

Keene Library Annex Advisory Committee Meeting
April 28, 2016

Present: Sally Miller, chair; Nancy Vincent; Andy Bohannon; Jennifer Bone; Jill Cielinski; Paul Henkel; Med Kopczynski; Scott Martin; Kathleen Packard; Sean Wiley, admin support.

Guests: Jack Dugan and Bob Elliott from MEDC; Al Cantor; Dita Englund; Patty Farmer from the capital campaign; Beth Fox, Tom Mullins, Steve Thornton from the City of Keene.

Minutes from March 30: moved and seconded to accept, passed unanimously.

Jack Dugan, Monadnock Economic Development Corporation

We've made great progress.

- Tax Increment Finance District is in place
- Rezoning has been approved
- CIP process, with a \$2 million bond, expected to be voted in June
- Tappé Architects have done a great job, and recently shared a timeline and drawings; they are anxious to get a construction manager in place to be involved with the development of construction documents, which should be done by December

MEDC met yesterday with the City Manager and the City Attorney to go over necessary documents and processes, including loan documents and ownership of the annex. MEDC has done this with the City before, so there are templates in place.

MEDC will work with this group to put out an RFP for a construction manager, with 2-4 groups expected to come in for final interviews.

There will also be an RFP process to find a historic preservation consultant, who would work with the architect to get the Annex property listed as historic. The tax credit associated with the listing does not come from a pool of money to be awarded on a case-by-case basis. If the building meets design criteria, the tax credits will be awarded. The conservative estimate would net \$800,000, but with a properly compliant design, it could be \$1.8-1.9 million.

Community Development Investment Program: state tax credits, with a \$5 million fund state-wide. We have passed the first hurdle, seeking \$275,000, and will submit next week. We will hear in July.

LCHIP (Land Community Heritage Investment Program): This is also a state program. We have applied for \$100,000 out of a \$3.5 million fund. Jack will go to a May 10 workshop and file the application in June. The award is announced in December.

New Market Tax Credits (NMTC): We are in the pipeline with several Community Development Entities (CDEs) now. The program has been reauthorized by the federal government for another five years. For this round, they've doubled the funds available so as to help them catch up with a backlog of applications. The good news is that we are likely to get our funds. The less-than-ideal news is that rather than a July award, it will be a late-fall award (though this also extends our

fundraising window). The CDEs will not be able to assure their final commitment to our project until the allocation from the government is final. We will be shovel-ready by then, but the complicated closing process will require several more months.

MEDC will be the sole holder of a not-for-profit LLC that will act as a “pooling agent” for all the funds from the various sources, and will be added to the New Market Tax Credit funds. THIS fund will in turn go to the for-profit LLC that will own the annex and connector for seven years.

Development Agreement: This will be negotiated this summer between MEDC and the City. Jack said it will contain “a lot of ‘whereases’ and ‘therefores’” The agreement will spell out the NMTCs, the CIP bond, the lease. It will also be written for the bond council. The City can loan money to the project as long as the City is the tenant, and the purpose of the project is the public good.

Construction Manager: Finding a construction manager is one of the most pressing components of the project at the moment. This person will work with the architect in the development of construction documents, assuring from the start that pricing is in line with budget. The CM will request bids from subcontractors as well as review the architectural contract.

The CM will work with a Construction Oversight Committee, made up of perhaps nine people from the Library (staff, Trustees, Friends, KLAAC), the City, and Steve Horton of MEDC as project manager), and will meet monthly to review costs and allocate funds.

Motion to adjourn was duly made and seconded and passed unanimously.

Respectfully submitted,

Sean Wiley