



CITY OF DOVER

DOVER BUSINESS AND INDUSTRIAL DEVELOPMENT AUTHORITY - MINUTES

Meeting Type: Business and Industrial Development Authority
Meeting Location: Second Floor Conference Room – City Hall
288 Central Avenue, Dover, NH 03820
Meeting Date: **Thursday, September 11, 2014**
Meeting Time: **4:30 PM**

Members Present: Tim Dargan (Chair), Scott Johnson, Maurice Olivier, Phil Rinaldi, Annette Studebaker, Matt Sylvia, Bob Paolini, Sam Haddadin

Members Not Present: Peter Hamblett, Jack Mettee

Ex Officio Members Present: Dan Barufaldi, Economic Development Director, Karen Weston, Mayor, J. Michael Joyal, City Manager

Ex Officio Members Not Present: Daniel Lynch, Finance Director/Treasurer

Guest: Catherine Cheney, Dover City Councilor

David Choate, Colliers International, was present for the roll call attendance, reading of the minutes from the previous meeting, and the non-public session.

1. *The Chair called the meeting to order at 4:30 p.m.*

The Chair called for a roll call attendance.

The Chair asked for a motion to amend the Agenda.

Motion: A.Studebaker made a motion to amend the Agenda. Seconded by S.Haddadin. Roll Call Vote: U/A

2. Review and Approval of the August 7, 2014 Meeting Minutes

Motion: S.Johnson made a motion to approve the August 7, 2014 Meeting Minutes. Seconded by P.Rinaldi. Vote: U/A

3. Review and Approval of the September 4, 2014 Board Retreat Meeting Facilitator's Minutes/Report

The Chair stated the vote to approve these minutes will be next month.

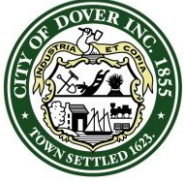
4. **Entered non-public session** pursuant to RSA 91-A for the purpose of the acquisition, sale or lease of real or personal property. Roll call vote, simple majority needed to pass.

Motion: M.Sylvia made a motion to enter non-public session. Seconded by S.Haddadin. Roll Call Vote: U/A

5. Return to public session

The Chair requested a motion to seal the minutes because divulgence would “render the proposed action(s) ineffective.

Motion: M.Olivier made a motion to seal the non-public minutes. Seconded by S.Haddadin. Roll Call Vote: U/A



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6. OLD BUSINESS:

- Infill Projects / First Street Status

Not discussed.

- BizEd Connect Group Report

Not discussed.

- Parking Garage / PD Station Status

Not discussed.

- Downtown Holiday Marketing Program

Not discussed.

7. NEW BUSINESS:

- *Economic Action of Dover*/Future Ad Acquisition Status

Not discussed.

- Recent Signing of SB335 into Law by Governor Hassan in Dover

Not discussed.

- DBIDA Retreat Followup Actions / Responsibilities

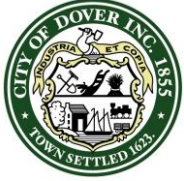
Not discussed.

- Extension of Colliers Int. Exclusive Agent Agreement for Enterprise Park Properties

D.Barufaldi stated the board needs to decide if they want to extend Colliers International's exclusive agent agreement for Enterprise Park Properties.

S.Johnson asked if there was anyone else to consider.

D.Barufaldi said there had been a lot of inactivity in the last couple years due to the economy but D.Choate is the most confident realtor and the most well informed, and D.Barufaldi recommends extension of the contract.



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T.Dargan agreed and stated that D.Choate is the premier commercial broker in the area.

D.Barufaldi stated that D.Choate chairs Seacoast CIBOR which is a commercial investment board of realtors which has over 60 members - realtors, bankers, insurance people and developers, and he is well connected.

Motion: B.Paolini made a motion to extend the exclusive agent agreement for Enterprise Park Properties with Colliers International. Seconded by A.Studebaker. Vote: U/A

8. Manager's Report, Economic Development Section, August 2014

Not discussed.

