

A meeting of the Board of Aldermen was held Tuesday, February 19, 2019, at 7:10 p.m. in the City Hall Auditorium.

President Lori Wilshire presided; City Clerk Patricia D. Piecuch recorded.

Prayer was offered by City Clerk Patricia D. Piecuch; Alderman Linda Harriott-Gathright led in the Pledge to the Flag.

The roll call was taken with 12 members of the Board of Aldermen present; Alderman Ken Gidge and Alderman Richard A. Dowd were recorded absent.

Mayor James W. Donchess and Corporation Counsel Steven A. Bolton were also present.

MAYOR'S ANNUAL STATE-OF-THE-CITY ADDRESS

President Wilshire

I am going to turn it over to the Mayor; this is the Mayor's Annual State-of-the-City Address, Mayor Donchess.

Mayor Donchess

Welcome everyone to City Hall and before I begin I wanted to just say that we held a Ceremony for Brian McCarthy down in the Aldermanic Chamber which many of you were present for. He is someone that obviously we are all going to miss very much and a big loss we suffered in the last year.

Well Good Evening President Wilshire, Vice President O'Brien, Members of the Board of Aldermen, the School Board, Fire Commission, BPW, Members of our Legislative Delegation, School Superintendent Mosley, Police Chief Lavoie, Fire Chief Rhodes, City Division Directors and Staff and community members.

I first want to thank my wife Vicky who is here with me tonight and our daughter Caroline, son-in-law David and grandson Ajax, for all the love and support that you have given me. And to our 28,000 city employees, thank you for all the work you do every day for the people of Nashua. And thank you to all Nashuans for giving me the opportunity and privilege of serving our City. I love to listen and to learn from all of you.

At dozens of Town Halls we have held over the years, at the monthly Coffee with Mayor, in City Hall and on Main Street, at Cafes and at the Farmer's Market and when I visit people at their homes with a listening ear to seek out their ideas. Thank you all for sharing with me your thoughts and dreams.

Now I have served two terms as Mayor some years ago and we accomplished a lot at that time and I loved every day of it. A few years ago, when I thought about getting involved in City Government again, it was the love of our City which motivated me to seek a return to City Hall. Now serving as Mayor this second time around I appreciate every chance I get to work with so many Nashuans on behalf of our City and our citizens.

For the second year in a row, Money Magazine has chosen Nashua as the Best Place to Live in New Hampshire and rightly so. The State of the City is strong and we are getting stronger, more vital and more dynamic. More jobs and opportunity, full-day Kindergarten for all Nashua children, a huge leap forward in street paving, an expanding tax base, a newly invigorated downtown with 500 new housing units. A new Arlington Street Community Center, new life at the Historical Central Fire Station, a coveted Governor's Creative Community Award and a dynamic Arts Scene. A Nationally Recognized Safe Stations Program and two Triple AA Bond Ratings. These are some of the things we have all accomplished by working together.

We have accomplished these things while also exercising fiscal restraint. The Board of Aldermen and I have enacted three tight budgets in a row. Our Fiscal Year 19 Budget is up only 1.6% over last year's – less than the rate of inflation. Many of the improvements I will address tonight; new downtown housing, a Performing Arts Center, excellent schools, the Pride Parade, Commuter Rail, our inclusive character, are directed at building Nashua's regional and even national reputation; what I call our City's unique personality. There is a strong demographic trend; young people are moving to cities and Boston is too expensive for many. We must recognize that Nashua is in competition with Lowell, Providence, Worcester and Manchester and the regional and national reputation that we build together is critical in attracting the creative, energetic young people who will wish to join us in Nashua's journey.

