

To Karen Edwards and Rick Taintor:

Comments to be read at Public Hearing tonight regarding the fiscal impact study for the proposed redevelopment of the Mill Plaza.

The impact study for the proposed project is deeply flawed by the unexpected emergence of the corona virus. While the commercial portion of the project is likely to be positive, the residential component of the project is questionable for several reasons.

1. The market for student housing in Durham was already “softening” prior to the emergence of the virus. Several of the major landlords in town have estimated the vacancy rate at around 5% .
2. The emergence of the virus has created a whole new paradigm. UNH has closed, the stock market has dropped dramatically, many small businesses have had to close, most people across the United States are in some form of stay at home directives. Various news channels have estimated a year or two before a vaccine is developed. Who knows how the demand for higher education will respond at the end of the pandemic. Clearly we are in uncharted territory.
3. Typically a fiscal impact analysis will consider a range of alternatives. This should be done to include the possibility that UNH reopens with a much smaller student body, and also to consider the possibility that one of the existing major student complexes in Durham converts to non student, more family oriented housing.
4. In summary, given the current situation we are in, serious consideration of a fiscal impact study for the proposed project should wait for several years.

Respectfully submitted, Richard Gsottschneider