

Official

TOWN COUNCIL MINUTES Regular Meeting Wednesday, March 14, 2007

CALL TO ORDER: Chairman G. Longfellow called the meeting to order at 6:30 pm.

PRESENT: Michael DiBitetto, James Gorton, Jason Hyde, Mike Jolin (excused), Paul Loiselle, David Ross (arrived at 6:40 pm), Patricia Rueppel, Stuart Werksman, Chairman George Longfellow, David Jodoin (Town Administrator)

PLEDGE OF ALLEGIANCE

APPROVAL OF MINUTES

February 21, 2007 – M. DiBitetto moved to approve the minutes. Motion seconded by S. Werksman. **Motion carried.** P. Loiselle abstained, not present at the meeting.

February 28, 2007 – Tabled.

PUBLIC INPUT:

Jim Levesque, Hackett Hill Road, newest member of the ZBA: Two of the Planning Board's proposed zoning ordinance amendments take the appeal process away from the Zoning Board and leaves the ultimate decision to the Planning Board. I think the Town Council should weigh in on zoning items and indicate whether they approve or not or leave a space for the Zoning Board's approval.

M. DiBitetto explained that the intention of Planning Board was to move some of the approval items into their subdivision and sight plan regulations. It will no longer be a zoning matter but a sight plan review matter. The board's intention on some of the proposed amendments is to streamline the process. He suggested having a list of the zoning ordinances at the next meeting for proper discussion.

D. Ross commented that it seems the Planning Board is trying to take power or duties that are rightfully the ZBA's.

D. Jodoin explained that it's the way it's set up in the statute. The Planning Board recommends zoning amendments.

Chairman G. Longfellow stated that the Council should be consulted or at least be notified on zoning amendments.

M. DiBitetto stated that there is no mechanism and there is probably some danger in the Council weighing in on the matter. The Council as a governing body cannot influence an independent board.

NOMINATIONS/APPOINTMENTS:

Available Positions:

- Building Board of Appeals, Fill-in Full Member, exp. 6-2009
- Conservation Commission, Fill-in Alt. Members, exp. 6/2008
- Heritage Commission, Fill-in Alt. Members, exp. 6/2008
- Zoning Board, Fill-in Full Member, exp. 6/2007

Zoning Board of Adjustment

David Boutin submitted his resignation from the ZBA.

P. Loiselle motioned to move Roger Duhaime from an alternate to full member of the ZBA, term to expire 6/2007.

P. Rueppel moved to nominate Richard Bairam as an alt member ZBA, term to expire 6/2009. Motion seconded by P. Loiselle.

Economic Development Committee

Mr. Bill Sirak was asked to draft the committee's function and charge.

Council consensus was to go forward with the development of the committee.

SCHEDULED APPOINTMENTS:

Public Hearing, \$1.5 million Wastewater Department Treatment Facility Bond

Chairman G. Longfellow opened the public hearing at 7:02 pm.

P. Loiselle stated that the bond is contingent on Cabela's TIF bond.

Chairman G. Longfellow explained that the \$1.5 million needed for the treatment facility is included in the \$18 million TIF bond. The \$1.5 million bond is in the event the TIF District falls through. If not needed, a warrant article will have to be voted on next year to eliminate the bond.

The public hearing was closed at 7:06 pm.

OLD BUSINESS:

Cabela's TIF District

Marc Hughes, Senior Vice President and Redevelopment Group Leader for First Albany Capital introduced himself to the Council and gave an overview of his company. First Albany Capital is a national investment banking and wealth management firm serving clients in all 50 states. They specialize in public finance and municipal securities. They act as financial advisers and underwriters of bonds and in the business of trading and selling bonds. They are currently engaged as senior or financial advisor on eight tax increment-backed financings totaling approximately \$350 million in bonds.

A front-end fee determined by the Town's credit rating, bond rating and the type of work involved would be negotiated. First Albany Capital would trade the bond and deliver the bond amount minus the negotiated fee.

Cabela's offered to buy the bond. Mr. Hughes stated the Town would be better off selling the bond to investors.

D. Ross: Our goal is to make sure we have a structure that is fool proof. The Town is looking for a proposal that would ensure that the taxpayers would not be paying for the bond.

Mr. Hughes: That's impossible. If Cabela's buy the bond and for some reason stopped paying their taxes, the insurance company will pay for the bond then the insurance company can sue the Town.

Michael Sorel, Cabela's Task Force member: I spoke to the Council about this matter in the past. Cabela's has come to us early on and said, "we're willing to purchase the bond and we'll guaranty the payments." When the task force had a meeting with the bond attorney, the subject of guaranty was brought up so the Hooksett taxpayers will not have a contingent liability on this issue. It was suggested that the guaranty be collateralized by either a Letter of Credit, Treasury Bond or the bond could be pledged back to the community. That's where the situation is right now.