Nashua has grown thousands of jobs over the past few years and our unemployment rate is at a record low. But if Nashua is going to tap the energy of our people to grow even stronger, there are doors of opportunity which we must open. Opportunity for those who have not yet shared in the economic growth of our City; I believe this is how we must lead. This year the City will use CDBG funds and partner with entrepreneurship for all to jumpstart the creation of new jobs and new businesses in Nashua. E for All has already succeeded in Lowell, Lawrence, New Bedford and Fall River. E for All will train new entrepreneurs, mostly low and moderate income self-starters and will coach them in the skills they need to succeed in realizing their dreams. New small home grown businesses in the Tree Streets and French Hill, in Crown Hill, will help ensure that all Nashuans can work harder, reach further and provide a better life for themselves and their families. Thank you to Krishna Mangiputi who is here tonight for bringing E for All to Nashua.

In Crown Hill our new Arlington Street Community Center, under the leadership of a volunteer Board of Director and Megan Caron is creating opportunities for kids and families. The Skill Builder Program created by volunteer teachers is offering tutoring for elementary school students who need additional help to make sure that they can read and do math at grade level. We are already seeing results.

Also at the Community Center, we recently launched the Mayor's Winter Reading Challenge with Jen McCormick and the Nashua Public Library. Already 191 kids have signed up and are doing extra reading which will help them deepen their language skills and their academic skills. For some time, I and members of the Board of Aldermen, have been hearing from Nashuans that our streets are not in good shape and of course they are right. Nashua has neglected street paving for decades. So in response, we launched a paving plan of action. In 2018 we put that plan into high gear; we paved 25 miles of streets, 5 times what we were doing just a few years ago. Amherst Street and Concord Street were among the major streets that we paved this year, in 2018 and this coming year we will pave Kinsley and Broad and many more so we will pave at least 30 miles of streets during 2019.

Many people have asked me and I'm sure other people have heard as well, what about Kinsley Street. In order to spend the public's money effectively and that is part of the Mayor's job, before we start paving any street, we need to make sure that all utility work is done so that no utility comes in and digs up a street right after it is paved. For Kinsley Street this means replacement of gas pipe lines and also the replacement of 125 year old city sewer. Recently there have been gas leaks so the utility work is on-going right now, nevertheless, Kinsley Street will be paved in 2019.

Bringing new residents to downtown is critical to our plan to create economic expansion and a bigger tax base to the heart of Nashua. It was in the mills and the neighborhoods around the Nashua River that our City was born. When I ran for Mayor I promised that during my first term we would add 500 new housing units to downtown bringing nearly 1,000 new downtown residents. We have already met these ambitious goals with lofts 34 on Franklin Street, Riverfront Landing, the New Workforce Affordable Housing on East Hollis and a few micro units.

I am announcing tonight that our creative economic development and planning teams and I are envisioning a new residential neighborhood in our downtown; what I am calling Nashua's Railyard District. The railroad is a big part of Nashua's history, once the lifeline to the markets to the south and don't forget that the railroad is depicted in the City Seal. Our new Railyard District is near Temple and East Hollis east of Main Street where in former times a train station and railyard were central to life in Nashua. We are working with a private developer to bring at least 150 units of new housing and hundreds of downtown residents to the Railyard District within 2 years. The new neighborhood we imagine will be anchored by new apartments on the former Corriveau Routhier site and potentially in the Henry Hanger Building.

The rumble of the railroad and the whistle of the steam engine have not been heard for many decades but in the years to come, we will be seeing lighted windows of living rooms and the hurrying feet of new downtowners in Nashua's new railyard district.

A new Downtown Performing Arts Center will also bring new economic vitality to Nashua. It will enhance Nashua's quality of life but a Performing Arts Center will do a lot more. For decades, Nashua and the Nashua business community have been talking about the importance to our business climate of a downtown Performing Arts Center. Because of the work of many people like Marylou Blaisdell, Rich Lannon and the vote of the people supporting the Arts Center, the City bought the Alec's Building and has now selected a creative design team led by ICON Architecture. A group of private citizens led by Deborah Novotny is raising funds for an endowment and the City is applying for an allocation of tax credits which could bring in \$4 million dollars.

A Performing Arts Center at the junction of West Pearl and Main Streets will bring 70,000 people to Main Street every year and help grow downtown businesses. It will enable us to expand the downtown tax base and increase long-term revenues which we can use to support services for all of our neighborhoods. The Performing Arts Center is one of the things that we are doing to help us retain and attract the younger generation. I am optimistic that by the end of 2020 we will have the Downtown Performing Arts Center up and running.

