BUSINESS AND INDUSTRIAL DEVELOPMENT AUTHORITY (BIDA) MEETING
July 8th, 2026

A monthly meeting of the BIDA was scheduled for Wednesday, July 8th, 2026, 9:00 a.m., Room 208, City Hall, 229 Main Street, Nashua, NH.

Members present:	Staff members present:
Jason Haviland - Chair	Liz Hannum, Econ. Dev. Director
Lydia Foley, Vice Chair	Sam Durfee, Planning Manager
Dick Cane	Matt Sullivan, Com. Dev. Director
Carl Andrade	Carter Falk, Dep. Planning Manager
John Stabile	
John Ziemba	Peter Schaeffer - citizen
	Andrew Prolman, Rep. for LMG

RESOLUTION R-26-047 — NIMCO AMENDED MASTER DEVELOPMENT AGREEMENT:

Mr. Sullivan said that a resolution pending before the Board of Aldermen had been referred to BIDA for its consideration. Mr. Sullivan explained that a City body receiving a referral ordinarily made a recommendation back to the Board of Aldermen and said BIDA should decide whether to recommend passage. Mr. Sullivan said the matter concerned the NIMCO property immediately north of BIDA's two Millyard properties and involved the same developer BIDA had tentatively recommended for those properties. Mr. Sullivan said the amended agreement would therefore also provide useful information as BIDA prepared for its own negotiations.

Mr. Haviland asked whether the referral called only for a yes-or-no recommendation, whether BIDA could provide comments, and whether action was needed at this meeting.

Mr. Sullivan said a recommendation today would help keep the legislation and project on schedule. Mr. Sullivan said BIDA could include comments, but they were not required, and said the matter could be held only if the discussion revealed a significant issue requiring more information. Mr. Sullivan and Ms. Hannum said staff believed the amended plan was better than the prior plan.

Atty. Prolman said that the NIMCO property was subject to a purchase and sale agreement and a master development agreement between the City and Lansing Melbourne Group. He said the original concept contemplated one residential building, but the developer subsequently acquired the adjacent Bagshaw property and the Flats on High Street leased more slowly than expected. Atty. Prolman said those developments changed the larger vision and led the developer to propose two buildings constructed in two phases.

Atty. Prolman said Phase One would contain 135 units with parking beneath the building and associated amenities and Phase Two would contain 107 units, for 242 units in total. Atty. Prolamn requested a positive recommendation on Resolution R-26-047 and said the Finance Committee had already made a positive recommendation.

Atty. Prolman said the amended documents would subdivide the property so the Phase One parcel could close separately. He said the Phase One closing deadline would be March 31, 2027, and described a price of $35,000 per unit, or approximately $4.7 million. He said the Phase Two parcel would close within 3 years of issuing the Phase One building permits and described a price of $25,000 per unit, or approximately $2.675 million. Atty. Prolman said the combined purchase price would be materially greater than the original price, although the exact comparison stated during the discussion was uncertain.

Atty. Prolman said the City had originally offered a $500,000 credit for demolition of the NIMCO building, but the demolition estimate was closer to $800,000 and the parties compromised on a $700,000 credit. He said the developer would construct the dog park during Phase One and would receive a credit of up to $1.2 million, divided as $600,000 in each phase.

Atty. Prolman said the amended agreement would use escalating, nonrefundable option payments to encourage timely commencement of Phase Two. He said the payments would begin 12 months after the last Phase One building permit and would be $10,000 per month for the first 12 months, $20,000 per month for the next 12 months, and $30,000 per month for the final 12 months. Atty. Prolman said that if the developer did not proceed after the option period, its contractual right to the Phase Two parcel would terminate.

Ms. Foley asked whether either phase included commercial units.

Atty. Prolman said no specific commercial unit had been designated, but the master development agreement continued to require an unspecified amount of commercial space, potentially a small convenience-oriented use. He said the revised project also retained the 20 percent affordability requirement, the Riverwalk connection, the dog park, and the other planned amenities.

Ms. Hannum said the City would lose the benefit of having all units constructed at once, but the higher per-unit pricing and escalating option payments compensated for that concession. She said the most important improvement was the new road through the site, which would help create a street grid in the Millyard and improve access to the BIDA property. She said a corresponding road through the Bagshaw property could extend that network.

Mr. Haviland asked why the Flats on High Street had leased more slowly than expected.

Ms. Hannum said the development introduced a new product to the local market, particularly luxury studio units, and that prospective tenants in a suburban market were less accustomed to studios than one-bedroom units. Ms. Hannum said the property had taken approximately two years to reach nearly full occupancy.

Ms. Foley said the rents may also have been too high and asked about parking.

