



**CITY OF CONCORD**  
*New Hampshire's Main Street™*  
**Community Development Department**

## **REPORT TO MAYOR AND CITY COUNCIL**

**From:** Timothy J. Thompson, AICP, Assistant Director of Community Development

**Date:** July 30, 2024

**Subject:** **Accept \$6,250 in contributions from Onyx Partners LTD for peer review of potential public/private partnership concerning redevelopment of #270 and #282 Loudon Road**

---

### **Recommendation:**

Accept this report and approve the attached consent resolution authorizing the acceptance of the de minimis contribution in the amount of \$6,250 from Onyx Partners LTD to support third-party real estate consultant's review of a potential public/private partnership concerning redevelopment of real estate located at #270 and #282 Loudon Road.

### **Background:**

Onyx Partners LTD is a real estate developer based in Needham, Massachusetts.

On June 23, 2023, a limited liability company associated with Onyx Partners LTD purchased the former Regal Cinema property located at 282 Loudon Road for the sum of \$4.7 million for redevelopment.

On October 23, 2023, another limited liability company associated with Onyx acquired the former Steeplegate Mall located at 270 Loudon Road for the sum of \$18.18 million for redevelopment.

Combined, these two properties feature approximately 60 acres of land.

Onyx desires to redevelop these properties into a mixed-use development featuring retail, restaurant, and service uses, as well as 600+/- housing units. Specifically, all existing buildings at these properties would be demolished; however, portions of the Mall occupied by JC Penney as well as the Altitude Trampoline Park, would be preserved and converted into autonomous structures. The Zoo Workout Club would be relocated to the building which will house the Trampoline Park. The Applebees Restaurant and TD Bank properties, which are separate condominium units associated with the mall and owned by others, would remain.

On October 18, 2023 Onyx met with the Planning Board to discuss its vision for the property.

On May 8, 2024, Onyx was granted several variances from the Zoning Board of Adjustment related to its proposed redevelopment.

On July 17, 2024, Onyx received conditional site plan approval to demolish 425,000SF of the former Steeplegate Mall to facilitate its proposed redevelopment.

A copy of Onyx's submission to Zoning Board of Adjustment for the variances granted in May is attached.

**Discussion:**

Onyx Partners LTD has approached the Community Development Department with a request that the City enter into a to potential public/private partnership for infrastructure improvements to support its proposed redevelopment project. Infrastructure improvements may include roadways, sidewalks, public parks, and other similar public improvements.

It is anticipated that the scope of improvements desired by Onyx as part of a potential partnership would be in addition to those contemplated as part of the Heights Sewer Improvement Project, which was funded as part of the FY2024 and FY2025 Budgets (i.e. CIP #91 and #275). The Heights Sewer Improvement Project will support Onyx's properties, as well as other significant portions of the Heights Neighborhood.

Onyx has also suggested that, but for a public/private partnership with the City, it's proposed redevelopment project may not be economically viable.

A copy of Onyx's request is attached.

To determine whether a potential public/private partnership is necessary for Onyx's proposed development project to be economically viable, as well as if said potential partnership might be in the best interests of the City, staff recommends that a third-party real estate consultant, selected by the City, be engaged by the City to review the Onyx's financial pro formas for its proposed redevelopment project, as well as parameters of the proposed potential partnership.

Using the results of the consultant's review, the City Council could then determine whether it believes a public / private partnership might be warranted to support Onyx's project, and – if so – the parameters of any subsequent negotiations and development agreement. Regardless of the results of the consultant's evaluation, the City Council will have no obligation to enter into any negotiations or partnership agreements with Onyx.

The estimated cost of the third-party review is \$12,500. As a show of good faith, Onyx has offered to pay for half of the estimated total cost, as well as to fully cooperate with the City's selected consultant. Remaining funds required to complete the review will be derived from the Community Development Department's FY2025 operating budget.

Should City Council wish to proceed, it should accept this report and the resolution accepting the de minimis financial contribution from Onyx in the amount of \$6,250.