9. Financial Report, August 2014 Month-End Report/Report vs. Budget

D.Barufaldi stated there were no anomalies. He explained the open PO for \$1875 was for the facilitator for the retreat meeting. The other open PO was for the Seacoast Alliance combination ad in NHPR four times a year, which is an effective ad. He stated the charge for \$38.73 was for an ink cartridge, and \$66.69 was for other office supplies. He said there would be an upcoming \$441 bill for food at the retreat.

A.Studebaker confirmed with D.Barufaldi that the charge for contractual lawn care was for the public areas of Enterprise Park.

Motion: P.Rinaldi made a motion to accept the Monthly Financial Report-August 2014 (unaudited). Seconded by S.Haddadin. Vote: U/A

- Review and Approval of the FY 2015 DBIDA Budget

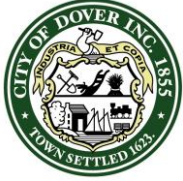
T.Dargan stated DBIDA is already operating under this FY 2015 budget.

Motion: S.Haddadin made a motion to approve the FY 2015 DBIDA budget. Seconded by M.Olivier. Vote: U/A

D.Barufaldi stated there has been a lot of discussion about the waterfront and DBIDA's involvement and what it may or may not be willing to do, and he would like to get a sense of the board's intentions in that area. He invited the Mayor, K.Weston, and also the guest, C.Cheney, to speak.

K.Weston said at the retreat meeting board members expressed their reluctance to make a commitment because they did not know enough about the requirements for oversight of the project. She stated there have been numerous conversations regarding what their powers would be if DBIDA took over the waterfront project. M.Joyal was going to research state law to answer those questions.

D.Barufaldi stated he met with M.Joyal earlier and M.Joyal sees two issues: the amount of DBIDA involvement on a committee, and who has the administrative attachment, DHA or DBIDA.



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K.Weston stated she wanted to know the reasons why it went to the Dover Housing Authority before, and if there was an advantage under state law if DBIDA controlled it or if the DHA controlled it.

D.Barufaldi said he asked that question but M.Joyal said at this point he did not know if there was any difference.

T.Dargan confirmed with D.Barufaldi that DHA can get a TIF.

K.Weston stated whoever has the best advantage should be the one to come forward. If DHA has an advantage, then the question would be is DBIDA interested in being the oversight umbrella of the project. She said there are currently two vacancies on the CWDAC board and there is an option for the City Council to increase the representation. The City Council is aware that CWDAC does bring some history to the table and they are interested in a blending of the boards.

T.Dargan stated the project is too important for economic development in Dover for DBIDA not to have some interest and involvement, but at this time he feels there is not enough information for the board to begin to discuss what their involvement would be.

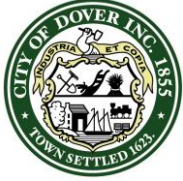
D.Barufaldi stated he will express his opinion about this matter to the board. He said he looks at this as two issues: involvement in a committee, and the overall administrative attachment or umbrella organization. He feels DBIDA should be the umbrella organization. His other concern is, if DBIDA has a minority position on the committee, and with DBIDA's hard-won reputation for economic development in Dover, and DBIDA cannot control what happens, he does not want to be in that position.

B.Paolini confirmed with D.Barufaldi that the other entity does have bonding power.

C.Cheney, Councilor, stated this project is too important to the entire health of the City not to have the backing of DBIDA. There is passion behind this project and she is willing to put her full strength behind this project if DBIDA would consider doing this for the City. She said she read through the minutes from meetings in 2005 and RSA 162 gave DIDA authority to do this project and to create a TIF, which was not popular back then. She wants to stand behind TIF enablement if that can get this project done, and she stated she does not think it belongs in the DHA purview as the administrative oversight of this.

