

Official

TOWN COUNCIL MINUTES Special Meeting Hooksett Public Library Tuesday, March 21, 2006

CALL TO ORDER: Chairman M. DiBietto called the meeting to order at 6:32 pm.

ROLL CALL: Philip Fitanides, Jason Hyde, Paul Loiselle, George Longfellow, Stuart Werksman, Chairman Michael DiBietto, David Jodoin (Town Administrator)
D. Belanger arrived at 6:40

PUBLIC HEARING:

Proposed \$18 million bond on Exit 11 TIF District

First public hearing:

M. DiBietto open hearing at 6:35 pm

G. Longfellow motioned to waive the reading. No second, motion failed.

M.DiBietto read the warrant (see file)

D. Jodoin explained how the bond money would be distributed. (see file)

There is a warrant on the ballot for a 1.5 million dollar sewer project, which will be absorbed by the 18 million dollar bond if it passes.

Steve Korzyniowski, 329 W. River Road: I'd like to speak in favor of the TIF because my family has resided here since 1920 and we have always lived on the west side of the Merrimack River. About 5 years ago, after the death of my mother, I inherited this property. I saw many changes and decided to get involved and helped draft the Master Plan. I chaired the Master Plan update committee. As part of that Master Plan, I assisted in developing the economic development segment and CEDCOH which involves area business looking to improve the quality of life in Hooksett. Hooksett needs to invest in itself. Improving our schools, roads and sewers is essential. Manchester has done many things including the Fischer Cats Stadium, the Verizon Center and the improvements on Elm Street. It is a vibrant center. We could do similar things in the Village area of Hooksett. The Manchester Airport is a shining example of what a partnership can do. I'm a taxpayer that is in favor of partnering with businesses. Partnering with private business is not wrong. I've seen the changes in Manchester and Londonderry as a result of partnering. Here is a no risk way to expand and improve our sewers. Big business is not evil. Those businesses will not come to Hooksett unless there is something to attract them. Hooksett has three exits off I93 and there are not many towns that have this. Lets stop waiting for others to invest in our future; let's invest ourselves.

Richard Sullivan: I learned the sewer improvement was going to run lines across the Lilac Bridge. I would like to ask Charles Watson to present what will be done to roads and sections around the Village that are included in the TIF district.

Charles Watson: The TIF district includes sites which are already commercial including Heffron, Palazzi, and 2 sites to the North of the Hackett Hill intersection that face out to route 3A. The remainder of the area is owned by the State and controlled by the DOT. We have also included in this area, up route 3A along Riverside Drive, included some State land in the Village as far north as the Lilac bridge. The reason to come to the Village is to include the bridge because the sewer line is affixed to the bridge. We then followed the RR tracks south to include the land owned by the Sewer Department, which include the Sewer building.

David Hess: What happens if the total expenditure exceeds 18 million?

Diane Savoie: The warrant is only for 18 million. If expenses exceed 18 million it will have to be revisited. It is statute that it cannot exceed 18 million.

David Hess: Have any plans been discussed to address this?

E. Eckman: Relative to the sewer use, the company is in no position to comment, but relative to the other portions, it would be our debt.

D. Hess: When the turnpike was developed, Carol Murray told me the list price to acquire that right of way was twice what is being quoted today.

Stu Arnett: We are waiting final appraisal from the seller, but that is what we are expecting for a price.

D. Hess: The idea of having a commercial retail around I93 is a great idea with minimal impact to the town, but my concern is the museum. The town bond will pay to build the museum but who will own it and pay taxes against it.

E. Eckman: Each of our locations have museum outlets, because of the nature of the expenses, we have sought a vehicle to achieve a result. We have asked the town to hold the title so that it is eligible for the TIF. We will maintain the elements by contract with the idea at the end of the bonding period (20 years) those museum elements are available for buy back from the town.

D. Hess: Is that the way you have done this at other sites?

E. Eckman: Everywhere it has been necessary to have the public own these sites, we have done so. During that 20-year period, we have accrued a management fee and if the appraisal of the museum is higher than the fee we pay the difference, if not we do not pay.

D. Hess: What's happening in many TIF districts is the bond is being paid off at an accelerated rate. Would what you're talking about come into effect when the bond is amortized?

E. Eckman: It would be at the end of the 20-year period.

D. Hess: Is any of the property on the East side of the river in the TIF district?

C. Watson: Yes, but it doesn't have to be in the district and I can't think of any difficulties if it is in the district. It seemed logical to follow the RR.

D. Hess: It appears that the town owned property, listed in the Master Plan, as recreational land is included.

C. Watson: It was included only because the town owns it and it gives the town some options.

H. Murray, 311 Hackett Hill : I know the State will gain from this and I am familiar with the Pennsylvania Area. Since the State will be gaining from that exit, why are they charging 1.5 million?

