

Economic Development Advisory Committee
Date: 02/19/2020
Town of Hooksett Municipal Building,
Time: 5:00 PM
Minutes

1 **CALL TO ORDER@ 5:00**

2

3 **PLEDGE OF ALLEGIANCE:**

4

5 **ATTENDANCE: David Scarpetti-Chair, Alden Beauchemin, Mark Chagnon, Matt Barrett, Ivan**
6 **Gult, Roger Duhaime, Paul Scarpetti**

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8 **STAFF & OTHER DEPARTMENTS: Andre Garron-Town Administrator, Nicholas Williams-Town**
9 **Planner, Jon Duhamel-Town Assessor**

10 **EXCUSED: Brett Scott, Jim Sullivan**

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12 **APPROVAL OF MINUTES 1/15/2020: Motion to table until next meeting by Marc Chagnon 2nd**
13 **by Paul Scarpetti.**

14 **All approved motion passes**

15

16 **DISCUSSION:**

17 **David Scarpetti and Nicholas Williams will be attending the TC meeting, Wed 2/26, to**
18 **propose the adoption of the following tax relief and incentives.**

19 **Presented to the Town Council is the following Staff Report:**

20 BACKGROUND INFORMATION: Currently, the State of New Hampshire allows municipalities to enact
21 four (4) main statutory economic development tools at the local government level. Under the S82 form
22 of local government, the local governing body (Town Council) is responsible for adopting these
23 economic development incentives. The Town of Hooksett has previously adopted three (3) of the four
24 (4). These are listed below along with a brief explanation of each:

25 1) RSA 162 - N: Economic Revitalization Zones This offers short-term business tax credit for development
26 projects which make capital improvements to existing properties, or which create at least one full time
27 job. Targeted areas must be blighted areas; i.e. brownfield sites, underutilized structures, deteriorated
28 or vacant structures, etc... and must be identified by the municipality as an Economic Revitalization
29 Zones. Applicants may receive a business tax credit of up to \$240,000 - \$40,000 annually over the course
30 of six (6) years if all criteria are met. Currently, the Town has established six (6) of these zones, and since
31 the Economic Development Advisory Committee and Community Development have aggressively begun
32 advertising this incentive in 2018, there have been at least seven (7) successful applicants.

33 2) RSA 79-E: Community Revitalization Tax Relief incentive This offers property tax relief for substantial
34 rehabilitation of qualifying structures - usually designated by a municipality as being a downtown area or
35 other central area of historic importance - by providing a 5-year exemption on increased property values

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36 as a result of a rehabilitation or renovation project. The goal is to incentivize the adaptive reuse of the
37 existing building stock, revitalize blighted downtown areas, and preserve historic structures. Currently,
38 the Town has a designated zone - the Village - in which properties are eligible for this exemption,
39 however the incentive has not been utilized to its full potential.

40 3) RSA 162-K: Tax increment Finance Districts This provides a funding mechanism for new infrastructure
41 by capturing property tax increases over and above current property taxes once the infrastructure has
42 incentivized further development within a specified area. The 3A TIF and associated sewer/water
43 infrastructure is currently the Town's most substantial economic development initiative. The Town has
44 enacted the fourth available incentive, which is explained below RSA 72:80-83 - Commercial and
45 industrial Construction Exemption This incentives new construction in commercial zones, industrial
46 zones, or both. Under advisement of the Economic Development Advisory Committee, the Town Council
47 may specify certain parcels of land to which this exemption applies. The exemption includes up to 50%
48 of the increased municipal property tax as a result of new construction, or
49 renovations/additions/improvements to existing structures.

