

BUDGET REVIEW COMMITTEE

FEBRUARY 22, 2021

A meeting of the Budget Review Committee was held Monday, February 22, 2021, at 7:00 p.m. via teleconference.

Chairman Dowd

As Chairman of the Budget Review Committee, I find that due to the State of Emergency declared by the Governor as a result of the COVID-19 pandemic and in accordance with the Governor's Emergency Order #12 pursuant to Executive Order 2020-04, this public body is authorized to meet electronically.

Please note that there is no physical location to observe and listen contemporaneously to this meeting, which was authorized pursuant to the Governor's Emergency Order. However, in accordance with the Emergency Order, I am confirming that we are:

Providing public access to the meeting by telephone, with additional access possibilities by video or other electronic means:

To access Zoom, please refer to the agenda or the City's website for the meeting link.

To join by phone dial: 1-929-205-6099 Meeting ID: 881 9486 9249 and Passcode: 490575

The public may also view the meeting via Channel 16.

We previously gave notice to the public of the necessary information for accessing the meeting, through public postings. Instructions have also been provided on the City of Nashua's website at www.nashuanh.gov and publicly noticed at City Hall and Nashua Public Library.

If anyone has a problem accessing the meeting via phone or Channel 16, please call 603-821-2049 and they will help you connect.

In the event the public is unable to access the meeting via the methods mentioned above, the meeting will be adjourned and rescheduled. Please note that all votes that are taken during this meeting shall be done by roll call vote.

Let's start the meeting by taking a roll call attendance. When each member states their presence, please also state whether there is anyone in the room with you during this meeting, which is required under the Right-To-Know Law.

Alderman O'Brien called the roll and asked them to state the reason he or she could not attend, confirmed that they could hear the proceedings, and stated who was present with him or her.

The roll call was taken with 6 members of the Budget Review Committee present:

Alderman Richard A. Dowd, Chairman
Alderman-at-Large Ben Clemons, Vice Chair
Alderman Jan Schmidt
Alderman Ernest Jette
Alderman-at-Large Lori Wilshire
Alderman-at-Large Michael B. O'Brien, Sr.

Members not in Attendance: Alderwoman-at-Large Shoshanna Kelly

Also in Attendance: Tim Cummings, Economic Development Director
Deputy Police Chief Kevin Rourke
Alderman Linda Harriott-Gathright
Alderwoman Elizabeth Lu
John Griffin, CFO

ROLL CALL

Chairman Dowd

Alderman O'Brien, would you please call the roll?

Alderman O'Brien

Thank you Mr. Chairman. The Clerk, Michael O'Brien, is present. I am alone. Alderman-at-Large Lori Wilshire

Alderman Wilshire

I'm here, I am alone and I can hear everyone.

Alderman Jette

I am here alone and I can hear the proceedings.

Alderman Schmidt

Present, alone and can hear everyone.

Alderman Clemons

I am here, I am by myself and I can hear everyone.

Chairman Dowd

Yes I am present, I can hear everyone and I am alone.

Alderman O'Brien

OK also in attendance I have Alderman Lu and Alderman Harriott-Gathright. Also in attendance, Tim Cummings, Economic Development Director; Deputy Police Chief Kevin Rourke; CFO John Griffin and Kim Kleiner. And anybody else of note, that's wants to be recorded? Camille Pattison.

Chairman Dowd

Alright, also Alderwoman-at-Large Shoshanna is not with us this evening. She has a reason for not being here. OK, so the first item of business is Public Comment; is there anyone from the public that would like to give us any testimony on something that's coming before the Budget Committee this evening?

PUBLIC COMMENT – None

COMMUNICATIONS

From: Sarah Marchant, Community Development Division Director
Re: Transportation Department - Request for Reduction of Revenue Contracts

There being no objection, Chairman Dowd accepted the communication and placed it on file.

