



CITY OF CONCORD

REPORT TO MAYOR AND CITY COUNCIL

FROM: Matthew R. Walsh, Dir. of Redevelopment, Downtown Services
& Special Projects

DATE: June 10, 2019

SUBJECT: Sears Block Tax Increment Finance District Utility Improvements / Bank of New
Hampshire Stage

Recommendation:

1. Accept this report; and,
2. Set the attached resolution authorizing the City Manager to enter into agreements regarding utility improvements in the vicinity of 16-20.5 South Main Street for public hearing on July 8, 2019; however delay the vote on this item until August 12, 2019 to correspond with votes associated with the amendment of the Sears Block Tax Increment Finance District; and,
3. Set the attached resolution appropriating the sum of One Hundred Fifty Thousand Dollars (\$150,000.00) to support utility improvements in the vicinity of 16-20 South Main Street (CIP #460) within the Sears Block Tax Increment Finance District and authorizing the issuance of bonds and notes in the amount of One Hundred Fifty Thousand Dollars (\$150,000.00) for public hearing on July 8, 2019; however delay the vote on this item until August 12, 2019 due to the requirements of RSA 162-K:4 which stipulates that action on this item occur at least 15 days after the public hearing.

Background:

The Capitol Center for the Arts (CCA), doing business as CCA North Corp, and in partnership with local developer Steve Duprey, is in the process of renovating the former Concord Theatre located at 16-18 South Main Street into a new performing arts venue called the Bank of New Hampshire Stage. The \$6+ million project is nearing completion and the venue's first performance is scheduled for June 22.

The new theatre will be the Capitol Center for the Arts second location and will feature an auditorium with sufficient capacity for up to 270 patrons (seated) and 450 (standing). The theatre will be capable of hosting a variety of performances, including small plays, concerts, lectures, movies, as well as special events such as functions and parties. The auditorium will be equipped with retractable stadium seating for easy reconfiguration of the space depending upon the event.

Like the Capitol Center, the Bank of New Hampshire Stage will also include a lounge to support performances and functions alike.

The CCA projects that, by 2020, 22,050 guests or patrons will attend events at the Bank of New Hampshire Stage. In addition, this new venue will free up capacity at the Capitol Center for additional performances, thus drawing another 10,000 patrons. Therefore, in combination, the Bank of New Hampshire Stage project will result in 32,050 additional visitors to downtown annually.

A 2015 economic impact study of arts and cultural organizations in the Concord area determined that attendees at arts and cultural events spend on average \$34.60 per person excluding the cost of admission. Based upon the attendance projections detailed above, the Bank of New Hampshire Stage will generate \$1,108,000+/- of new spending in Concord and the region.

In addition to his involvement with the Bank of New Hampshire Stage, Mr. Duprey also owns two properties immediately adjacent to the new Theatre. These properties are located at 20 and 20.5 South Main Street, respectively.

On April 11, 2016 the City Council approved Resolution #8912, which appropriated \$2 million in Sears Block TIF District supported bonds for aerial utility relocation along a 750' +/- section of South Main Street. This work was completed as part of the Main Street Complete Street Project (CIP #460). The final actual cost of this effort was \$1.52 million, and included installation of new utility poles and related infrastructure located at 16-18 and 20 South Main Street.

Discussion:

- 1) Overview: The Duprey Companies, Capitol Center for the Arts, and Unitil desire to enter into a public private partnership with the City relocate and improve utilities in the vicinity of 16-18 and 20 South Main Street.

This plan has two primary components. First, a new pole would be installed near the intersection of State and Pleasant Street. New underground wiring would be run underground from this pole to the alley immediately west of the Endicott Furniture to feed surrounding properties. New transformers would be installed as well. Part two of the proposal involves elimination of the two poles and associated infrastructure as previously installed at 16-18 South Main Street and 20 South Main Street during the Complete Street Project. In lieu of existing aerial utility connections, new underground services would be installed to support the Bank of New Hampshire stage. In addition to improving aesthetics, these changes would improve the reliability and capacity of the electrical system for properties located in the area.

- 2) Benefits of Proposed Improvements: These proposed utility improvements would:
 - a) Facilitate the construction of a new plaza in the alleyway located between the Bank of New Hampshire Stage and properties owned by Mr. Duprey immediately adjacent thereto. The Plaza would be constructed by the Duprey Companies and the Capitol Center for the Arts at their sole cost and expense. In addition to benefiting these properties, beautification of the alley will enhance the visual appearance of South Main Street for the community.

- b) Support Unutil's efforts to improve reliability and capacity of the electric system for this area of the City. Expanded capacity will support future redevelopment projects in the area, which, in turn, will create financial and economic development benefits for the City.
- 3) Estimated Cost and Implementation Strategy: The Duprey Companies has volunteered to serve as the project manager for these improvements. They, in turn, will contract with appropriate sub-contractors to complete the work, including, but not limited to, site work associated with trenching, installation of conduits, and roadway repairs to facilitate the project. Until will furnish and install poles, wires, and transformers for the project.

The total cost of the project is approximately \$310,000, and will be financed as follows:

- Unutil: \$110,000
- City: \$150,000
- Duprey Companies / Others: \$50,000

It is anticipated the project will be completed this fall.

The City's portion of the work would be financed by the Sears Block Tax Increment Finance District (SBTIF). The SBTIF has sufficient financial resources to support this proposed expenditure. Please see the associated staff report dated June 10, 2019 concerning amendment of the Sears Block Tax Increment Finance District Development Program and Financing Plan for more information about the financial capacity of the TIF District to support these improvements.