

## Official

**TOWN COUNCIL  
Special Meeting  
Minutes  
Hooksett Public Library  
1701 B Hooksett Road  
Wednesday, February 21, 2007**

### CALL TO ORDER

Chairman Longfellow called the meeting to order at 6:35 pm

### ATTENDANCE

Chairman G. Longfellow, M. DiBietto, J. Gorton, J. Hyde, M. Jolin, P. Loiselle, D. Ross, P. Rueppel, S. Werksman and Town Administrator D. Jodoin.

### DISCUSSION

Cabela's Update

Ed Eckman, Cabela's:

This is to give the Council an update as to where we've been over the last eight months and whether the project is on track to open in 2008. We have been speaking with DOT. We aren't going to get into the details but more from a perspective of an overview. We will discuss the bond and the date for our final decision to move on. We have, in the last few months, had a great deal of momentum and we want to keep that going.

Progress:

We believe that working with the Council, we can make a commitment by the end of April. Once we've made that commitment, we can move forward to a planning and construction mode. With regard to DOT, which is a key for this to work, we have been working with DOT for the past 6-8 months and have developed a plan that we believe will work for the town. The plan was a lot more than we had anticipated, so we need to find a way to fund that. The key was the access to the Palazzi property. This access was approved for 1 million dollars. The River's Committee has reviewed that as well. We are now at a point to move into the highway design with depths and widths and details for the DOT's approval. Estimates for Phase I and Phase II were established. When we reviewed all the plans with the DOT, they wanted us to review from the entire TIF district and the impacts. The last part of the work with the DOT dealt with the State properties. The State property, as of a week ago, has been declared access property. This is where the River's Committee reviews this property and provides input. We are in the process of having the property where the "Park and Ride" and North of the toll station appraised. Cabelas or some other development company will then buy those.

We know the Town Council requested \$50,000 for legal preparation of the bond agreement. We have corporate approval to wire that money into an escrow account with an escrow agreement, which details how that escrow account will be managed. We then can proceed to a bond counsel of your choice. We hope to move forward and have that reviewed and approved by the end of April.

TIF Bond:

In the beginning there were a number of different elements including (see list attached –TIF Discussion)

The first three deal with roadway improvements and will be important when we talk to DOT. Then there's the sewer and NHDOT, which we discussed.

Then there's the museum and the Park and Ride. We will make a commitment to have this "Park and Ride" relocated. It works well for everyone because we will maintain them and that space will be used by us on the weekend for overflow parking and we will maintain that.

#### Attention Area/DOT Roadway Improvements:

We worked with DOT to figure out which roadways need improvement. We tried to attach a cost to that. Phase I is the part of the roadway improvement related to the 55 acres for the Cabelas Store. Phase II is the potential additional improvements needed. When the conceptual design was completed, we had our engineers give us a cost of the individual portions.

First 4 listed – the estimate for those improvements was over six (6) million dollars. There are significantly more improvements than we had originally anticipated. There may be a need for the tollbooths to be enhanced and expanded. This would be very expensive. Lastly, there's Main Street and 3A. How do we improve that and make it function better than it does today. That would be six (6) million dollars. As we discussed, the reality is if phase II be required as a result of growth, increase tolls, and things not limited to Cabela development and the TIF district. That would be budgeted through a process that DOT already has in place. How do we manage this? We are able to reallocate 1.7 million dollars on the original TIF chart, which is the new roadway that would go into the Cabela's project. We now have a one (1) million dollar shortfall. We started looking at how to manage the shortfall. One way was there is State Aid funding available for towns when State and Town roads intersect and improvements are made. (Hackett Hill, which is maintained by the State and the road that goes to the maintenance area) Carol Murray said, if the town accepted that portion of the roadway, they would be eligible for those funds. Through that State aid funding, up to two-thirds of these funds would come back to the project through the State if that were declared a town road. We could have as much as 3.8 million come back through a program that already exist. We could do the secondary improvements, that otherwise would be put on hold, happen immediately. That is something we need to bring to the town for consideration. Conceptually, this is a way to solve the problem. We also found out that some of these improvements that are needed today, are currently not a budget item for the funding through the State.

#### Budget Summary:

The State has come to the plate and will provide a \$480,000 block grant to help with the short fall. This is the amount that would be available through the State (2/3) if Hackett Hill became a town road. Now there's a surplus of as much as two (2) million dollars for roadway improvements.

There is \$350,000, which is just a number as an example. The problem the town would have to take over the roadway is the cost to maintain it. Initially there will be fees, but they can't be used for maintenance. We recognize there is a certain amount of maintenance of 8-10 years for improvements. We had to assume that the town was limited and there may be a need for an additional truck. The idea was the \$350,000 was put in as a cost to maintain the roadway while the taxes are used to pay off the bond. We believe you'd want to do this because of the 3.7million dollar aid from the State. The second part is it allows a million dollars of improvements not on the State's plan to happen right away. This is a million that will happen immediately rather than sometime down the road. We think it's an important aspect to making this work. We want to work with you understanding those concerns.