Now an interesting development over the past year – Nashua now has six craft breweries; Martha's Millyard SpyGlass White Birch Odd Fellows and Liquid Therapy. As I have visited them, I have met a number of people who have come from outside of Nashua to check out the offerings. So this is another way to get people interested in our community.

This past fall we completed a City-wide revaluation. State Law and the State Constitution both mandate that every New Hampshire City and Town do a revaluation every 5 years. Nashua's last reval was in 2013. A revaluation means that all properties need to be brought to 100% of fair market value; in Nashua, the values of homes has risen a lot in the last 5 years. Of course this means that Nashuans have more wealth in the form of equity in their houses. But it also means that the revaluation raised people's assessments on average about 25%. We hired KRT, an expert assessing firm who had worked in Worcester and elsewhere to do the revaluation. For homeowners the range of results was very wide with values and assessments driven by the private housing market. The value of some homes stayed the same or went up only 10% or 15%. Others went up 30% or 40%. For those homeowners whose values went up the most, the revaluation meant a higher tax bill. Some others saw their tax bills stay the same or decline.

The total value of Nashua's properties climbed from about \$8.3 billion to about \$10.4 billion dollars and as a result we dropped the tax rate to \$21.21. Going forward, we want to make sure that the Assessing Department is functioning properly in updating assessments. Therefore, I have ordered CFO John Griffin and my Chief of Staff Kim Kleiner to perform an audit of the Assessing Department and to recommend changes that should be made. They will report to me, the Board of Aldermen and the Board of Assessors very soon.

On March 12th, a couple of weeks from now, I will be proposing the FY2020 Budget. The biggest budgetary challenge facing us for the coming year is an increase of \$3 million or 11% in the cost of health insurance for City employees. Given this substantial fixed cost increase, we will have to be very careful regarding other areas of spending. My bottom line is that despite the \$3 million dollar increase, we must be able to deliver a tax rate that does not go up more than 3%. In order to accomplish this goal, I am going to have to cut the budget requests made by some departments; especially those who requests are higher than my budget guideline of a maximum increase of 2 ¼ %. The Board of Aldermen and the Budget Committee will need to review all requests carefully in order to avoid a tax increase that Nashuans cannot afford.

Now our on-going efforts to bring Commuter Rail to Nashua have new life. Our Legislative Delegation led by Senator Cindy Rosenwald and Melanie Levesque and Representative Jan Schmidt are working to insert into the State's 10 year Transportation Plan the \$5 million in Federal Funds needed to complete what DOT Commission Victoria Sheehan calls the final project development phase of the capital corridor project. Given the changes we have seen in the Legislature and in the Executive Council with Debora Pignatelli, we have a realistic chance to get the project development phase including a feasible financial plan done in the next 2 or 3 7 years. Tracy Hall and I testified in favor of SB241 in Concord a couple of weeks ago, so did Mike O'Brien and Melanie Levesque so on the rail front there is encouraging news.

For our South end residents, we have the opportunity to make significant improvements to our south end infrastructure. Tonight I am announcing that I am working with the State DOT, Alderwoman Mary Ann Melizzi-Golja, who always fights for her neighborhood, our staff and the Flatley Company, to improve traffic congestion at Spit Brook Road on Exit 1. The first step is the construction of a southbound on-ramp from Gateway Hills on to the Everett Turnpike which the Flatley Company is agreeing to pay for. The next step would be an off ramp from the turnpike. These infrastructure improvements, once they occur, will divert hundreds of cars from Exit 1 and will help us relieve traffic congestion for our south end residents.

Our Economic Development Initiatives and Education have a lot in common; both are about realizing human potential. Nashua has excellent schools. The incredible things that our students are doing and the dedication of our teachers are proof of that. Take the three students, Jenna Hantula, Patrick Martin and Sawyer Cosgrove of Nashua South who saw the cafeteria sign “No Money, No Food” and realized that there were students going without meals because they didn’t have the money to pay. Jenna, Patrick and Sawyer then launched “Meals Matter” to make sure that their fellow students don’t go hungry at school.