50 The exemption may not exceed a period of 10 years from the date the application is granted. The goal is
51 to attract construction and generate jobs in commercial and/or industrial sectors at short term
52 reductions in property tax revenues, while potentially benefiting from new construction FINANCIAL
53 IMPACT: On approved applications, the proposed action will result in short{erm reductions in property
54 tax revenue for the Town. Net gains/increases in property tax revenue are expected to occur beyond the
55 set time limitation of the exemption, which the Town Council will specify upon adoption. Specific
56 financial impact figures will be dependent largely on how much property is designated as eligible, if
57 these properties are able to successfully attract future development, and other variables specific to each
58 proposed construction project.

59 POLICY IMPLICATIONS: The proposed action, if adopted, is required by state statute to remain in effect
60 for a period of five (5) years. Once adopted, the specific exemption percentage and time limitations
61 must uniformly be granted to all applicants/proposed projects which meet the criteria.

62 RECOMMENDATION: The proposed action is supported by the Economic Development Advisory
63 Committee, but a recommendation to adopt is not advised at this time. The specifics of adoption need
64 to be vetted through EDAC and the Planning Board, as adoption has various implications for land use.
65 items to consider include: Which properties/zones will benefit from adoption? Is it practical to apply this
66 incentive to commercial and industrial zones across the board, or are there certain parcels which should
67 be targeted? Are there parcels that should be excluded? It is recommended that parcels which are part
68 of the current 3A TIF be included in the proposed action because it is counterproductive to the purpose
69 of the TIF. Are there vacant, readily developable parcels which may be targeted?

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71 **Discussion:**

72 **Jon Duhamel** advised the EDAC, after going over the information with Nicholas he would
73 recommend the tax relief incentives.

74 **Andre G** it is not uncommon to take a look at these tools for incentives. I don't think we will get
75 overwhelmed with this and it does provide assistance and incentive to get these buildings
76 updated and the town will still get revenue. I don't see a downside to this, everything helps

77 **David S** it helps to get businesses want to move here

78 **Nicholas W** the TIF districts precludes them from be eligible. Now how do we want to apply
79 this? What parcels do you want to include and where do we want to target?

80 **David S** so can those parcels we include can they stack some of these incentives?

81 **Dan L** except the TIF district

82 **Nicholas W** they don't have to be contiguous, we don't have to group parcels.

83 **David S** 10 yr seems like long time do we put a \$ value on the maximum tax relief that this can
84 be?

85 **Paul S** or can we have a cap.

86 **Nicholas W** once we identify the parameters of incentives then we have the same incentive for
87 everyone. Also, we need to identify where we are going to implement this

88 **Paul S** we need to think of the Mixed Use parcels and make sure that it is only commercial that
89 receive relief and not the residential component. It will give incentive to push commercial
90 development

91 **Nichols W** I think Londonderry Turnpike and the south end of 3 that will be an area with most
92 incentive.

93 **David S** when do we identify the parcels?

94 **Nicholas W** I want to go to PB first

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95 **Roger D** anything that has been empty or undeveloped. I think we should add the TIF district. A
96 case by case basis. A vacant home that can be made into office space. Even in a residential
97 zone.

98 **Mark C** what about S & H Land surveying? They are using a home on Londonderry Tpk. That is
99 using a res home as a commercial use. Had it not been rezoned commercial

100 **Paul S** I think 5 yrs. would be best. We did that in Exeter and that was a good amount.

101 **Dan L** I agree with 5 yrs. too that is enough time to get established.

102 **David S** Nicholas do you think we can add the TIF District?

103 **Nicholas W** I am not sure. Because that money is set aside for Commercial development as
104 approved by a WA

105 **Paul S** what if there is sunset clause that starts at a date and if someone starts 2 yrs. from that
106 date, now they would only get 3yrs of relief.

107 **Andre G** I would discourage adding any parcels from the TIF because we need every \$ for that
108 infrastructure development and all land in the TIF district has been identified as needed.

109 **Motion made by Paul Scarpetti recommend to Town Council to adoption of RSA 72:80 for**
110 **Commercial and industrial use only for a duration of five (5) years only and not to include the TIF**
111 **District. Recommend having staff take those recommendations to Town Council and Planning**
112 **Board. 2nd by Alden Beauchemin.**

113 **All in favor, motion passes**

114 **Nicholas W** I think the best course of action is to take the recommendations of parcels and the
115 term limits to Planning Board and TC.