Ms. Hannum said residents used spaces in the High Street garage and that the public garage under the building contained approximately 40 spaces that were not reserved exclusively for residents.

Mr. Cane said high construction costs required higher rents, while many prospective tenants could not or would not pay them. He noted that several approved City projects had not moved forward because of financing and construction costs.

Ms. Foley asked how the two-phase NIMCO change would affect the schedule for BIDA's property and whether BIDA's development might be several years away.

Ms. Hannum said negotiations for BIDA's master development agreement could take close to a year and would be followed by design and other work. She said the BIDA property would not be completed at the same time as the other properties and that development would take time. Other speakers discussed the possibility that the market absorption of Phase One would influence the pace of Phase Two.

Ms. Foley asked BIDA to confirm that the requested action was a recommendation to the Board of Aldermen to adopt the amended proposal.

Atty. Prolman confirmed that was the requested action and said staff had worked closely with the developer and counsel on the amendments. He said the approach was reasonable under current conditions, particularly because the Bagshaw parcel created an opportunity for a better street grid.

Ms. Foley said the revised project involved phasing rather than construction of the entire development at once and said the reduced unit count and other changes should be considered alongside the increased compensation and Phase Two incentives.

Mr. Cane said relatively few developers were positioned to undertake a project of this size and recommended supporting the amendment. He supported the road connection through Bagshaw and toward the BIDA property but cautioned that Phase Two would depend on the leasing performance of Phase One.

Mr. Cane expressed concern about the broader multifamily market, including limited new industry, the ability of younger residents to afford new units, and the effect of new high-rent construction on existing rents. Ms. Hannum responded that increased supply ordinarily placed downward pressure on prices. The speakers discussed whether the local market had yet experienced that effect and whether older properties might eventually have to lower rents if new units remained available.

Mr. Ziemba asked what specifically would trigger Phase Two.

Atty. Prolman said detailed leasing thresholds had not yet been established and explained that rapid leasing of Phase One would encourage the developer to proceed, while slow leasing could lead the developer to make the escalating option payments.

Mr. Haviland asked what would happen at the end of the 3 year term if the developer chose to make the option payments.

Atty. Prolman said the developer's contractual rights would terminate after the option period unless the City later agreed to an extension; otherwise, the City could issue another request for proposals for the Phase Two parcel.

MOTION by Mr. Cane to recommend approval of Resolution R-26-047.

SECONDED by Mr. Andrade

MOTION APPROVED UNANIMOUSLY

LANSING MELBOURNE GROUP PROPOSAL — PURCHASE AND SALE AND MASTER DEVELOPMENT AGREEMENT:

Ms. Hannum said a letter had been sent to the Board of Aldermen stating that BIDA recommended the Lansing Melbourne Group proposal. She said the next step was negotiation of a purchase and sale agreement, followed by negotiation of a master development agreement. Ms. Hannum explained that the purchase and sale agreement would be short and would primarily govern the acquisition, while the master development agreement would establish the detailed development obligations.

Mr. Sullivan said staff had a kickoff meeting with legal counsel scheduled for the following week. He said staff did not want to complete the purchase and sale agreement and then postpone all work on the master development agreement. Instead, staff wanted to develop the principal terms during the next six months so a substantial product would be ready if the developer exercised its right to proceed around December 1. He said counsel would advise how BIDA should participate, including what discussion could occur in public and what might appropriately occur in nonpublic session with the developer.

Mr. Haviland asked whether the City had any control over development of the privately owned parcels between the NIMCO and BIDA sites.

Mr. Sullivan said the City did not control those parcels, although the developer's concept showed how they might be developed. He said BIDA should consider requiring the developer to prepare a master plan for the full Millyard area it expected to control, including the privately owned parcels. Mr. Sullivan said comprehensive master planning would allow BIDA to understand the phasing of its property relative to the surrounding sites. He said the BIDA parcel might be developed last, but obtaining a coordinated plan for the entire area would still be a significant public benefit.

Ms. Hannum said the BIDA parcel might not be last because the developer appeared to be working outward through the Millyard.

Mr. Cane cautioned against imposing so many requirements or costs that the City made the project financially infeasible. He said BIDA should remain flexible and accept reasonable changes when necessary to keep a long-term project alive.

Mr. Sullivan said the tax increment financing district provided another way to pay for public improvements that otherwise might have been imposed on the developer and jeopardized the transaction. He said BIDA could still negotiate for improvements, but increment captured through the district could be used over time when the developer could not provide everything directly.

Mr. Haviland asked what temporary uses could occur on the BIDA property if permanent development remained approximately five years away.