Another example would be dedicated teacher Erin Nkoetig and Nashua Technology Center Directors Amanda Bastoni and Mike McQuilkin created the innovate pilot program “Girls in STEM” to draw girls into Science, Technology, Engineering, the Arts and Math and to bring gender equality to these professional fields. Our goal in Nashua is to provide excellent education for every student at every school, every day. In order to ensure educational excellence for our Middle School Students, we need a City-wide Middle School upgrade. The Elm Street Middle School does not meet 21st Century Standards.

The Joint Special School Building Committee led by Alderman Rick Dowd is looking at two options. First, either re-building Elm Street or building an entirely new school. Cost will be the primary driver of the decision. But preliminary analysis says that for many reasons it likely would be cheaper and better to build a new school rather than to replace Elm Street. Either way this Middle School upgrade should also make needed improvements to our two other Middle Schools, Fairgrounds and Pennichuck. The total cost of this project could be \$60 to \$70 million dollars.

I have been working with our CFO and City Treasurer to develop a financial plan that can fit this project into the City’s current debt service budget. So that the upgrade of our Middle Schools does not adversely affect the tax rate. Keep in mind that we pay off about \$18 million dollars in debt every year. I’m glad to say that we have developed a feasible financial plan. I am announcing tonight that I support taking on the Middle School Upgrade on an ambitious schedule that will enable us to open new classrooms for our 6th, 7th and 8th graders for the School Year beginning in September 2023.

In addition, I will be urging our School Board and School Department to add more challenge to our Middle School Curriculum so that by that by the fall of 2023, Nashua offers the best Middle School Education of any District in New Hampshire. I want to express one caution about the need for fiscal discipline. Given the expense of the Middle School Upgrade, we cannot undertake any significant new bonded projects for our schools or elsewhere until after the middle schools are complete.

Now we have built into our financial plan some room for a few smaller projects, but nothing major. In order to complete the Middle School Upgrade without busting the budget, we need to exert discipline regarding any future big projects.

Now for the past 200 years, immigrants have brought their families and their dreams of a better life to Nashua. They have helped to build the Nashua today. Nashua is a welcoming City and we embrace all people regardless of nationalist, religion, race or ethnicity who come in good faith to join our community. We welcome the LGBTQ Community and thanks to the effort of our Pride Committee I am proud to say that Nashua’s first Annual Pride Parade last June was a huge success.

This past weekend we celebrated Black History Month after a lapse of some years. Thanks to the dedicated of a young man in our community, Jordan Thompson. But Nashua must also be a City for every generation. After our recent State-ordered revaluation we are increasing our elderly property tax exemption by 25% . Ours was already the largest elderly exemption in New Hampshire and the increase we are undertaking now will expand that exemption further.

In April I will be holding my first Senior Summit to which seniors will be invited to discuss all issues of concern. Our seniors understand the importance of leaving the legacy of a prospering City to our children and to our grandchildren.

The Nashua River runs through the breath of our community from Hollis to the Merrimack. For centuries Nashua has been living and working beside our namesake. In the early days the River powered the mills and served as a conveyor of commerce. Today, the Nashua generates clean hydro power at the Mine Falls and Jackson Falls dams. Above Mine Falls the fishing is good, the otters are busy and the herons are graceful. For the downtown section of the River the City has adopted a Riverfront Master Plan to enhance the beauty of the River and to attract more people to enjoy this precious amenity in the heart of our City. This spring we will begin removing the overgrowth along the banks of the River.

Tonight I am announcing the next step. Our plan to light the walkways along the River and to the light the Cotton Transfer Bridge. Design Firm Lumen Studio will design our lighting and I am optimistic that you will see illumination along our waterfront by this fall.