116 **David S** do we go to PB with you?

117 **Nicholas** no we will discuss this in PB and take the recommendations to TC because ultimately,
118 they will be the ones that will adopt this for the town.

119 **2020 Zoning:**

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120 **A meeting with Community Development EDAC-chair, TIFAC-chair and representative for**
121 **Supreme Ind. We had a discussion for development ideas from Supreme & the town. The**
122 **possible re-zoning to Mixed Use and the development that can come from that. We had a**
123 **discussion about the traffic problems, and they said they would be back to the town**
124 **proposals for development that would include commercial and engineering proposals for**
125 **infrastructure.**

126 **Nicholas W** I wanted to get out in front and let them know before any entitlements we would
127 want to see traffic proposal design and infrastructure.

128 **Dan L** what happens if Supreme backs out. Who will take care of it? There is a safety problem
129 on the road and what will it take to get something to be done?

130 **David S** did Larrabee have to add anything financially to the traffic problem in all of his
131 development approvals?

132 **Nicholas W** no nothing but impact fees

133 **Mark C** the housing along 3A near the light, they are a problem

134 **Paul S** can we use impact fees to buy those houses?

135 **Andre G** You could make an argument about future growth, but the town voted down the
136 round a bout not because there are problems there, but the dollar value got too big. It is an
137 issue we have to deal with. A big picture look at the whole corridor not just around a bout or
138 widening.

139 **Roger D** we need more political will to go after what we need from the state, they have put
140 more traffic on our road and increased tolls. We need more representation for this town and
141 those problems. The poor planning from the state has created this.

142 **David S** can we restrict tractor trailer trucks on 3A?

143 **Alden B** when Cabella's came to Planning they lumped the traffic issues and cost to correct it on
144 them and they pulled out.

145 **Roger D** we should get the tolls removed for Hooksett. And have them fix the traffic on 3a

146 **Andre G** we need an expanded study in that area.

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147 **Roger D** I think they are aware of it they just don't want to do it.

148 **Mark C** is SNHPC a place to start that conversation

149 **Andre G** the safety issue is there, and a plan was developed but then the town relooked at that,
150 we need our contingents to get involved to help us with the funding of the plan. It is a start, but
151 we need a design.

152 **Dan L** can we have our state representatives come hear us and share our concerns with them
153 and they take that to the state?

154 **David S** can we have someone come in and talk with us?

155 **Alden B** at what point do we need it to get too? Like Dan said, "Do we need to have multiple
156 fatalities before they listen"? We hear it all the time how bad it is getting.

157 **New Development:**

158 **Nicholas W** We are meeting with rep from Starbucks that is planning on going across from
159 Merchant's, Kamp K9 is looking to expand. The Sports Dome is still neg. and there is a meeting
160 next week. I have talked with the managers of Kmart plaza and they are having a hard time
161 finding businesses for that plaza

162 **David S** we are going to start talking with businesses in the TIF district about their participation
163 in funding.

164 **David S** we had talked about going on a bus trip to see some of the mixed-use developments
165 that are coming up in.

166 **Andre G** I can coordinate with Salem if you want to look there.

167 **David S** I think we should invite PB

168 **Nicholas W** I think we should invite someone from Supreme Ind

169 **Andre G** if you want to speak with the Planner or developer, I think a weekday would work best

170 **The committee decided late April. Andre would help coordinate with town officials.**

171 **David provided to the committee a handout from Bear Paw requesting volunteers to help**
172 **walk the public conservation lands and provide feedback.**

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173 **Next meeting March 18th**

174 **Meeting Adjourned @ 6:10 Motion made by Paul Scarpetti and 2nd by Mark Chagnon**

175 **Minutes Respectfully Submitted by: Kathy Lawrence**

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