carley's signature.

6. **This item was not discussed at today's meeting**

7. **OTHER BUSINESS**

Congratulations! to Byron Champlin for being selected as one of New Hampshire's top "Influencers" in ***Business NH Magazine's*** January 2012 edition. Mr. Champlin received this honor as "Creative Economy Champion" for his efforts in strengthening the creative economy. He serves as chair of Creative Concord.

8. **ADJOURNMENT**

There being no further business and upon a motion duly made and seconded, the meeting adjourned at 9:00 A.M.

Respectfully submitted,

Beverly A. Rafferty
Administrative Assistant