



CITY OF DOVER

**COCHECHO WATERFRONT DEVELOPMENT ADVISORY
COMMITTEE - MINUTES**

Meeting Type: Regular Meeting
Meeting Location: McConnell Center Room 305, 61 Locust Street, Dover, NH
Meeting Date: **Tuesday, March 3, 2015**
Meeting Time: **5:00 pm**

PRESENT: Jack Mettee (Chair), Frank Torr, Kim Schuman, Sean Fitzgerald, Brian Gottlob, Thom Hindle, Stephen Brewer, Carla Goodknight (5:10 pm)

EXOFFICIO MEMBERS: Mayor Karen Weston, Michael Joyal, Allan Krans

STAFF: Gary Bannon –Recreation, Steve Bird – City Planner

OTHERS: Councilor Dorothea Hooper, Councilor John O’Connor, George Maglaras, Kevin McEaney, Beth Fischer, Norm Fracassa, John Berry, others

1. Meeting was called to order at 5:05 pm.

2. Minutes of December 1, 2014

Motion: Torr made the motion to approve the minutes of 12/1/14, Fitzgerald seconded. Vote: UA.

3. Citizens Forum:

Councilor O’Connor: Recently I was very vocal about CWDAC being under the control of the Dover Housing Authority. Since then I have talked with people and now support that arrangement rather than going under DIBIDA. I just want to let all of you know that I support you and appreciate all your hard work.

4. Changes to the Agenda:

Mettee: I would like to add another item under new business that would be agenda item 7-C, so Bird can give us an update on the land use chapter of the master plan.

5. Correspondence

Mettee referred to a letter dated 2/4/15 sent from the Energy Commission updating us on their mission and goals.

Mettee: Before we discuss the work plan, I would like to skip to new business so our consultant can make his presentation.

6. Old Business:

7. New Business

A. Presentation From Barry Abramson – Cochecho Waterfront Development Analysis Report

Barry Abramson: It is good to be back working for Dover. I am excited to see that the City passed the waterfront TIF district. That is a big step forward.

Abramson used a PowerPoint presentation to review the contents of the market analysis and described the research methods he used.

Abramson: The residential market is attractive for both rental and condos, but the financing for condos has still not recovered from the decline in 2007. The condo and rental townhouse market is strong. I can see an average absorption of 30 multi-family and 10 townhouses a year.

Abramson discussed the type of units the market can bear and the prices of the units.

Abramson: For office, you are unlikely to attract a large corporate office user. New office buildings are expensive to build. Office requires more parking. There is a market for smaller offices types. For retail, typical retailers will need more traffic, both pedestrian and vehicles. On-site residents can only support a limited amount of retail, maybe a few thousand square feet. Retail use may require a subsidy from other uses. You want retail uses to help activate the site. I am projecting a target of 20,000 square feet of retail in phases. For restaurant use, you will want to try to attract a 4,000 to 5,000 square foot restaurant. The site near the foot of the bridge is the prime location. New restaurants are expensive to build and may need a subsidy in terms of land price. For a potential hotel use, the issue will be lack of a market. There are new hotels proposed in Portsmouth and Durham, which will meet existing demand. This site would be a secondary location for hotels. If nearby major attractions were developed, a hotel may be feasible. In the banquet/event facility category, the small market is met by the River Mill facility. Larger events have to go outside of Dover. Demand from UNH is met by existing facilities on campus. It is expensive to build a stand-alone facility, so it would likely be within a hotel. They also require a lot of parking that can't be shared with other uses.

Abramson reviewed two development scenarios – the preferred and the basic, and reviewed the TIF revenue analysis. Analysis shows that the revenue will cover the debt service even with conservative assumptions.

Abramson: I suggest the RFP use both the master developer approach and the multiple developer approach to keep both options open. I recommend a two stage RFP process. Solicit developer qualifications first and then shortlist the top developers and ask them to submit a detailed proposal.

Mettee: Thank you for that very through presentation. There is a lot of information to digest.

