



CITY OF CONCORD

New Hampshire's Main Street™

REPORT TO THE MAYOR AND CITY COUNCIL

FROM: Carlos P. Baía, Deputy City Manager-Development
DATE: September 26, 2019
SUBJECT: Next Steps for Whitney Road/Hoit Road Intersection

Recommendation

Accept this report.

Background

As part of the FY 20 CIP 30, the Council appropriated \$100,000 for conceptual design of an intersection improvement at Whitney Road and Hoit Road. This section of Hoit Road is part of Route 4 and under the jurisdiction of the State of New Hampshire. Despite multiple attempts by the City and landowners on Whitney Road, the State has declined to include this improvement in its Ten Year Plan. Nonetheless, this improvement is necessary if the City wishes to see additional tax-generating private development along Whitney Road. At the moment, Whitney Road landowners David and Laurie Rauseo have indicated that they have a full-service supermarket and ancillary retail operators ready to move forward on their property pending resolution to the intersection's condition. At the time of the City's FY 20 budget adoption, neither City Administration nor the Council was fully knowledgeable as to the extent of what would be required for the intersection project. The City Manager indicated that once the City had more clarity, staff would revisit this matter with the City Council.

Discussion

At its September 2019 meeting, Council referred a letter from David and Laurie Rauseo formally requesting a public-private partnership to effectuate improvements to the aforementioned intersection.

Staff has since met with Mr. and Mrs. Rauseo to review their plans to date and to derive a working schedule for the intersection project with milestones that may require City Council action.

Mr. and Mrs. Rauseo are seeking the City's financial participation to construct the intersection improvement. To date, the Rauseos have engaged the services of engineering firm TF Moran to complete a NHDOT required traffic study—an initial first step toward a potential design of an improvement. This study is anticipated to be completed by the end of

September when it will be provided to the City for our consultant's comments and then onto NHDOT for its review in early October. NHDOT has informed the Rausesos that its review will take, at least, 3 months.

In order to make progress, Staff will use a portion of the funds from CIP 30 to engage the services of a surveyor to conduct the relevant survey work necessary for a later design of the new intersection. By contracting with a surveyor now, it would allow the work to be completed before snowfall; critical to maintaining the project schedule.

Staff will also commence negotiations with the Rausesos and relevant third parties on the terms of a development agreement that would outline the responsibilities of all parties in the funding and construction of the aforementioned intersection improvement. Negotiating this development agreement will take several months. This time will be needed due to the complexity of the project. This improvement is on a State road, potentially impacting a Federal highway on-ramp and possibly also the existing roundabout in the Town of Boscawen. The project will also impact the Town of Canterbury who may or may not have a role in the intersection's ultimate configuration. Moreover, until such time as the traffic study is completed and a preliminary design/engineering plan is conducted, staff will not be able to accurately calculate total project costs essential for the development agreement.

Staff is planning to seek Council's authorization in the coming months to engage the services of a consulting engineering firm to complete the first phase of design/engineering for the ultimate improvement acceptable to NHDOT. The goal would be to get the design to the point where a sound engineering estimate of cost can be derived. This expenditure would be outside the scope of the approved FY 20 budget and, as such, would require a public hearing and a 2/3 approval of Council.

Once the City has an engineer's estimate of cost and a better understanding of the possible terms of a development agreement, staff will present Council with alternatives to carry out the actual construction work. At this point, it is unknown what role the private parties involved in this project will have. Those roles will ultimately be outlined in the agreement. Nonetheless, staff would anticipate that funding options could include one or more of the following:

- TIF dollars (would require the expansion of the current Penacook TIF to encompass the Whitney Road corridor);
- General Obligation bonds;
- Economic Development funds;
- Impact fees;
- Developer funds;
- Other parties (Town of Canterbury?).

The earliest we would anticipate coming before Council for its consideration of funding alternatives would be late spring 2020. The development agreement and any funding resolutions moving forward would be expected no sooner than the summer of 2020.

Based on staff's understanding of the project and its complexity, and pending Council's continued support, we would estimate that the City would retain the contractor to build the

intersection and manage its construction. This would require Council's approval of an intergovernmental agreement with the NHDOT. Assuming approvals from all parties involved were received in a timely manner—under the best case scenario—staff estimates that the intersection improvement might be completed by the fall of 2021.