



# CITY OF CONCORD

## REPORT TO MAYOR AND THE CITY COUNCIL

**FROM:** Matthew R. Walsh, Director of Redevelopment, Downtown Services, and Special Projects

**DATE:** January 24, 2022

**SUBJECT:** CIP #543 Merrimack River Greenway Trail  
NHC DFA CDIP Tax Credit Application

### **Recommendation:**

Accept the following report and approve the attached consent resolution authorizing the City Manager to apply for an allocation of Community Development Improvement Program (“CDIP”) Tax Credits from the NH Community Development Finance Authority to support construction of a segment of the Merrimack River Greenway Trail Project (CIP #543) located between Terrill Park and Loudon Road.

### **Background:**

The Merrimack River Greenway Trail (MRGT) is a regional multi-modal pathway that currently extends from Salem, New Hampshire to Terrill Park in Concord.

For many years, the community has desired to extend the MRGT northerly to connect with the e Northern Rail Trail located in Boscawen. Said connection would facilitate a continuous rail trail from Salem to Lebanon, New Hampshire.

Once completed, approximately 12.7 miles of the MRGT will be located in Concord. Please see the attached map for more information.

Several years ago, the City created CIP #543 “Merrimack River Greenway Trail” within the City’s Capital Improvement Program (CIP) for the purposes of facilitating the extension of the trail through Concord. Over the past decade or so, the City, working the Friends of the MRGT, have secured grant funds to design and construct limited portions of the trail near Terrill Park.

### **Discussion:**

Currently, the Friends of the Merrimack River Greenway Trail (the “Friends”) are working with the City’s Parks and Recreation and Community Development Departments to complete the next phase of the trail located between Terrill Park and the Loudon Road. The estimated cost of this phase is \$550,000. Accounting for a \$275,000 Land and Water Conservation Grant and other

donations, all of which have been previously secured, approximately \$192,500 remains to be raised to bring this phase of the trail to fruition.

The Friends desires to partner with the City to apply to the NH Community Development Finance Authority for an allocation of Community Development Improvement Program (“CDIP”) Tax Credits to raise the remaining funds required to complete this phase of the Trail.

Municipalities and nonprofit organizations are eligible to apply for an allocation of CDIP tax credits in order to leverage community / economic development and housing initiatives, programs, and projects. Organizations which successfully secure an allocation of credits have the responsibility of selling their credits to businesses, thus converting the credits to cash to finance their projects. Historically, tax credit awards are typically in the range of \$25,000 - \$1 million. Customarily applications are due in early spring and awards are announced in mid-to-late summer.

As part of the partnership, the Friends would be responsible for drafting the required application, gathering letters of support, as well as spearheading the effort to sell the tax credits in the event the application is successful.

In 2013, the City successfully partnered with the Greater Concord Chamber of Commerce to secure \$700,000 of CDIP tax credits to construct the City’s Main Street “Complete Street” Project (CIP #460). The City’s proposed partnership with the Friends of the Merrimack River Greenway Trail is analogous to our previous partnership with the Chamber of Commerce.

### Map of the Merrimack River Greenway Trail (CIP #543)