Two key things we need to get this project finalized. We believe we need the Town to consider and accept that portion of Hackett Hill and their needs to be a resolution and conditions. There must be an agreement with the State at the Executive level. Finally, enter into an agreement with the State for the State Aid. Cabela's would have to forward fund that money. Your bond counsel and our bond counsel have to agree and collateralize that the townspeople aren't on the hook for that. We are fully prepared and ready for that. We are prepared to secure the bond. We ask that the methodology will be to minimize our cost.

Two key items, the acceptance of that portion of Hackett Hill Road and the acceptance of the bond documents. With that said we would be ready to move forward. The purpose of tonight's meeting was simply an overview and not the detail.

M. DiBitetto: Relative to the access from Hackett Hill to the other parcels, would we have control over access if we took that road?

E. Eckman: The State purchased that with Federal dollars and the access points don't come along with the sale of the property. We would be doing it one at a time. Those access cost's would be on the buyer. We are committing to the cost of the appraisals.

P. Loiselle: You had a target date of April? Is that doable and do you still need to negotiate with the State?

E. Eckman: The negotiation with the State is behind us but it isn't documented until the town commits to our proposal. We are confident this will resolve our issues with the State.

M. Jolin: The two-thirds funding, are you saying there isn't enough money in the TIF?

E. Eckman: We are funding the seven (7) million dollars. What we can't do is say there's enough in the bond. The overage will come out of our pocket. The State doesn't have four (4) million dollars in a bucket. It would come through the TIF and be reimbursed over 3 years. We are forward funding because we are buying the bonds.

D. Ross: The forward funding through the State, what if they are denied?

E. Eckman: We would be on the hook. We have an intent from the State on how that would be done. We would take that risk. The purpose is that we understand that you don't want to and can't be at risk for these dollars, so we will take the risk in good faith.

D. Ross: There were issues with DES regarding the researched for wildlife.

E. Eckman: That is in process, the eagles will be done in the spring and it can't be completed until later in the year. So far we haven't seen any problem.

**Open For Public Input:**

Sid Baines: You said you made an arrangement with the State to pay one million dollars in road access.

E. Eckman: It will be paid from the bond proceeds. That is how it's always been presented, when the cost exceeds the bond where does it come from, the bond fund or Cabela's pocket?

S. Baines: What is the condition of Hackett Hill road?

E. Eckman: When you receive it, it will not be new but it would be new after construction is complete.

S. Baines: How long is the State Aid available and how long are we eligible?

E. Eckman: Any town road that you have, when you accept it, from that point forward, if it has an intersection relative to a State Road, and it needs improvement, you can apply for State aid. If they are willing to fund it and they have it, they can fund up to two-thirds. They have said this is beneficial and we will fund it but we will spread it over time, possibly four (4) years.

S. Baines: Councilor Wieczorek is here. Would the Executive Council look favorably on this?

Councilor Wieczorek: At a meeting with the Governor, if the people in Hooksett want to move this ahead, we would do everything we can to help.

David Hess: Phase I and Phase II of the funding slides?

Budget Summary –

Phase I 6,106,000

Phase II basically 1 million

The total improvements, highway is 7.1 million and you have 3.25 budgeted with TIF and a block grant. Where is that coming from?

E. Eckman: The three (3) million is the State aid funding, 1.4, and 1.6.

D. Hess: Where is the two thirds coming from?

E. Eckman: The surplus is in a sense, is that we are under budget; if the roadways are in fact 1.7 less than we think. We assume there will be a certain amount of money set aside for the maintenance of the roads while the TIF bond is being paid down. This was an example. We have money. As long as we can keep the cost under this number, we are ok. Assuming that the surplus remains in effect, when the state aid comes back over those four (4) years, we would hope, of course if we cough up additional funds, we would get that paid back, but we would hope that would help pay down the bond.

D. Hess: The fund is annually appropriated at 1.5 –3.5 for the entire State. Basically you think you can get all the money from that one fund allocated for this one project?

E. Eckman: Over time, yes.

D. Hess: If you can't get that fund, do you expect the town to pay you back? You will not ask from the town anything beyond the 18 million TIF?

E. Eckman: That is correct.

P. Fitanides: There is a certain type of State Aid that affects the tax rate in the town. They give the grants but certain ones come out of the tax base of the town and the total tax rate paid by the town goes back to the State in a reallocation. Is that in the mix?

E. Eckman: These are from budgeted items that already exist.

Mike Bergeron: The Community Development Block Grant will not add any taxes to the Town of Hooksett.

P. Loiselle: Cabela's is looking at Maine and Massachusetts as well. Would two stores that close survive?

E. Eckman: We are looking at a store in Maine and we don't think the two would negatively impact each other. Both stores can stand on their own. They are two different markets and travel patterns. The Boston market is so huge, one store wouldn't be enough. We have not announced a store in Maine, but if we did, that would not negatively impact this project. If I pursued a location in Mass, that would not impact this one either.

