



# CITY OF CONCORD

## REPORT TO MAYOR AND CITY COUNCIL

FROM: Beth Fenstermacher, Director of Special Projects and Strategic Initiatives

DATE: June 26, 2024

SUBJECT: Condominium Documents for the new Penacook Library and Activity Center

### **Recommendation:**

- 1) Accept this report and adopt the attached resolution authorizing:
  - a) The City Manager to execute the Condominium Declaration and Bylaws, once the final version is approved by the City Solicitor as to form and content; and,
  - b) The City Manager or his designee to act as the Owner Representative on the Unit Owner's Association Board of Directors.

### **Background:**

On December 12, 2022 the City Council adopted Resolution #9518 appropriating funds for the acquisition of real estate to be developed at 76 Community Drive for the purpose of establishing a new Penacook branch library and community center, and authorizing the City Manager to enter into a purchase and sales agreement with the Boys and Girls Club of Central New Hampshire to acquire said real estate.

As presented to City Council in 2022, City Administration determined that the most feasible partnership with the Boys & Girls Club was to acquire a portion of their new facility instead of leasing the space. A Purchase & Sales Agreement was signed in January 2023 for the acquisition of a 1,471+/- square foot condominium unit to house the library and community center. Under the management of Boys & Girls Club, construction commenced in 2023, and is nearing completion. The anticipated move in date is late August for an early September opening date.

As part of the Council approval in 2022, it was understood that the City would be responsible for operating and maintenance costs for the new facility, as well as Condominium Association Fees and related assessments associated therewith. The condominium documents outline the fees that the City is obligated to pay as an Owner in the Association.

### **Discussion:**

The Boys & Girls Club have been working with City Administration and the City Solicitor to prepare a Condominium Declaration and By-Laws in accordance with RSA 356-B,

Condominium Act. By accepting and authorizing the City Manager to execute these documents, the City will be obligated to pay its share of certain condominium fees, including:

- Proportionate share of costs associated with an operating budget for the common areas. Please note that the budget cannot increase more than 5% per year without unanimous consent of the Boys & Girls Club and the City;
- Payments to establish and maintain financial reserves for contingencies, as well as future repair, renovation, and replacement of common area facilities and improvements; and,
- Special assessments, including emergency special assessments for any unforeseen emergency that cannot be covered by aforementioned reserves. Special assessments cannot be imposed without the unanimous consent of the Boys & Girls Club and the City.

The City's proportionate share of common expenses will be based on the square footage it owns, which is 16.4%.

By way of further information, the condominium subdivision application will be heard by the Planning Board on July 17, 2024. Upon approval by the Board, the subdivision will be recorded at the Merrimack County Registry of Deeds, and the City will work with the Boys & Girls Club to schedule a closing in late July or early August.

Based upon the anticipate closing date, the Library and Parks & Recreation Departments are preparing to open the new facility in early September.