D.Barufaldi stated he is tasked with putting together a marketing feasibility study and is looking to get a consultant on board to get that done quickly. Also Dean Peschel is looking at the environmental and hydrologic issues regarding river banks, erosion, silting, etc. DES and the US Corp of Engineers are involved in looking at what would have to be done. Also consulting in terms of geotechnical feasibility, with projections of water levels in rivers rising 3-7 ft. over the next 50 years, needs to be obtained. There are all kinds of issues and he said that is why a TIF is extremely important for the infrastructure needed to make this site buildable. The bulk of all the needed information will be available by January. He also said M.Joyal asked him what he thought about the City taking the \$2M in the CIP for Enterprise Park 2 and putting a business park where the bluff was on those 7.5 acres. D.Barufaldi said that was not a lot of land but it was centrally located.

There was discussion clarifying the location of the bluff and that the entire bluff would need to be taken down.



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There was discussion about the geotechnical study to determine what to do with spoiled soils, remediation or capping, and that there are 13,000 cubic yards that must be removed. The market feasibility study is needed in order to get some direction.

C.Cheney added that there is much historical knowledge in the community. She stated that Councilor Gagnon thought this should be looked at long term and if it would be viable in 50 years. She supports DBIDA taking over the administrative function and she hoped that resources would be made available to DBIDA.

T.Dargan stated he usually reaches out to the Mayor to get the City Council’s thoughts and asked if there was a push to get the project under an entity other than Dover Housing Authority.

K.Weston stated there was no push right now because it was not known what DBIDA wants. The consensus is they want to keep some of the CWDAC history on board. They want some other folks to have input. She found out there are two vacancies on the CWDAC board. The City Council also has the ability to vote on appointments. The question is, if DBIDA says no, will the City Council approve the appointment. The process is when an application come out for committees, it will come to DBIDA for their review.

D.Barufaldi asked for an indication from the board as to what kind of involvement they would like DBIDA to have on a committee, and is there any interest in being the administrative attachment/umbrella organization for the project.

S.Haddadin confirmed with D.Barufaldi that DBIDA would take the place of DHA as the umbrella organization and would be on a committee to oversee what the committee is doing.

There was discussion about ownership and the LDA.

T.Dargan stated he envisioned that DBIDA would be the ownership entity taking the place of DHA and there would be a CWDAC type involvement. He thinks DBIDA should either run it or not be involved. He stated D. Barufaldi is willing to work very hard on this project on a city team.

M.Joyal entered the meeting at 5:20 p.m.

M.Joyal stated the administrative attachment for the project is an important issue. There are statutes that specify what authority certain organizations have. There was research done in 2005 regarding DHA and what abilities and authority it has to do development and other related activities. There are certain things that DBIDA is not able to do. He does not have all the details. That should be the prime consideration in deciding where the waterfront development is attached. There can be an advisory committee that can give advice and guidance, and that could be established and repopulated as the City Council sees fit. Whatever organization has the best advantage by state law should be the one to be the administrative attachment to develop the site the way the citizens of Dover want it developed. He also stated there has been discussion in the past that there needs to be another entity besides the City to lead the development effort. He explained that a stable entity with institutional knowledge and memory that cannot be wiped out through a political process needs to oversee and hold the developer accountable to the agreement put in place by the City Council. There was discussion about this in the past. The predecessor of DBIDA (DIDA?) was charged with the development of the waterfront in the early 2000’s but they gave up because there was not a clear line of responsibility



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and leadership. It was not a very fruitful process. The City Council established a citizen's committee to come up with some recommendations to move the process forward and in 2005 it was attached to DHA and CWDAC was formed and was an advisory committee to the City Council. There was discussion that the City Council needs to maintain the final say on what is agreed to for development of the site.

T.Dargan said possibly more than one developer could be involved and, using a TIF the City could step in and create something like an Enterprise Park, and development could proceed that way.

C.Cheney stated she has read the minutes of meetings in the past and they clearly showed that the City Council wanted DIDA to take it but a TIF was not in place and that was a big deterrent. She can distribute those minutes and the geotechnical maps to the board. She said the vision is worth some study.