UNFINISHED BUSINESS - None

NEW BUSINESS – RESOLUTIONS

R-21-115

Endorsers: Alderman-at-Large Lori Wilshire
Alderman Richard A. Dowd
Alderman-at-Large David C. Tencza
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman Thomas Lopez
Alderman-at-Large Ben Clemons
Alderman Linda Harriott-Gathright
Alderman Patricia Klee
Alderman-at-Large Brandon Michael Laws
Alderman Skip Cleaver
Alderman Jan Schmidt

APPROVING THE COST ITEMS OF SIDEBAR AGREEMENTS BETWEEN THE NASHUA POLICE COMMISSION AND THE NASHUA POLICE PATROLMAN'S ASSOCIATION AND THE NASHUA POLICE COMMISSION AND THE NASHUA POLICE SUPERVISOR'S ASSOCIATION REGARDING MILITARY LEAVES OF ABSENCE

MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGE BY ROLL CALL

ON THE QUESTION

Chairman Dowd

Ok the motion on the floor is to recommend final passage of R-21-115. Deputy Chief Rourke, O'Rourke?

Kevin Rourke, Deputy Police Chief

It's Rourke.

Chairman Dowd

I keep trying to make you more Irish.

Deputy Chief Rourke

I know. Just pretty straight forward policy we just realized that nothing was in place here to cover long-term leave. I appreciate your support for this. If you have any questions, I'll answer them. But pretty standard policy that many Unions in the City have and businesses outside.

Chairman Dowd

Anyone have any questions?

Alderman Harriott-Gathright

I have one question?

Chairman Dowd

Yes, Alderwoman Gathright?

Alderman Harriott-Gathright

Deputy Chief, what was the process before this?

Deputy Chief Rourke

There was a City policy back from what I understand a while ago that was very similar to this. I had talked to a couple guys that used to use that policy and it was no longer in effect for the City. So we went to look for a long-term policy we were advised that that policy was outdated and it was not used anymore. We haven't had anybody really leave on a long-term leave like this in quite some years. So that's when we noticed it.

Alderman Harriott-Gathright

OK, thank you.

Deputy Chief Rourke

You're welcome.

Chairman Dowd

And I think there's been a lot more call up of National Guard lately that prompted some of the concern in case that happened. Any other questions for the Deputy Chief? Alderman O'Brien?

Alderman O'Brien

Thank you Mr. Chairman. Not so much as a question for Chief Rourke but unfortunately I know the policy being a 35 year employee; that's the way it used to be and then passed administrations had changed it. But this is across the board, it seems like it doesn't exist. So I think this is the beginning. We are very fortunate, I think, to have Policeman and Firefighters that do a little bit extra and get called up to active duty and I think I would hope that we would equally hear from the Firefighters that I think this could possibly help them equally as well.

Chairman Dowd

I think the Firefighters, Deputy you can chime in, I think the Firefighters already have this.

Deputy Chief Rourke

They do. They do.

Chairman Dowd

They have it in their contract.

Deputy Chief Rourke

Yes.

Alderman O'Brien

OK, good. Alright.

Chairman Dowd

Any other questions? No? Alright, the motion on the floor is for final passage of R-21-115, approving the cost items of sidebar agreement between the Nashua Police Commission and the Nashua Police Patrolmen Association and the Nashua Police Commission and the Nashua Police Supervisors Association regarding military leaves of absence. Would the Clerk please call the roll?

A viva voce roll call was taken which resulted as follows:

Yea:	Alderman Clemons, Alderman Schmidt, Alderman Jette, Alderman Wilshire Alderman O'Brien, Alderman Dowd	6
Nay:		0

MOTION CARRIED

R-21-116

Endorsers: Mayor Jim Donchess
Alderman Patricia Klee
Alderman Thomas Lopez
Alderman Jan Schmidt
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman-at-Large Ben Clemons
Alderman-at-Large Brandon Michael Laws
Alderman Linda Harriott-Gathright
Alderman Lori Wilshire

**ESTABLISHING AN EXPENDABLE TRUST FUND FOR APPROPRIATIONS FOR THE BUSINESS AND INDUSTRIAL DEVELOPMENT AUTHORITY
MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGE BY ROLL CALL**

ON THE QUESTION

Chairman Dowd

The motion on the floor is to recommend final passage to the Full Board on R-21-116. Is there anyone here to speak to it? No? Alderman Schmidt?

Alderman Schmidt

I thought perhaps Director Cummings would like to say something on this?

Chairman Dowd

I didn't seem him madly waving his hand.

Alderman Schmidt

He's waving.

Chairman Dowd

OK, Director Cummings.

