



CITY OF CONCORD

REPORT TO MAYOR AND THE CITY COUNCIL

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

DATE: October 22, 2015

SUBJECT: North-End Opportunity Corridor Tax Increment Finance
("NEOCTIF") District Amendment & Tsunis Holdings, Inc.
Acquisition

Recommendation:

Accept the following report and authorize the City Administration to use surplus project funds to commence design for CIP #18 Storrs Street North.

Background:

On April 14, 2014, the City Council approved Resolution #8756 which appropriated the sum of \$1,050,000 to acquire, cleanup, and make interim improvements to the former Tsunis property located on Storrs Street. Funding was provided by the North End Opportunity Corridor Tax Increment Finance District ("NEOCTIF"). The property was acquired to serve as right-of-way for the future extension of Storrs Street to Horseshoe Pond in accordance with CIP# 18.

The City acquired the property on September 29, 2014. Cleanup of the property, including removal of trash, debris, and vegetation, and construction of interim improvements was completed on October 23, 2015.

Discussion:

With the Tsunis acquisition, cleanup, and interim improvements now complete, the City has approximately \$125,000 in surplus project budget available to support additional public investments within the NEOCTIF District. As such, the City Administration recommends that these funds be used to commence design of CIP #18 Storrs Street North. Currently, the City's Capital Improvement Program (CIP) anticipates design of the new roadway to occur in FY2018 (\$400,000) with construction to follow in FY2019 (\$4,000,000).

Staff anticipates that \$125,000 will allow the City to achieve approximately 50% complete design.

City Administration believes that commencing design with available funds would be advantageous for the following reasons:

1. Current cost estimates are based on very preliminary engineering concepts developed in 2010 by the NH Department of Transportation. Advancing design now will allow the City to get a more precise cost estimate for the project. Refined cost estimates would aid the City with future capital planning, as well as potential discussions with the State of New Hampshire regarding possible grants or other financial contributions to support this project.
2. There are two separate railroads that will be impacted by the construction of Storrs Street North. One rail corridor has been designated for future high-speed rail. Moving forward with design will allow the City more accurately determine the extent of such impacts so as the City may pursue negotiations with the affected parties (i.e. the State of New Hampshire and Guilford / B&M / Pan Am). Anticipated railroad impacts include realignment of the existing rail corridors, as well as modification of an existing crossing easement to facilitate at-grade crossing for the new road. Such items will take significant time to negotiate and resolve. Therefore commencing design in the near term will allow adequate time to resolve these important items, thereby putting the City in a better position to undertake construction of the project in the future.
3. Advancing design may also assist the City in discussions with the State of New Hampshire concerning resolution of certain title issues associated with the property which are controlled by the State (known as “escheated rights”). Like railroad related items, resolution of title issues may also take a significant amount time. Hence commencing design now to assist in the resolution of these issues will be advantageous for the project’s long-term success.

As design advances, staff and design team will explore the potential of creating new parcels along the proposed roadway for development. However, given the right-of-way requirements for the proposed roadway, relocated rail lines, and associated utilities, creating new parcels might be challenging at best.

Birdseye View of Tsunis Holdings Property & City Owned Land May 2009