P. Rueppel: What are the steps we could take to protect the taxpayers.

Mr. Hughes: Have Cabela's buy the bond with provisions that they can't sell the bond and if they stopped paying taxes, the Town could sell the site. I don't think it's entirely necessary. These deals are structured and done all the time. I haven't had a project go into bankruptcy.

Mr. Hughes suggested getting an irrevocable Letter of Credit rather than having Cabela's buy the bond. Letter of Credit has to be renewed, if not renewed then Cabela's can buy the bond.

Discussion on the matter ensued.

J. Hyde: It looks like the Council still needs to discuss this matter further.

M. DiBitetto: The warrant spelled out exactly what the voters approved. For us, lay people, to try to craft an \$18 million bond is ludicrous. We need an experienced professional to make recommendations on how to proceed. I don't see anything good coming out of the Council's discussion without having a professional's guidance. The next step this Council should be doing is to engage a professional to look at the documents and proposals and make recommendations.

J. Hyde: I was not suggesting doing it on our own. I think we need to tell whoever will act as our advisor what we want. I know we're getting the sewer and Hackett Hill Road improvements with this deal but do we want to pay the bond early, do we want to have revenues now? These are the issues we need to address.

Chairman G. Longfellow asked the Highway Manager on the impact of the Hackett Hill Road on his department.

Dale Hemeon: For the new road on Hackett Hill, I will need one additional personnel and another plow truck just to plow Hackett Hill Road. For the size of this Town, I should have a minimum of 10 personnel, I have 7.

The State would pay for the development of the road. If they don't pay, Cabela's offered to pay for it. Cabela's also offered to pay for a plow truck and the cost of maintaining the road for the life of the bond.

Chairman G. Longfellow: The Town will not accept the road unless Cabela's could guaranty to pay for it.

D. Hemeon stated that the State has the mechanism to turn over maintenance of roads to the Towns.

Discussion on the matter ensued.

D. Ross: The potential benefits to accepting this road should also be considered.

Ahlquist Property - 9 Bayview Terrace

A few months ago, Mr. Craig Ahlquist requested that the Town act as his sponsor in order to apply for a grant through Natural Resources Conservation Service, US Department of Agriculture to fix his waterfront property damaged and eroded by the flood. The grant was approved and the project has to be done by May 8th, 2007. The total cost of the project would be \$95,200, 25% (\$23,800) of which would be provided by the sponsor (Town of Hooksett) to be paid by Mr. Ahlquist. Mr. Ahlquist asked for the Council to sign the project agreement.

M. DiBitetto moved to authorize the Town Administrator to enter into the agreement necessary to facilitate the project. Motion seconded by J. Gorton. **Motion carried unanimously.**

NEW BUSINESS:

Letter of Credit Reduction, Koffler/GID Exit 10

M. DiBitetto moved to reduce the Letter of Credit from \$1,825,500 to \$1,587,950 and authorize the Town Administrator to sign the letter. Motion seconded by S. Werksman.

P. Loiselle informed the Council that Koffler/GID has offered to eliminate the Letter of Credit for a price.

M. DiBitetto: I think they offered to give the Town \$150,000 to \$175,000 cash to eliminate the Letter of Credit. Some Councilors argued for it because the value of the TIF District now far exceeds the amount of the payments. Unless a natural catastrophe wipes out the district, the Letter of Credit does not serve a purpose to the value of the payments. So why not take the money.

The matter would be discussed in the future.

Motion to reduce the Letter of Credit carried unanimously.

TOWN ADMINISTRATOR'S REPORT:

The Town Administrator informed the Council on the following:

1. He received 3 bids to re-do the windows at the Village School. He recommended accepting the bid from Russell Pelletier Construction for \$29,857.

P. Rueppel moved to accept the bid from Pelletier. Motion seconded by P. Loiselle.

There were some concerns as to what type of windows would be installed and whether they would match the architecture of the building. The Town Administrator would consult the Aesthetics & Beautification Committee Chair, Yervant Nahikian.

P. Rueppel moved to table the motion. Motion seconded by S. Werksman.

2. He asked for a consensus to send the Council newsletter. The Council gave consensus.
3. He asked for the default budget to be signed.
4. He asked if the Council has any questions on the TIF Advisory minutes that were sent out. No questions from the Council.
5. He asked the Council to review the agreement with Cabela's. It has been reviewed by the legal counsel.

NON-PUBLIC SESSION:

P. Loiselle moved to enter into non-public session under RSA 91-A:3, II(b) "*The hiring of any person as a public employee.*" S. Werksman seconded. **Roll call vote carried unanimously.**

The Council made a statement not to divulge the minutes of the non-public session.

ADJOURNMENT:

The meeting was adjourned at 9:30 pm.

Respectfully submitted,

Evelyn F. Horn
Administrative Assistant

Jason M. Hyde
Town Council Secretary