M.Olivier stated he wants to know what happened over the last 7 years. He has no sense as to what CWDAC has done.

T.Dargan said that DBIDA will be voting on what that advisory council will be. He said there is a lot of information that CWDAC has and he does not want to reinvent the wheel. The LDA was signed in 2007-2008 when the market crashed. Unless the project could be done with cash from start to finish he thinks the financing was not there.

M.Joyal stated that Jack Mettee is the chairman of CWDAC and he could share with the board what they have done.

M.Olivier explained he wants clarification that if DBIDA takes it over, he wants to know what they are taking over. It appears to be a quagmire in his opinion. He is not prepared to make decision at all. He does not want to inherit something that he does not understand.

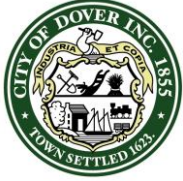
K.Weston said at the end of the last CWDAC meeting they said they want to go over what went wrong at the next meeting. She said some factors contributing to failure were the upfront costs that were high because there was no infrastructure, the economy tanked, and the LDA.

A.Studobaker stated the waterfront is imperative for the future of Dover. She needs more information - what has gone wrong, what has gone right – and she would like to see a summary of those points. She would like to know how CWDAC feels about DBIDA.

T.Dargan said it would make sense to have a joint session between CWDAC and DBIDA.

S.Haddadin said DBIDA needs to see what their charter allows and if they have more advantage under state law.

M.Joyal gave an example of a fund that has available money to clean up soils that are not suitable for building. The contaminator cannot access those funds, but a new owner of the site could use the funds and this would encourage them to buy it and clean it up. There may have to be a process where the land is transferred to an entity to own it other than the City to access those funds to move the soils into the dredge cells so there is no expense to the local taxpayers. It does position the land so a park could go in there or whatever the citizens envision. He is not sure if



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DBIDA allows something like this to happen, and DHA may not allow that to happen. The City was protected in this deal because it never gave up the land.

There was discussion regarding when the City gives up land, who owns the land, whose name is on the title, and who carries the debt. There was also discussion regarding DES funds available for petroleum contamination earmarked for the site that cannot be released to the City. It was stated again that DBIDA needs to find out what authority it has and if it is able to own the land. There was discussion if the land was still sitting with DHA and, if so, that the City Council has to sign off on any development deal. There would have to be a defined set of development rules and an LDA before the City Council would vote to give it to DBIDA. There would have to be a master plan process with feasibility studies, cost estimates, and a lot more information.

A.Studebaker wanted to know what the effect would be on DBIDA if a developer only wanted to develop one section of the site.

M.Joyal stated regardless of the administrative attachment, the City owns the land, and the City Council has an advisory committee which is CWDAC. They would facilitate discussions and eventual negotiation, seek the recommendation of the advisory committee but ultimately it would go to the City Council who would approve the agreement with the developer. At that point in time the City Council would turn the process over to CWDAC to oversee compliance with the development agreement. When the development agreement was satisfied, then the City Manager could sign over the land to the developer.

There was discussion that developers would need to make presentations to CWDAC in public because it would be a public process, and that might be a problem for the developers.

M.Joyal stated there has to be a very public component to this.

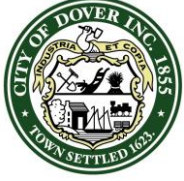
C.Cheney stated a different approach is being used now. In the past a developer was putting in what they needed to put in, not necessarily what was best for the City. Now the developer will tell the City what will fit there after they do what they do best.

T.Dargan said he thought in the past an issue was that CWDAC was putting too many strings on a private developer. He said they find issues and need to make changes as they dig. They have spent money and still do not have a Purchase & Sale Agreement. Now they have to go back to the City Council with a redesigned plan. He is trying to bring this into a commercially reasonable project for the City, to get something there to start creating tax revenue.

