



# CITY OF CONCORD

## REPORT TO MAYOR AND THE CITY COUNCIL

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

**DATE:** March 24, 2015

**SUBJECT:** 10 Prince Street Demolition

### **Recommendation:**

- Accept the following report; and,
- Set the attached resolution authorizing appropriating the sum of \$60,000 from the Building Improvements Reserve Fund for demolition of City owned property at 10 Prince Street for public hearing on May 11, 2015.

### **Background:**

The City acquired 10 Prince Street on October 17, 2011 for the sum of \$175,000. The City acquired the property for potential long-term expansion of the municipal campus. The property features a 3,500SF single family home which was constructed around 1880.

On July 1, 2012, the City entered into a long-term lease with the Concord Housing and Redevelopment Authority d/b/a Concord Housing Development Corporation (CHDC). Specifically, the City leased the property to CHDC for the sum of \$1 per year, plus property taxes in accordance with RSA 72:23. CHDC made minor improvements to the property and subleased the home as an affordable housing unit. The City's lease had a ten year term, which was set to expire on June 30, 2022. The goal of this arrangement was to 1) temporarily increase the supply of affordable housing within Concord and 2) allowed the City, in the short-term, to forgo the expense of demolishing the building.

During the summer of 2014, CHDC asked the City to terminate the lease due to the condition of the property and cost of additional unanticipated renovations which CHDC did not feel it could recover during the remaining term of the lease. The City Council granted this request on October 12, 2014.

**Discussion:**

On December 8, 2014 the City Council approved resolution #8816, which transferred \$60,000 from FY2014 Budget fund balance to the Building Improvement Reserve fund for demolition of 10 Prince Street.

With the lease now terminated and the construction season rapidly approaching, the City Administration requests that the City Council appropriate these funds out of the Building Improvement Reserve fund so the demolition may proceed.

Once the building is demolished, an interim gravel parking lot will be created for City vehicles. The lot may also be used for snow storage for parking lots at the municipal campus during the winter months.