In April 2016 I joined the fight against Climate Change by signing on to become a Climate Mayor. This is a commitment that we will work to reduce the use of energy and reduce the City's carbon footprint. Working with the Board of Aldermen, we created the Environment & Energy Committee. The E&E Committee under the leadership of Chair Doria Brown had developed goals for reduced energy use and I will be recommending the Board of Aldermen adopt those goals. We have already taken steps to cut emissions; between 2011 and 2016 the City cut energy use in our City buildings by 31%. This means 5,800 less tons of carbon dioxide in the air every year.

In 2016 we converted our street lights to LED saving over \$350,000.00 per year in energy costs. We have new CNG buses which cut emissions by 30% and we have ordered the beginning of a new generation of electric hybrid busses, by the way, BAE produces the hybrid engines of these clean vehicles. Our goal must be to both reduce greenhouse gas emissions and reduce energy costs for our tax payers. In order to develop new energy saving projects, the City needs an Energy Manager. This is a primary recommendation of the E&E Committee.

I am announcing tonight that I will include in the coming budget a new Energy Manager position. The expert will work with the City and the School Department to develop new green energy saving projects. I will also ask funding for more charging stations for our City garages. We want to encourage the use of electric vehicles and this step will help us do that.

Since the opioid crisis began, I have and we have all talked with many families; mothers, fathers, sisters, brothers, grandparents, grieving because of the loss of a loved one. The opioid crisis has torn families asunder and has ended too many young lives. I have listened and learned from these moving stories. In early 2016 we began the Mayor's Opioid Task Force and in the Fall of 2016 I asked a group of community partners, AMR, Harbor Homes, Nashua Fire & Rescue, Public Health, The Nashua PD and others to come together to create Nashua Safe

Stations Program. A month later we launched Safe Stations. Anyone who is seeking help with an addiction can go to any Nashua Fire House at any time and get help. So far about 2,700 people have reported to a Fire Station. All have been offered treatment. This is a disease of relapses but anyone who has reported to a Nashua Safe Station is 60% to 70% less likely to suffer a subsequent overdose. Opioid deaths in Nashua are down 20% from 2015. Safe Stations is being held out as a model for anti-opioid programs throughout the country.

HRSA, part of Federal Health & Human Services held a day long workshop in Nashua to highlight the Safe Stations Program and to encourage other cities to consider adopting something similar. The State of Nashua, using money appropriated by Congress, has developed a Hub & Spokes Plan. Here in Nashua the new Hub Agency, Granite Pathways, is working with us to fill in gaps while leaving in place our Safe Stations model. Three people a day are still reporting to our Fire Stations and our Fire Fighters in order to get help.

On another front, our law suit against the drug companies who covered up the dangers of opioids is pending and on-going. Our community is also fighting back by being more caring, more compassionate and more kind. Greg Amaral and Wendell Walker's efforts symbolize Nashua's compassionate character. Greg is here tonight. They hold signs around town like – Nashua is a City of kindness, and – You are awesome.

Positive Street Art has created two thoughtful murals, Gratitude which is on Main Street and Take Courage which is on Temple. Gratitude expresses our thanks for many blessings including Safe Stations, including Sobriety and Recovery. Take Courage expresses the compassion and sympathy which our City has for those who have been taken from their families and from us by opioids. Thank you to Manny Ramirez, Cecilia Ulibarri, Tom Lopez, Jason DeBow, Positive Street Art and many volunteers and contributors for bringing us these life and hope affirming works.

By working together, we have made Nashua a more dynamic, a more inclusive, a more compassionate City. We have expanded the potential for our people and for our community. We have listened and we've led and we are going to keep pushing ahead. I look forward to working with all of you to continue building a City that is welcoming and warm-hearted, innovative and inclusive, confident and compassionate.

Thank you to the great City of Nashua and God Bless.

President Wilshire

Thank you Mayor. That concludes our meeting.

ADJOURNMENT

MOTION BY ALDERMAN O'BRIEN THAT THE FEBRUARY 19, 2019, MEETING OF THE BOARD OF ALDERMEN BE ADJOURNED
MOTION CARRIED

The meeting was declared adjourned at 8:45 p.m.

Attest: Patricia D. Piecuch, City Clerk