Stu Arnett: Coordinate with the State: The reason the price is being charged is the law states, in order for the State to sell property, you need an appraisal and it is evaluated by DOT and it has a statutory board that is made up of legislatures and we are required to sell it at fair market value. We are doing what we have to do by statute.

H. Murray: What is the size of property they are getting for the 1.5 million?

Bill Genelis: What is being purchased is access to that property; the release of the limited access right of way from Hackett Hill Road.

S. Baines: Can the legislature relieve the fees?

S. Arnett: My understanding is we must sell for fair market value. The Legislature can do anything it wishes, but right now it is clear if there is a sale it must be at fair market value.

T. Barrett: If the State will get 1.5 million, is the State considering any investment in this area.

S. Arnett: Because it is a turnpike fund, the money must go back into the turnpike system. There is no legal authority to redistribute funds.

Bill Genell, DOT: It's not a fee by the State. When 93 was developed, it was purchased.

E. Eckman: The State has made commitments in economic development and is prepared to make investment where they can. This benefits us, which will ultimately benefit the town.

By virtue of the assistance to us, we can make the economics work for us and will ultimately help the tax base.

James Mahoney: During the 20 year buy back period, taxes are not paid by the TIF district but rather go directly to pay the bond?

M. DiBietto: The bond is paid first and any access goes into the General fund.

J. Mahoney: I do have concerns about the scope of the bond, in particular the 4 million dollars to decorate Cabelas. Read from article relative to Cabelas.

Couldn't we reduce the bond for example 4 million dollars, (museum elements) and reduce the payment and increase the revenue to the town?

Read addition section from the article relative to Hamburg Pennsylvania.

We want to make sure as much of the taxes for that area go to the town.

Stacy Flourde, Cyr Drive: What is potential mixed use?

C. Watson: That area next to the Pinnacle is zoned medium density residential and will remain that way. We only included it to give the town options, otherwise it could remain the way it is and will neither benefit nor detract from the TIF district.

If the town chooses to change the zone I assume it would change to commercial

S. Flourde: It doesn't say commercial. You are not putting it to the voters as commercial.

C. Watson: If that parcel were changed to a commercial use, all 14 of the commercial uses listed in the zoning ordinances are applicable. The word is meant to indicate if the zone were changed, these uses were allowed.

S. Flourde: It is listed as mixed.

E. Eckman: It was at my suggestion that it was changed. The town was deciding on the boundaries of the TIF district. Cabelas said we don't know what is appropriate. I suggested we not show this as commercial because it is a transition area, and if it changes to anything other than residential it is a mixed use like doctors office and is between a residential and commercial zone. If that were to ever change, I nor anyone knows what that would be. My direction to TF Moran said lets show that as a transitional area.

S. Flourde: If the green area is in the TIF area, and the TIF is approved, how does it get rezoned.

D. Marshall: You have a zoning map in the town and you cannot change it without a vote by the people.

S. Flourde: Some areas of the Pinnacle are not on town sewer, is that part of the plan.

B. Kudrick: We are ready to go out for bid to complete the sewer and complete a pump station. It would be up to the town's people to decide to extend that area. When the pump station is built, it could handle that area.

S. Plourde: Reading in the Banner and Union Leader, there is talk of a water park or go cart park, is there any place on the map where those potential businesses would go?

M. DiBietto: Those are hypothetical uses and no site has been identified. The Hefron Asphalt site could accommodate such a use but there are no definitive plans.

S. Plourde: Are we moving the Hooksett Fire Station?

M. DiBietto: There has been a plan, conceptually to have a fire station on the west side, at Exit 10. It may still go there but this was an opportunity to build it on Cabelas dime and the Council thought that 4.5 million dollars is needed for the town's infrastructure.

S. Plourde: We have one entrance in and out of the Pinnacle and the traffic is now terrible. This will increase the traffic. Have traffic studies been done and do they include additional access from the Pinnacle.

D. Brewster: Project Eng. TF Moran: We are in the process of developing a traffic study with the State and it looks at the different on and off entrances to the site. It is being reviewed and we don't anticipate any feedback for a month or so. The final traffic analysis from the State won't be done prior to the vote. I have a traffic study, which was submitted, and they have reviewed the numbers. The signalized intersection on 3A is being addressed. There will be improvements on Hackett Hill to accommodate the increased traffic. Specific area of 3A and Hackett Hill will be widened.

M. Ruel: Is there going to be any public input on the TIF district development plan?

M. DiBietto: That will be done at a Council meeting with a public hearing

M. Ruel: Who owns the land for the new public road on Hackett Hill?

E. Eckman: We, Cabelas, would own that land including the new public road and the town doesn't have to pay anything for that public road.