M.Sylvia said he wants to keep this simple and asked if the goal here is to get DBIDA to act as a liaison to turn this piece of developable land into a turnkey for a developer that meets the vision of the City but also is there for putting in all the infrastructure for the future for a bunch of developers who might take sections of the land.

T.Dargan said that was not it. The question is, assuming it is all legal, does DBIDA want to be involved.

M.Sylvia stated he would like to know the effect of taking the first step.



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T.Dargan said if DBIDA says no, then they will have no seat at table for this important project.

A.Stuebaker asked what the advantage is of DBIDA getting involved unless they have total control over the project.

T.Dargan stated they would have a seat at the table and would be driving the bus, and they would have to try to drive it in a way that would make it happen.

A.Stuebaker asked D.Barufaldi for his opinion, if he had that hypothetical person at his door today who could do that, would they be interested in going through that process or would they walk away.

D.Barufaldi said if there was a TIF in place it would solve the problem of the upfront costs for the infrastructure and it is critically important to do that before going further down the road. He thinks DBIDA can do it. He is loathe to be a minority on an existing CWDAC committee where DBIDA's reputation is on the line and we would not be able to control the outcome. Regarding the administrative attachment side, he would be in favor of DBIDA being involved.

S.Haddadin wanted to know if a developer came with \$15M (if that was its market value) to buy it outright and do what they want, would that fly.

B.Paolini said the developer was supposed to be doing what is right for the City.

M.Joyal said this is one of the areas where it has failed. They tried to sell the property and then put restrictions on the developer.

C.Cheney said the pressure is too big because of the passion.

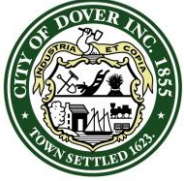
S.Haddadin said a developer will be smart enough to put things there that will bring tax revenue to the City.

M.Joyal said honestly what a developer would put there right now is a slew of apartment buildings with paved parking lots and it would be there by next fall.

D.Barufaldi said to look at it as what is best for the City.

C.Cheney said this is the most the important project in her opinion that DBIDA will ever look at. She thinks DBIDA would be autonomous and would have what they need. The community wants this to be done right.

M.Joyal said in an ideal world this would be a private development and the public would not be involved except for the site approvals that go before the Planning Board. It is publicly owned property and if the citizen's, through their elected officials, are willing to endorse and enable a citizen's body like DBIDA or CWDAC to work with a private developer and do it through a private process, it would happen quickly. But the public needs to be involved. There was outcry about making this process as open and transparent as possible. Some negotiations need to be done behind closed doors, but the concept needs to be discussed and decided in public. CWDAC has laid the foundation and there is a considerable amount of public involvement in the process there. He recommends retaining some form of the



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existing committee that has the whole history and knowledge of the development process, and administratively attach them to a third party. Once again, keeping the process public was stressed.

K.Weston agrees with M.Olivier that too much is unknown. She would like to meet with CWDAC. She requests that M.Joyal update the studies and paperwork that are available from Dickinson. The sea wall needs to be fixed and a lot of permitting will need to be done.

M.Joyal recommends speaking with J.Mettee to get answers to questions about CWDAC. On the City website under the Planning Department there is a section entitled “Waterfront Development” and all the studies from day one are on that site. For the next DBIDA meeting he will have details on the best way for the City to administratively attach the development of this property.

T.Dargan asked if there was a consensus that DBIDA would have some interest to be involved in this project in some way or form at this time. There was further discussion about DBIDA’s responsibility, if they want to be marginally involved or leading the project, and that this is a critical project. By a show of hands the consensus was to be involved 7 to 0 (1 abstained).

D.Barufaldi will extend an invitation to J.Mettee first and then in the future, if a bilateral discussion is desired, more members of CWDAC could be invited.

Motion: S.Johnson made a motion to defer the rest of the Agenda to the next meeting. Seconded by A.Studebaker.
Vote: U/A

10. ADJOURN:

Motion: S.Haddadin made a motion to adjourn at 6:15 p.m. Seconded by P.Rinaldi. Vote: U/A