

**CITY OF DOVER
DOVER WATERFRONT PROJECT**

QUESTIONS AND ANSWERS FROM APRIL 30, 2007 PUBLIC HEARING

2005 CHARRETTE

- **Why doesn't the current proposal reflect the 2005 Charrette (originally no park and bluff not included)?**
 - The concept plan is consistent with the general goals and guidance reflected in the Charrette document. The overall goals and vision are listed on page 6 of the 2005 Charrette with each being addressed within the current proposal.
 - The Charrette concept plan shows potential densities for a mixed use development with a public park along the river and includes an outline of the project site which includes development of the bluff area. The current proposal reflects these elements.
 - The Charrette provides only guidance for the development of the waterfront parcel and was always intended to be a flexible document not an exact specification. Alternative approaches to development have been encouraged and the nature of the development was anticipated to be market driven. The current proposal reflects the guidance and flexibility afforded by the Charrette.

ENVIRONMENTAL CLEAN-UP

- **Should the taxpayers bear the costs of the remediation required to develop the site (by crediting to developer)?**
 - The City is and will remain responsible for the groundwater contamination and the associated costs and liability with or without developing the waterfront. The City's responsibility to remediate the contamination is not removed nor is it increased by transferring ownership of and allowing development of the property.
 - The best and most fiscally responsible solution for the City is to use the Developer's upfront money to clean up the site thereby removing the impact on the taxpayer.
 - The City of Dover may not assign by contract nor will a responsible developer agree to assume financial responsibility for any environmental clean-up required under State or federal laws.
 - The City of Dover can not ignore or walk away from the costs and liability for the clean-up.

APPRAISALS – VALUE OF THE PROPERTY

- **Do the appraisals assume that the vehicular bridge will be completed?**
 - Yes
- **What is the appraised value of project?**
 - The "assessed value" of the property according to City records is \$2.3 million.

- The “appraised value” is the subject of two appraisals. The DHA appraisal values the property developed according to the Dickinson Plan at \$4.5 million. The City appraisal values the property at \$4.1 million.
- **What role should the appraisals play in the decision of whether to proceed with the Dickinson Plan and the Term Sheet?**
 - The appraisals provide additional information with regard to evaluating the overall waterfront development proposal, but were not intended by themselves to be deciding factors. They were intended to be considered along with all of the information about the waterfront and be placed in the larger perspective of the overall economic advantages of the development.
 - The development of the waterfront is an economic investment in the future of the City of Dover utilizing a public-private partnership. It is not a straight land sale transaction based upon the highest and best use of the property. It involves establishing a partnership to ensure reasonable control over the scope of the development in accordance with the general vision and goals established by the community through many years of public input and study.
- **What happens if both appraisals come in around 7.5 Million or the Council rejects the Term Sheet? Will Dickinson reconsider or sue the City for non-performance?**
 - See above response concerning the intent and role the appraisals play in the decision to proceed with the Dickinson Plan and the Term Sheet.
 - Dickinson Development has proposed and held firm on a price for the purchase of the property subject to all the conditions in the Term Sheet. There is no indication from Dickinson the offer will change based on the appraisals. The Term Sheet was negotiated over the course of several months with give and take on both sides ultimately preserving the larger economic and financial interests of the Dover community while achieving the desired partnership with a private developer to ensure responsible development of the Waterfront.
 - There is expected to be potential legal costs and possible litigation if the Term Sheet is rejected as it has been ratified by the DHA given the original conditions and intent to establish a “clear path” for development of the waterfront.

PUBLIC ACCESS

- **Is public access to the park guaranteed?**
 - Yes, the City will own and maintain control of the park parcel.

FINANCIAL COST TO THE TAXPAYERS

- **Will any overruns in the overall project cost the taxpayers and increase the tax rate?**
 - No. The Term Sheet protects the taxpayers by delivering a mechanism to accomplish the needs of the City without exposure of the taxpayers to additional costs or increased taxes. This is an important component of the Term Sheet provisions and the core benefit of the public-private partnership.
 - The Term Sheet requires the developer to assume ALL costs that would normally be incurred in the course of developing any parcel within the City and provides

additional benefit to the City by utilizing the developer's money to accomplish public improvements that are being imposed to ensure added benefit to the community. Express provisions in the Term Sheet state a \$1 Million payment made by the Developer to the City is within the sole purview of the Council. Those funds could be utilized to off-set one-time capital expenditures elsewhere in the City, be placed in reserves, invested back into waterfront amenities benefiting the general public or be utilized for any other legitimate purpose deemed appropriate by the City Council.

- **What are the financial costs to the community? How many children are projected from this developed site? What will be the cost to educate them?**
 - A memo dated 4-23-07 containing a summary of projected annual fiscal costs versus tax revenues is available on the City website along with an overview of the larger economic gains anticipated to be generated benefiting the entire community. <http://www.ci.dover.nh.us/waterfront/termsheetpage.htm>
 - Predictions based upon examples of residential projects elsewhere in the City are that the residential units will not house many school aged children. This is primarily due to the size of the residential units and the anticipated selling price. Studies estimate that at full build-out, there would be ten school age children living in the development.
 - The annual cost to educate ten children is estimated at \$91,767 based upon current average per pupil costs within the City of Dover.

- **Will Dover become unaffordable due to gentrification?**
 - Market forces will dictate housing prices in accordance with the American free market system.
 - Development of the waterfront will contribute to the further growth of a vibrant downtown which in turn supports the local economy. New job opportunities at various income levels will be created and sustained in the areas of retail, service, construction and other occupational areas.
 - According to the analysis done by Brian Gottlob, Dover currently has a lower share of higher income families than surrounding communities.
 - To thrive, a community needs to attract and support a diverse population maintaining an appropriate balance between low, medium and high income households.