Weston: Are you telling us that residential is the preferred use now based on the market?

Abramson: Residential can be the primary use to activate the other non-residential uses.

Weston: Do you see a market for niche retail uses?

Abramson: You need users that are compatible with the residential uses in the same building, such as the live/work units.

Krans: What are acceptable occupancy rates for hotels in your experience?

Abramson: Hotels want to have occupancy rates of at least 70%, with good room rates. They need to see \$1 in rates per day for every \$1,000 of development costs. You are a long way from that now.

Gottlob: We need to focus on the result that indicates that there is a very low risk for not covering the bond costs, even with conservative projections. If we are going to think about subsidizing some uses, then we need to be wary of potential impacts to existing businesses.

Gottlob left at 6:35 pm.

Brewer: For the 378 residential unit scenario, what type of building did you assume?

Abramson: It was an arduous process to calculate the land area required for all the land uses types, but it is covered in the appendix tables.

Brewer: Did the analysis assume the removal of the bluff?

Abramson: I used the same assumption laid out in the TIF plan, which does count on that happening.

Goodknight: The key points are the residential use density, the rental versus condo mix and the impact of conversions, and the value of parking as a selling point. I like the idea of going with more than one developer. The upfront costs need to be recoverable by the city.

Abramson: The TIF plan shows a million dollars for bluff removal, but it creates more development area and it allows for the option of relocating River Street further away from the river to create prime development sites. Bluff removal has to happen early due to the noise impacts and disturbance.

Weston: Did you include the closure of the dredge cell in the costs? Is the bluff removal essential? I am concerned with any subsidies.

Abramson: The program calls for mostly residential with some office and retail.

Mettee: We consider the report to be final, but if you have any comments, we need to know them soon.

Brewer: We should set a deadline so it does not drag out.

Bird: Our contract with Abramson runs through March 20th.

Mettee: Let's set a 10 day deadline for comments. We could meet on March 17th. If we set a 7 day deadline that would be March 10th, which would give Abramson until March 13th to finalize. My only concern with a meeting that soon is that we have two vacancies and it makes it tough to get a quorum.

Weston: We will not be able to appoint any new members that quickly. They have to go to the Appointments Committee for an interview first.

Fitzgerald: What is the purpose of comments on the market analysis?

Mettee: I view it as more questions than comments.

Brewer: Consider a way to make the report more user friendly to the average person.

Abramson: That is tough to do.

Weston: Did you consider other uses like a marina or boat launch?

Abramson: I did not look at every possible use. That is a community decision, not a financial one.

Mettee: That may become clearer when a development consultant develops a concept plan.

Weston: The report does not address all possible use.

Abramson: A statement could be added that addresses uses not covered.

B. Update on RFP for Development Consultant Team

Bird: Staff has been working on preparing an RFP for a development consultant team. We have listed the types of consultant we would want to see on the team and what areas of expertise would be required. As we were proceeding we started to think about if an RFQ process may work better as part of a two stage process. We had a conversation about that idea with Mettee and wanted to have a discussion with the committee tonight to seek guidance before we go too far in one direction.

Mettee: Rather than call it a development consultant, we could call it a design team.

Goodknight: An RFQ process can bring other uses to light.

Brewer: How much design or land planning are we expecting from the team versus having the developer do it? Designing the road and park too early may be a problem without a developer.

Mettee: I don't envision a detailed development plan, only a concept plan.

There was a discussion about the benefits of doing the RFQ first and the consensus was in favor of that direction.

Mettee: If you have any special areas of expertise that you think should be included in the RFQ, please let Bird know as soon as possible.

Goodknight: Make sure to include a timeframe for the RFP process in the RFQ.

Mettee: If Bird can send us the draft RFQ in advance of the next meeting, I would like to try to approve it at the meeting.

Mettee: I would like to meet again on March 31st at 5:00 pm.

8. Committee member comments: None

9. Adjournment

Mettee declared the meeting adjourned at 7:30 PM.