Tim Cummings, Director of Economic Development

Thank you Mr. Chair and thank you Alderwoman Schmidt. Tim Cummings, Director of Economic Development for the record. This Legislation is somewhat housekeeping in nature the BIDA, the Business Industrial Development Authority which was established quite a ways back particularly to develop or redevelop a certain area of the City over by the Merrimack River on the Hudson line has done so. And now we are at a point where they are contemplating other projects and the thought process being is it would be good to give them a small little kitty based off of their work to be able to continue to improve underperforming assets and hopefully try to get them into their highest and best use which will yield the City the highest tax revenue.

So this is just something that is a little bit organizational in nature that would set aside a small account for them and as appropriate, which you know this language doesn't necessarily get into, but as projects move forward and this body decides to appropriate money into that account, there would be a segregated, separate usage of funds for the purposes as I described.

Chairman Dowd

Thank you very much Director Cummings. Are there any questions? Alderman Jette?

Alderman Jette

Yes, I am not necessarily opposed to the idea of providing some money to the Business & Industrial Development Authority if they need that to develop property in the City that needs development, that needs rehabilitation or whatever. What I am against is taking money from this project in order to fund this. I think if it is true that Business & Industrial Development Authority needs this sum of money to get started on developing projects, then I think the Mayor ought to propose that as part of his budget for next year. We can weigh it, the need for the Business Industrial Development Authority to have this money as opposed to other needs of the City and determine how much that should be and whether they should get anything and if so, how much? And it ought to be part of the budgeting process.

What this does is it takes, so this Bridge Street Project if you could indulge me, if I could recap a little bit. This Bridge Street Project was part of the Renaissance Property Development and included a lot on Bridge Street, on the corner of Bridge Street and Sanders Street to be developed into a recreational lot, you know, whether it was a soccer field or some other, that other game that is like soccer but a little bit different. But for whatever purpose it might have been put, the idea was to provide a recreational area in that section of the City and because the developer was not able to acquire property that he thought he was going to be able to acquire from another land owner, the viability of the project was, as I understand it, was threatened and he needed to be able, I say "he", it needed to be able to develop more property in order to make the thing viable. I think Director Cummings and the Business & Industrial Development Authority came up with a plan with the developer to allow the developer to develop this lot on Bridge Street which was supposed to be for recreational purposes.

There was an agreement made that the developer could purchase that lot and develop it in order to make his broader project more economically viable. In exchange for that, the developer agreed to pay the City \$750,000.00 for the purpose of acquiring some other property either in this part of the City or in some other part of the City for recreational purposes; for another athletic field or some other recreational purpose.

So I think there are two different issues here; one issue does the Business Industrial Development Authority need this money? I think that's one issue, I don't disagree that an argument can be made that they do. But the other issue is this \$750,000.00 is supposed to be used for recreational purposes. I would rather that the idea of funding the Business & Industrial Development Authority be weighed on its on merit. If they need money then we ought to come up with a way of providing them that money in the budget.

This \$750,000.00, however, should remain for the purpose of providing recreational facilities ideally in that area of the City. I don't know what the status, I've heard that some of the projects that were slated for this area, the so-called Railyard Development area, last I heard those projects were on hold. If those projects get developed, there's going to be, as we have heard before, many new dwelling units which bring with them people who we should provide recreational opportunities to and I know there's an area along the river that a lot of people would like to see developed to take advantage of the frontage on the Merrimack River so that people can enjoy the river in whatever ways. I mean there are a lot of potential uses for this \$750,000.00. So when I first hear about this, I am thinking we are mixing the two things and we ought to keep the \$750,000.00 for recreation and if we need to provide funding for the Development Authority, then we ought to do that through the regular budgeting process. We've got to come up with that money when we look at the budget, which we are going to be doing in a couple of months.

So that's my thinking and I am wondering, I'd like to give Director Cummings an opportunity to comment on what I've said and whether he has a rebuttal to what I've said or if he finds any agreement at all with what I have said.

Chairman Dowd

I am going to give it back to Director Cummings in a second. But as I read the Legislation it appears that there's \$250,000.00 left over from some expenditure and so that we don't lose the \$250,000.00 we are putting it into an Expendable Trust Fund which is established as stated in the Legislation. Anything that is in an Expendable Trust Fund to be spent has to come back to the Board of Aldermen for a vote on what it is being spent for. Tim you want to elaborate more on that?