Ms. Hannum described a placemaking concept known as keeping a development site “warm.” She said temporary basketball courts, kayak rentals, food trucks, tents, picnic tables, storage containers for nonprofit organizations, or similar low-cost activities could bring people to the site before construction. Ms. Foley said any public communication would have to make clear that the improvements were temporary so their later removal would not be viewed as a loss of promised permanent amenities.

Ms. Foley asked about financial consideration while the developer controlled the property before closing. Mr. Sullivan said the proposal required a $10,000 deposit but agreed that BIDA should consider additional timing incentives, option payments, or other compensation while the property was tied up. He said the NIMCO amendment provided a useful example of placing the developer under a schedule while returning cash to the public entity.

Mr. Sullivan said the obligation should not be so aggressive that it discouraged the developer, but agreed BIDA should receive consideration for allowing the property to remain under the developer’s control. He noted that another developer might have proposed a project capable of moving sooner, even if the purchase price were lower.

Mr. Sullivan confirmed the sequence would be the purchase and sale agreement, the master development agreement, and then closing, with the overall process likely taking approximately one year to a year and a half. Ms. Hannum said the ultimate amount BIDA received could change depending on the public improvements, unit count, and other negotiated terms.

Mr. Cane cautioned BIDA members not to communicate requirements to the developer that could affect the purchase price before BIDA had formally established its priorities. Mr. Sullivan said any tradeoff between public benefits, infrastructure improvements, and price should be handled through the proper negotiation process.

Ms. Hannum recommended reopening the selected proposal at the next meeting to review the larger phasing concept, including the Bonnet and Bagshaw parcels, and to identify the public improvements and development-agreement terms BIDA wanted staff to pursue. Mr. Sullivan said the developer had provided a general master plan but not a comprehensive phasing and public-improvement plan across the entire area. He said early direction would allow staff to negotiate deliberately rather than scramble near the end of the year.

Mr. Cane said a concept plan would necessarily change with market conditions and might not provide detailed commitments several years in advance.

Ms. Hannum called back to the temporary placemaking discussion and described an example from Cleveland.

FUTURE BIDA PRIORITIES AND SITE SELECTION:

Mr. Sullivan asked each BIDA member to come to the next meeting with one realistic site that the authority should ask staff to investigate as a possible future project. He said BIDA might receive additional funds over the next year depending on negotiation of the current purchase and sale agreement and should decide how to use them. Mr. Sullivan said design efforts, business recruitment, and tax-related work were worthwhile, but BIDA would probably also need to identify another transformative site and begin evaluating it within approximately six months.

Ms. Hannum said a feasibility study was being developed for a City affordable-housing land bank. She said the study would determine whether a land bank was feasible and what organizational structure it should have. Ms. Hannum said BIDA could potentially manage the fund or properties, but the Housing Trust Fund had not yet agreed to finance the study. She described the first phase of the proposed study as costing approximately $24,000.

Mr. Andrade asked how much money BIDA currently held. Speakers discussed an approximate balance of $250,000.

Mr. Stabile suggested presenting feasibility study proposal property so the authority could compare with future projects. Ms. Hannum agreed and said a proposal and two-phase scope of work could be shared.

Mr. Cane cautioned that acquiring land could create environmental, liability, carrying-cost, and management obligations. Ms. Hannum said the purpose of the feasibility study was to identify those issues before any land-bank program was created.

Mr. Cane asked about the large former PSNH property near the river. Mr. Sullivan said the site had been partially remediated and consisted of two materially different areas. He said the southern portion remained under active remediation, with groundwater and other contamination issues and a barrier between the river and contaminated material. Mr. Sullivan said the northern portion was generally cleaner but contained a layer of coal ash that would still have to be addressed.

Mr. Sullivan said the current owner generally wanted a deed restriction against residential development, although there had been some discussion about whether different residential forms might be treated differently. Mr. Sullivan said the owner generally preferred commercial redevelopment and access was difficult because the route crossed a railroad and passed through a neighborhood, but is a large site and one of the priority areas in the Imagine Nashua master plan.

Mr. Andrade asked whether the property could accommodate a data center. Other speakers said its neighborhood and river setting raised concerns and said the community should have a broader conversation about whether and where data centers were appropriate.

NEXT MEETING:

Mr. Sullivan said the next agenda should devote substantial time to reviewing the Lansing Melbourne Group proposal, the broader phasing plan, possible public improvements, and desired terms for the purchase and sale and master development agreements. He said the agenda should also include time to begin compiling the members' proposed future sites.

Several speakers said they could not attend the regular August meeting date. Mr. Sullivan said a scheduling poll would be circulated to select a different August date (August 5th) and that the notice should include the request for each member to identify one future site for discussion.

ADJOURNED at 10:03 AM

Submitted by: Connor Muise, AICP, Deputy Planning Manager

CM – Taped Hearing