M. Ruel: Who owns the park and ride and does the town need to buy land for that park and ride for the State?

M. DiBietto: It would be on Cabela's site and therefore our responsibility.

E. Eckman: As part of the overall development, we made a proposal to the State that the area of the park and ride would have a better use. We have a number of parking spaces available and we will incorporate an area there for the park and ride for the State.

M. Ruel: Are other funds being proposed to be used for the Lilac bridge. There was fund established that had money in it. Is any of that being used?

D. Savoie: There is no fund.

D. Marshall: There was an enhancement fund from the State but as the design went forward, the cost, as it went forward, once they found it to be all lead paint, failed to get match money, and it fell from the State's list.

M. Ruel: Are we only putting a bigger pipe along side of it?

M. DiBietto: It is a budget number to reinforce the bridge to carry and support the pipe and improvements to allow the Heritage Trail Plan to go forward. This is still being studied. The anticipation is to refurbish it to support a sewer line.

M. Ruel: If the cost goes over the budgeted amount and additional support is needed, what do we do then?

M. DiBietto: We could be to build a new support structure and not refurbish the Lilac Bridge.

M. Ruel: There is a barn on Hackett Hill as part of the Heffron property. Is this land, where the barn is included in the TIF district?

C. Watson: Heffron owns other pieces of property and that barn is not included in this district.

M. Ruel: What provision is there to protect areas like the bridge and the barn.
What has been done to implement the Master Plan with regard to zoning changes?

M. DiBitetto: The Council doesn't do zoning. This TIF district is for economic development and is not an attempt to zone or rezone.

D. Marshall: There are no plans this year to change zoning per the Master Plan. This year we are battling the GMO (Growth Management Ordinance).

M. Ruel: If you are proposing a TIF district, it should be consistent with the Master Plan otherwise we are not doing a good job of managing the Master Plan.

I am opposed to spending 4 million dollars on a museum that has little to do with the town and more to do with the State. The right of way has to do with improving the property for the property owner and should be paid by the owner and not the town. The town should be concerned with the infrastructure only.

S. Korzyniowski: It is my understanding that the sewer line will go up 3A and Hackett Hill.

B. Kudrick: It is a proposal. We are not sure where the sewer line will go.

S. Korzyniowski: The sewer should go down 3A to include other commercial properties in the TIF district. It was my understanding that once the sewer went to the other side of the river it would go all the way down.

J. Casey: Who will plow the Park and Ride?

E. Eckman: We will plow and maintain that area. Part of the reason we are proposing this to the State is because it brings it back on the tax rolls. It creates areas that can be developed. The Park and Ride can serve that purpose and open those other areas.

D. Ross: I don't think that there has been sufficient planning that come near what I think needs to be done before going forward for 18 million dollars. My concern is if they are able to guarantee these payments why are we even involved? We are becoming a partner with a private industry.

E. Eckman: These types of programs make these things possible. These destinations would not be possible without these types of partnerships. We take the risk for the communities. We offer to purchase the bond and take the risk from the town. These bonds could be publicly offered and could try and provide the necessary infrastructure to influence development to come to the area. We take that risk.

D. Ross: I think our location, geographically, is desirable in and of itself and I find it unreasonable to spend 18 million and not enough time has been spent to study this. Too much stuff is all bundled together and there is too much gray area. What about the impact that Exit 10 has had? Isn't that the reason why we need the fire station? The addition police protection that is now needed for that area has been an impact.

P. Loiselle: At Exit 10, we floated a 2.5 million dollar bond and we pay \$260,000 annually plus principle and the bond is coming down. Our revenue has moved from \$400,000 to 8 or \$900,000 after we pay off the bond, the balance goes in the general fund. A fire station was part of the negotiation as a matter of convenience for the town. What we do know at Exit 11 is that if we let it go forward, you will see the gain, initially the 1.5 million for the sewer bond will go away. Of the 18 million, not a dime of property tax will be spent. What pays the TIF is the incremental taxes from the district.

D. Ross: We do pay for the fire, police, etc. Growth cost everyone. The town is subsidizing developers. How is that the developers are not absorbing the cost?

S. Baines: The expansion of the sewer plant is due to the housing development, not the economic development. What we should encourage is development like this to offset the housing development and we should encourage people like Cabelas, even if we do have to subsidize them.

D. Marshall: Last night at the Planning Board meeting the Planning Board supported the issuance of a bond. The Council has established the TIF district. Cabelas has to give a site plan to the Planning Board so that we can grant site plan approval. The Master Plan called for the start of economic development. We need that shot in the arm. We will never reach a balance unless we take these opportunities. It's time for this town to invest in its future. Hooksett had the opportunity to buy land for 184,000 that MSG now owns. Hooksett didn't invest in its future then. Don't pass up the opportunity to invest in this town now.

