



STAFF REPORT

AGENDA ITEM #: 21-66
COUNCIL MTG. OF: June 1, 2021
FROM: Dave Caron, Town Administrator
OFFERED BY: Administration
PREPARED BY: Administration
SUBJECT: Transfer Funds from DCC TIF Redevelopment Fund

INTRODUCTION:

To recommend the transfer of funds from the DCC TIF Redevelopment Trust to support rehabilitation of the Derry Opera House.

TOWN ADMINISTRATOR COMMENTS

Please see comments within this staff report.

BACKGROUND

In 2019, the Town Council approved two significant actions to continue supporting the economic revival of the Downtown area. First, the Council expanded and renamed the Rte. 28N TIF District to include Crystal Avenue, portions of Birch Street and the Downtown area to plan for improvements and investments in this area of Derry.

Second, the Council created the Derry Commerce Corridor TIF Redevelopment and Infrastructure Activities Expendable Trust, which was designed to receive a portion of the proceeds from the DCC TIF Captured Assessed Valuation annually for future investments into the TIF District.

The enabling Resolution gave the Council, as Agents to Expend, broad authority to reinvest in infrastructure and activities which contribute to the economic vitality of the Downtown.

DISCUSSION

During staff research when the Council approved the electronic sign at the Opera House in 2017, we learned that Derry's facility was the most successful in the State, as it was used over 200 days per year for practices, meetings and performances (pre-COVID). The Greater Derry Arts Council, which has managed the town-owned facility for years, has previously expressed concern regarding the deteriorating condition of the stage, which impacts performances at the facility.

As the Opera House has been closed for about a year due to the Pandemic, GDAC focused upon identifying a solution and funding repairs to the stage. The Town and GDAC collaborated on the estimated \$90,000 project, with ½ of the funds to be raised by GDAC and the balance from the Town's Expendable Maintenance Trust Fund for Buildings and Grounds.

Subsequent conversations by the Council led to the direction to staff to identify Town resources to underwrite the cost of the entire project.

At this juncture, the final cost of the project has not yet been finalized. We do know that the significant increase in material costs and shortage of labor has escalated the project cost to approximately \$115,000. GDAC's engineers are also reviewing the project and may recommend additional structural enhancements which will impact the final cost as well.

FISCAL IMPACT:

Based upon current knowledge, for the Town to fund the entire project would require a transfer of \$70,000 from the DCC TIFF Redevelopment Trust for this purpose. Currently, there is approximately \$360K available in the Trust .

RECOMMENDED ACTION BY COUNCIL

Please see Resolution #2021-034 (please read the Resolution)

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