



AGENDA ITEM #: 19-15  
COUNCIL MTG OF: March 5, 2019  
FROM: Dave Caron, Town Administrator  
OFFERED BY: Planning Department  
PREPARED BY: George Sioras, Planning Director  
SUBJECT: Revisions to the Derry Zoning Ordinance

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STAFF REPORT  
*Public Hearing 3-19-19*

#### INTRODUCTION:

To amend Article V, Zoning Map and District Boundaries, Section 165-30, Zoning Map, to move five (5) parcels from the Central Business District to the Medium High-Density Residential District, and to move six (6) parcels from the Medium High Density Residential District to the Medium High Density Residential II District. The parcels are as following:

From Central Business District to Medium high Density Residential:

19 Elm Street, 13 Elm Street, 15 Elm Street, 34 Maple Street, 18 Maple Street

From Medium High Density Residential to Medium High Density Residential II:

44 Hillside Ave., 42 Hillside Ave., 42.5 Hillside Ave., 8 Elm Street, 54.5 Hillside Ave., and 17.5 Beacon Street.

#### TOWN ADMINISTRATOR COMMENTS

The Council is encouraged to schedule a public hearing for March 19 and thereafter, adopt Ordinance #2019-001.

#### BACKGROUND

Over the last three years both the Derry Town Council and Planning Board worked on their respective Goals and requested staff to review the zoning in the Central Business District and Downtown as well as reviewing the zoning in the vicinity of Maple and Elm Streets as it relates to the town owned property at 19 Elm Street. The goal of the town to market and redevelop the former shoe factory parcel. This zoning amendment will allow the town to move forward to begin this process.

DISCUSSION

The purpose of the amendment is to allow for the best and highest use of the properties moving to the Medium High Density Residential zone and to correct an oversight during a previous zoning change for the parcels moving the Medium High Density Residential II district.

FISCAL IMPACT

The town would see re-investment in the parcels in the vicinity of Elm and Maple Streets and put the town owned parcel back the tax rolls and generate new and additional revenues and higher assessed values.

NA.

RECOMMENDED ACTION BY COUNCIL

Staff recommends that the Town Council approve the attached revisions to the Derry Zoning Ordinance as unanimously APPROVED by the Planning Board on February 20, 2019.

RECOMMENDED MOTION

Please see Ordinance #2019-001.

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AGENDA ITEM #: 19-22  
COUNCIL MTG OF: March 14, 2019  
FROM: Dave Caron, Town Administrator  
OFFERED BY: Susan Hickey, Chief Financial Officer  
PREPARED BY: Susan Hickey, Chief Financial Officer  
SUBJECT: Post-Issuance Compliance Policy

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**INTRODUCTION:** At the closing of a tax-exempt bond or note issuance, the Town's governing board signs a No Arbitrage and Tax Certificate. This document provides Bond Counsel with the information necessary to make a determination that the bond or note is tax exempt at the time of issuance.

#### TOWN ADMINISTRATOR COMMENTS

The Council is encouraged to adopt the Resolution which would assist with our compliance requirements to the Internal Revenue Service.

#### BACKGROUND

The Internal Revenue Service (the "IRS") has focused on the post-issuance tax compliance of municipal bond issuers. During that time, there have been an increased number of IRS examinations of bonds and tax notes to determine compliance with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"). One of the questions posed by the IRS in such examinations is whether the issuer has adopted written procedures to ensure compliance with the Code provisions applicable to tax-exempt bonds and notes.

#### DISCUSSION

The IRS includes guidance on its website that makes it evident that written procedures are an important part of an issuer's tax-exempt bond program. The IRS updated its Form 8038-G to add questions about whether the issuer has established written procedures to address private activity concerns and to monitor the requirements of section 148 related to arbitrage rebate.

The IRS also now requests more detail about an issuer's reimbursement for pre-issuance expenditures on this form. In order to address this increased level of review by the IRS, we have prepared a form of Post-Issuance Tax Compliance Policies and Procedures. This form of policy names a "Coordinator" who has the responsibility to monitor compliance with the policy. It follows the requirements of the Code and closely tracks the information included in the No Arbitrage and Tax Certificate that is signed at the closing of a bond or tax note financing.

As the Town may be planning to finance a project with tax exempt bonds, may need to issue tax anticipation notes or may be considering a lease-purchase arrangement we recommend implementing these policies. As a result, the Town would be able to answer "yes" to the questions on the Form 8038-G, thereby showing the IRS that it is aware of its post-issuance obligations under the Code and that it intends to meet those obligations. An additional reason for the timely adoption of these policies is the IRS's indication that an issuer who discloses a

compliance issue that is discovered as a result of its own internal review will be looked upon favorably by the IRS in determining a resolution to the problem.

FISCAL IMPACT

There is no fiscal impact in the adoption of the attached policy.

RECOMMENDED ACTION & MOTION BY COUNCIL

Please see Resolution #2019-008