M. Ruel: I support the TIF district in concept. My question is what happens now. What are the changes to the district line and how does it get from here to the town meeting and can the district line be changed on the floor.

M. DiBietto: The Town Council can change the lines. The town meeting can only change the dollar amount.

Richard Sullivan: In the past, if you wanted to get anything going of a commercial nature, the town had to put in the infrastructure on your own dime, and I think this is a good concept and has many fine contributions to solving the imbalances and is worthy of consideration.

M. DiBietto: This will be up for discussion at the Town Meeting.

Jim Gorton: Hooksett needs better paying jobs so that people in Hooksett can afford to live in Hooksett. I feel if we are going to float a 18 million dollar bond, then lets get a high tech facility to come in and bring better paying jobs rather than retail clerks making minimum wages. We should approach someone like HP for example and say we have the infrastructure. I live on 3A. With regard to traffic, I know you will make improvements but the traffic is now terrible and even with the improvements it will be terrible. The improvements will not be in front of my house. I'm between Lowes, Wal-Mart, and BJs. I would like to see Cabela's come to town but not on our dime.

Public Hearing closed at 8:20 pm by M. DiBietto

Petition for a revolving article for the Police Department

M. DiBietto read from the petition article (see file)

Frank Gray: We are requesting a transfer of \$10,000 into this fund. We believe that would be sufficient. This is a revolving fund. This money is returned to us and there will be a flow of funds coming in. If we reach 10,000 then the details will stop.

September 20th, 2005, the preliminary summary was discussed and Chief Agrafiotis said that they would not overspend this line. The chief has said that there will be no details. There are officers here that I spoke to and they agreed that it wouldn't be a problem.

Frank Gray read from minutes of the commissioners meeting.

The chief has the authority to set the parameters of the details. The only issue is 10 thousand sufficient.

This would eliminate the need for taxpayers to front the money until the money comes back.

This fund is set up only to pay the officers.

Vincent Lembo: What happens to the fund if the town waives the fee for a detail. For example, they waived the fee for HYAA which isn't a town function.

Chief Agrafiotis: It was billed as a detail and came out of that budget line.

Frank Gray: At that time, we didn't have the revolving fund and it came out of the budget.

Dana Argo: When the 10 thousand is gone, the details will stop?

J. Hyde: Is the revolving account an interest bearing account?

D. Savoie: Yes and the interest goes back into the account.

Chief Agrafiotis: From my point of view, it makes no difference except it creates more work for Diane. It's up to the citizens. Many towns have a revolving fund. We will still schedule the same way and assign the same way. If the money comes in as fast as Frank says, it will be no problem.

P. Loiselle: This special revolving fund takes the mechanics and the paperwork off the Chief's lap and puts in on D. Savoie's.

Frank Gray: Nothing in this article would change the Chief's authority.

B. Williams: RSA 31, this creates a special revolving fund. Does that lapse at the end of the year.

D. Savoie: You can only end it by town meeting.

B. Williams: This circumvents the budgeting process. The town votes on the number and removes that authority from the town.

G. Longfellow: We are taking on a responsibility that is the budget committee's responsibility.

M. DiBietto: I think it will be difficult to manage given the level of funding is inadequate.

*a petition article can be increased on the floor per DRA, stated by D. Savoie.

P. Drykas: I think \$10,000 is fine and I think it will replenish itself. Most of the towns I research have this. I'm in favor.

P. Loiselle motioned to recommend. Seconded by P. Fitanides.

Roll:

***J, Hyde – Y
P. Loiselle – Y
G. Longfellow – N
S. Werksman – Y
D. Belanger – Y
P. Fitanides – Y
M. DiBietto – N
Motion carries***

NON-PUBLIC SESSION

Paul Loiselle motioned to enter into non-public session under RSA91A3. Seconded by Phil Fitanides.

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Roll:

***J, Hyde – Y
P. Loiselle – Y
G. Longfellow – Y
S. Werksman – Y
D. Belanger – Y
P. Fitanides – Y
M. DiBietto – Y***

***Paul Loiselle motioned to come out of non-public session . Seconded by Phil Fitanides.
Vote unanimously in favor.***

***D. Belanger motioned to approve the Firefighter's contract. Seconded by Phil Fitanides
Vote unanimously in favor.***

ADJOURN

The chairman declared the meeting adjourned at 9:10 pm

Respectfully submitted,

Lee Ann Moynihan

Philip Fitanides
Town Council Secretary