

AGENDA ITEM: # 10C

DATE: April 19, 2021

COUNCIL COMMUNICATION

INITIATED BY: Christine Soutter, Economic Development Director

AGENDA ITEM: PRESENTATION REGARDING THE PROPOSED PURCHASE OF 66 MAIN STREET

CC PREPARED BY: Christine Soutter, Economic Development Director

PRESENTED BY: Christine Soutter, Economic Development Director

AGENDA DESCRIPTION:

It is recommended that the Town of Durham purchase the vacant lot located at 66 Main Street for the assessed price of \$2,045,000. The recommendation for this purchase stems from months of research, discussion and analysis as seen in the attached document, "Recommendation that the Town of Durham Acquire 66 Main Street."

The property, currently owned by the University of New Hampshire, has languished for years with no expressed plans for development. The property provides an excellent opportunity for public parking and commercial development, which will generate new tax revenue. The Town has already been in discussions with a developer (Elliott Sidewalk Communities) and the University about a plan that would bring desirable commercial development to the site.

The 1.18-acre lot is the last remaining undeveloped parcel in the downtown.

Currently, future redevelopment in the downtown is limited by the lack of available parking. Public parking on this site could help enable future redevelopment of underutilized buildings elsewhere in the downtown adding to the local Durham tax base.

The purchase can be financed using parking impact fees (\$713,750), TIF funds (\$674,578) and a TIF bond (\$741,672). The financing would therefore not impact the budget or future Town tax rate. Additionally, the parking impact fees that would be utilized to help purchase the site will begin to expire starting in August 2021 and will have to be returned to the developers if not used.

Re:

LEGAL AUTHORITY:

Municipalities in NH have the legal authority to purchase and sell land/real property. In Durham, the Town Council, the Legislative and Governing Body of the town, has the authority to authorize such transactions without further action of the community.

Admin. Selig does recommend holding an information public hearing, however, to fully inform the public and to allow community members to register their opinions with the Council, prior to any final action being taken.

LEGAL OPINION:

The Town's attorney has reviewed the draft Purchase & Sale Agreement and believes it to be acceptable.

FINANCIAL DETAILS:

See attached.

SUGGESTED ACTION OR RECOMMENDATIONS:

Receive presentation from Economic Development Director Christine Soutter regarding the recommendation for the Town to purchase 66 Main Street from UNH and schedule public hearing on the matter for May 3, 2021. In addition, this proposal will be presented to the Economic Development Committee and the Downtown TIF Advisory Committee over the next couple of weeks to obtain their input and to offer additional opportunities to educate the public concerning the proposal.