CITY OF CONCORD SEARS BLOCK TAX INCREMENT FINANCE DISTRICT ADVISORY COMMITTEE MAY 14, 2013 MINUTES

The first meeting of the Sears Block Tax Increment Finance District Advisory Committee (Committee) was held on May 14, 2013, in the Second Floor Conference Room, City Hall, 41 Green Street, at 4:30 p.m.

Present at the meeting were Jason LaCombe, Sarah Chaffee, Rosemary Heard, John Hoyt, Paula Harris and Eric Reingold. Assistant for Special Projects Matt Walsh and Administrative Assistant Donna Muir were also present.

At 4:30 p.m., the meeting was called to order.

1. Introductions

This being the first meeting of the Committee, the members and staff introduced themselves.

Mr. Walsh described the Sears Block TIF District (District), which encompasses approximately 21 acres from Depot Street south to Theatre Street and includes the east side of Storrs Street through to the west side of South State Street, narrowing slightly on the south and north ends between South State Street and South Main Street.

He stated that the District was created in 2003, with the idea that the District boundaries would be in keeping with the walkability of the District from the Capitol Commons parking garage. Discussion ensued as to whether the District boundaries could be adjusted. Mr. Walsh stated that the District's boundaries can be amended as often as is wanted with certain parameters established within State Law. Mr. Walsh also noted that the District must endure until such time as all debt service issued for infrastructure improvements within the SBTIF is fully repaid.

2. Overview of the Advisory Committee's Roles and Responsibilities

Mr. Walsh provided an overview of the roles and responsibilities of the Committee, reviewing City Resolution 7740 and NH RSA 162-K:14. The Committee discussed their role in working with City staff and making recommendations to City Council on issues that affect the District.

Mr. Walsh stated that the Committee has a total of seven members; however only six individuals have been appointed. He asked the Committee to keep an eye out for anyone within or near the District who may be interested in serving.

3. Review of how Tax Increment Finance District Work

Mr. Walsh explained how a Tax Increment Finance District is created and funded, and how taxes from new development within a district is captured and retained for the purpose of paying debt service and operating costs associated with new public infrastructure constructed within a given TIF District. The Committee talked about how Tax Increment Finance districts could negatively affect new development outside the district, realizing that some development would not happen without the benefit of the

district. Mr. Walsh reported that historically every dollar invested in public improvements within a TIF yields four dollars in new assessed value.

4. Discussion of potential use of Sears Block TIF District to finance burying of underground utilities on portions of South Main Street in conjunction with the Downtown Complete Streets Project

Mr. Walsh provided a brief overview of the City's Downtown Complete Streets Project. He said that this project presents an opportunity for the City to install underground utilities on South Main Street; approximately between L&B Tailoring south to the Kennedy Apartments. He estimated that the cost of burying approximately 725 feet utilities would be \$2.5 million. He also explained that if the underground utilities were continued to the Capitol Center for the Arts, it would cost an additional \$1 million. The purpose of the underground utilities would be to encourage future redevelopment of the NH Employment Security site at 32-34 South Main Street and other properties, as well as improve aesthetics for this area of the downtown.

The Committee discussed that the major benefit would be aesthetics with some maintenance benefits, as well as the decrease in power losses due to severe weather. The Advisory Committee discussed several aspects of this potential investment, including who would benefit from the improvements, as well as whether the scope of work should including burying all utilities to the Capitol Center for the Arts. It was the Committee's recommendation that contributions from future development projects on South Main Street should be sought to help support the cost of this investment. The Committee also talked about the area being the gateway to the City's burgeoning arts district, and how this would be an added benefit to future development in the area.

It was the recommendation of the Committee that the utilities are buried underground while the streets are opened up for the Downtown Complete Street Project, and that future development contribute to the cost of the project. The Committee agreed that the utilities should be buried underground from L&B Tailoring to the Kennedy Apartments, and for the City to find a way to extend the underground utilities to the Capitol Center for the Arts building.

5. ADJOURNMENT

The meeting adjourned at 5:30 p.m.

Respectfully Submitted,

Donna Muir Administrative Assistant