- **Will the developer be responsible for the financial investment needed to access the Bluffs?**
 - Yes. The developer will be responsible for all financial costs to build roadways, sidewalks, drains, and other utilities throughout the entire project as would any developer for any private project undertaken in the City.

- **What happens if developer can build the park or clean up the site for less than projected? Who gets to keep the extra money?**
 - Any savings on public improvements required by the Term Sheet will be reinvested for additional public improvements as mutually agreed to by the DHA and the Developer or will otherwise be returned to the City in the form of an

additional payment.

- **What happens if the developer sells one of the buildings to a tax-exempt non-profit? Will we still receive property tax payments?**
 - The Land Disposition Agreement (LDA) to be completed by the end of 2007 will specify various restrictions and covenants that will remain with the land upon transfer to the developer for start of development. One condition which may be recorded will require a payment in lieu of taxes to be paid by the non-profit and/or developer if a tax exempt entity were to buy a portion of the property. The matter will likely require a case-by-case analysis.

FINANCIAL BENEFITS TO THE COMMUNITY

- **What are the financial benefits resulting from the development of the waterfront?**
 - The waterfront development will result in an immediate increase in the property tax base once the property is conveyed for development. A market study estimates that the total property tax revenue at full build out will be approximately \$1,120,000 annually.
 - Additional value will be added to the tax base as development is completed along the waterfront and additional development is initiated surrounding the waterfront.
 - There will be a net positive impact on tax revenues versus ongoing expenditures for municipal services related to the waterfront development
 - The taxpayers and utility ratepayers will avoid having to fund costs for certain infrastructure, environmental and odor control measures associated with the waterfront development.
 - \$1,000,000 will become available to be utilized or reserved for future use as determined by the City Council
 - Jobs will be created in construction fields throughout the development process and as new retail and office opportunities expand throughout the waterfront and downtown. Brian Gottlob has estimated that between 136 and 202 jobs will be directly created by the development, not including construction jobs.
 - The downtown core will receive a positive economic impact due to increased customer base resulting from residential in-fill and additional visitor trips to amenities on and surrounding waterfront development. An increase in sales of \$1.75 to \$3.5 million annually has been estimated by Brian Gottlob.

PEDESTRIAN BRIDGE

- **Since the pedestrian bridge is completely redundant at this site once the vehicular bridge is constructed, why could it not be packed away or moved someplace else?**
 - The Developer is flexible on the location of the pedestrian bridge. The location of the pedestrian bridge was suggested in the 2005 Design Charrette. The bridge can be “packed away” and/or moved to a different location. The Term Sheet provisions allow for that possibility.

WATERFRONT PARK

- **How much would it cost to build a seawall compared to the cost to do riprap?**

- The cost of a vertical seawall would be excessive and likely impractical for many reasons. It can be 3 to 4 times as expensive as rip rap depending on the material used for the seawall and the site conditions. A seawall would face more stringent permitting and engineering requirements—an additional cost.
- **Of the projected \$2 Million to construct the waterfront park, what is the cost to build a riprap wall? What is the cost to build the rest of the park?**
 - The Term Sheet has provided \$2.1 million as an estimate for park construction. The current estimate for a rip rap seawall based on the proposed concept plan is approximately \$400,000. A pro forma of park costs to be paid for by the Developer is available on the Waterfront section of the City web-site.
- **Is the area by the pump station really the best site for a restaurant?**
 - Ultimately, market forces will influence the location of a restaurant along the waterfront. The Developer has indicated flexibility on the final location along the waterfront for the restaurant.
 - With appropriate odor control measures implemented, residential and even restaurant uses can comfortably coexist adjacent to sewer pump stations with examples found in many communities throughout the country.
 - The Developer is committed to front the funds for odor remediation related to the sewer pump station

POSSIBLE PLANNING BOARD ISSUES

- **Is the density of the Dickinson Plan (180-200 units) too high?**
 - Current Dover Zoning for the site allows for more than 900 units to be constructed.
 - The Dickinson proposal of 180-200 units has a density of only one unit per 4,226 square feet of land area – far less than the 1,000 square feet per unit permitted by zoning.
 - The use deemed highest and best by the appraiser commissioned by the City Council calls for upwards of 280 residential units. This is approximately 100 units more than proposed by the Developer and is also without any commercial or retail space.
- **How will the project impact downtown traffic congestion, and how can those impacts be mitigated?**
 - The Dover Planning Board will require a traffic impact analysis to address these concerns. An assessment for off-site mitigation costs will be required and is established through the Planning Board process.
 - The Rizzo study assumed 180,000 square feet of commercial and office space, almost three times the 66,850 square feet shown on the concept site plan, so the traffic generated will be less than Rizzo used in the analysis. The study can be found at <http://www.ci.dover.nh.us/planning/TAC/FinalReportFeb1405.pdf>.

- **Is it wise to build a park and/or buildings in flood zone?**
 - The Public Works facility was on the site for a number of years without significant negative impacts from floodwaters.
 - According to the 2005 flood maps, only a small portion of the site along the river is in the floodplain.
 - During the most recent flood event, which coincided with an astronomical high tide, visual observations of the area revealed that flood water levels would have had little if any impact given the current conceptual building locations and designs.

- **Is it possible to construct a cul-de-sac on the property so delivery trucks and moving vans can turn around easily?**
 - The Dover Planning Board will address this type of detail and all other traffic and parking issues during the site approval process same as required for any other private development within the City.