P. Rueppel: You are pursuing one in Mass, Maine, and Hartford. Why?

E. Eckman: They are very different markets. The New England states can handle up to five (5) stores.

Rodney Hillhouse: How big is the store here compared to Allentown?

E. Eckman: That is 248,000 sf. This one would be 60% of that size.

Dave Paquette: I like your presentation and would like a copy of the presentation. Thank you.

Dagma Aruda: I would like to know if there are plans in place for the intersection of Route 3A and Main Street?

E. Eckman: Yes. \$680,000 roughly, and they would start as soon as we have approval and before we open in 2008. This was the incentive of the State funding.

Dave Hess: Are you still pursuing a possible buy back if the improvement and taxes are not sufficient to pay back the bond. Will you ask to make that up after the 20 years is up?

E. Eckman: We would but we might construct our agreement with a ramp agreement. It depends where we and the bond counsel meet.

Sid Baines: Dale tells me the Hackett Hill road is in good shape, would the Council accept that road? You (the Council) had to know about this prior to this meeting.

G. Longfellow: The Council did not know about this until tonight and will make a decision at a later meeting and not here.

G. Longfellow: The State school tax, when the State comes in and take our assessment for the school tax, we will be billed for a portion that we aren't collecting taxes for. We are going to get hit for the 50 or 60 million for your stores without taxes to cover that.

E. Eckman: The one part not part of the bond debt coverage. Suppose a development comes out at 11 million and the taxes are \$ 22.68. That is \$220,000,000 and the people in that district pay those taxes. There is a portion of that 22 that can't be used and the balance is sent to the state.

E. Ross: Clarification, the amount paid as taxes from the TIF are going to be allocated first toward the State and the remainder towards the bond?

M. Jolin: Are you anticipating any of those impact fees coming back to you?

E. Eckman: No.

J. Hyde: We've heard from the Rep. from the State that the Governor and Rep. support this but the State must approve the town's acceptance of the road, the Legislature needs to act on that acceptance. That leads into – if the Legislature decided not to accept that road, or let the town accept it, what happens then?

E. Eckman: We have a problem because we have a two (2) million dollar budget short fall. I don't anticipate that, but I think there is a lot of support for this.

J. Hyde: Say the Legislature accepts the town accepting the road, Wieczorek says the two-third number and reimbursement is approved, you say it's over a period of four (4) years. Is that conditional for the Legislature's approval every four (4) years?

E. Eckman: That is correct, but I think that happening is slim.

J. Hyde: If for whatever reason in 2-3 years, the Legislature or the DOT decides we have no money for you.

E. Eckman: We are at that risk and we assume the risk because we purchase the bond and forward the money.

J. Hyde: Would you look to recover that later from the town?

E. Eckman: No

John Brock: If you do everything you say your going to do, it sounds like a heck of a deal for the town.

E. Eckman: We are making a major commitment with confidence we have as a result of negotiations with the town and the State. We are all making a commitment.

R. Sullivan: Has the Council taken note of the correction of this road and the new roundabout? Is that about 3000 feet?

E. Eckman: That is intentional because of the historic nature of the site.

R. Sullivan: There is a new road and we have a broken road called Route 3. There will be a new broken road called Route 3A. What will you do with this 3000 feet other than a historic section. We spent a lot of time on Route 3 and what will we do with 3A. It will get worse with 1000 houses. We have 1000 new homes and how much volume can you handle on this single road?

D. Marshall: My colleague on the Planning Board asked about 3A. I ask if these improvements are not made, the 1000 homes will still go in. Yes, there will always be problems when you grow.

R. Sullivan: I am in favor of Cabelas, but this town seldom has a chance to fix something up front. I'm not looking for the developer to fix something that isn't his fault. This is how much we invest in ourselves. I agree with Dick, those houses are going to be there, here is our chance. We are starting to work on the road, while we are doing something, lets consider options.

E. Eckman: As we looked at this we understand the sensitivity of the historic district. If the town decides they need to deal with this, I don't want to get into local decisions. You could ear mark two (2) million for these conditions.

Bill Sirek: When we initially looked at this project, there were so many problems associated with this project. I'm amazed today that so many of those initial questions were addressed. I think the Council needs to send a strong signal to the Legislature and Executive branch that there is positive support from the town.

Dagma Aruda: Is the roundabout at the intersection of Route 3 A and Main still eliminating the traffic light?

E. Eckman: Yes

Dagma Aruda: And the part not widened will stay the way because it is historic?

E. Eckman: We have tried not to impact the historic nature. I understand that currently there are no funds for the improvement of that area for the next 8 – 10 years.

Close Public 7:55 pm

**ADJOURNMENT**

Meeting declared adjourned at 7:55 pm

Respectfully submitted,

Lee Ann Moynihan

Jason M. Hyde  
Town Council Secretary