Director Cummings

Yes, thank you Mr. Chairman. So just a couple clarifications. The \$250,000.00 figure is an over and above what was set aside for the payment in lieu of providing that "rectangular athletic field". There was a protracted negotiation between the developer and BIDA that developed a formula that basically said, and I don't have the exact specifics and all the numbers at my fingertips; it is in the folder in my office. But it basically says something like, after a certain number of units, I am going to say off the top of my head 145, 142, 148 in that range, each unit that gets developed above that figure, there would be a \$7,500.00 basically assessed on top of what the payment was to the City. So the thought process being as that this would be the seed money that would help BIDA do another project in the future. And that's what this essentially tees up and what BIDA is trying to endeavor to do.

Chairman Dowd

With the Expendable Trust Fund Tim, which I am going to go out on a limb, isn't established yet, is a holding place for us to hold this money so it can't be spent for anything else except whatever is in the guidelines of the expendable trust fund and still has to come back to the Board of Aldermen for approval of any expenditures.

Director Cummings

That's absolutely 100% correct.

Chairman Dowd

Does that make it a little clearer Alderman Jette?

Alderman Jette

So I am looking at the Resolution regarding Bridge Street. It is \$775,000.00 not \$750,000.00 as I said previously. It requires a payment of \$775,000.00 to the City in lieu of a rectangular athletic field. And then it says “provides for \$7,500.00 for each residential unit over 147 units” which was approved by the Planning Board. Director Cummings, is the \$250,000.00, why is the \$250,000.00 that you’re asking for the Business & Industrial Development Authority, why is it tied into this project and are you saying that however it is tied, that the \$775,000.00 is separate, that the \$775,000.00 is somehow preserved for recreational purposes and is not part of this \$250,000.00?

Chairman Dowd

Director Cummings?

Director Cummings

Thank you. I am going to double check what I am saying to but yes. I need to double check but I don’t know what the exact unit count is that has been approved by the Planning Board or will be approved by the Planning Board. I should say for the record, I am not 100% sure it has been approved yet. But whatever that unit count is, above the 147 and my last recollection it was somewhere around 165-ish is what I have heard, I haven’t seen that is essentially where we are going to be for the differential. Something to that effect.

Chairman Dowd

So with this Legislation before us, 116, is saying that somehow out of that other Legislation there’s going to be a potential of \$250,000.00 extra that we don’t know how we are going to allocate it yet. So we are putting it in an expendable trust to protect it from being spent on something else. And it can only be spent with a vote of the Board of Aldermen. So I am not sure how that impacts the \$750,000.00 from before, that is a separate item that is not addressed specifically in this Legislation.

Director Cummings

That would just right now accrue to the General Fund.

Chairman Dowd

Right.

Alderman Jette

So may I follow up?

Chairman Dowd

Sure, Alderman Jette?

Alderman Jette

So when you say it is not addressed in this Legislation I bow to your experience and expertise in this area, but when I look at the Legislation it ...

Chairman Dowd

Are you referencing R-19-148?

Alderman Jette

I am looking at the Resolution before us R-21-116.

Chairman Dowd

Right and I don't see \$750 mentioned anywhere in that Legislation; at least the copy I have.

Alderman Jette

No, it doesn't mention that but what it does say is, "it is the intention of this Board that after closing, \$250,000.00 from the sale of land on Bridge Street and Sanders Street, see R19-148 will be appropriated into this expendable trust fund via a supplemental appropriation resolution". So it is saying that from the sale of that property on Bridge Street, \$250,000.00 is going to be taken and put into this Expendable Trust Fund. Now where that \$250,000.00 is going to come from it doesn't say. But if part of what is going to be paid is the \$775,000.00 ...

Chairman Dowd

We've got Alderman Lu and Alderman Clemons in the queue. But Mr. Griffin would like to chime in. Mr. Griffin?

John Griffin, CFO

Yes, John Griffin, CFO for the record, Mr. Chairman, thank you and members of the Committee. As Alderman Jette just read, the \$250,000.00 doesn't go in there with this Resolution. It contemplates a vote of the Board through a Supplemental Appropriation at an appropriate time when that number is probably more certain; the \$250 going in. It was just an added piece of this Legislation to explain the types of revenues that could be supplementally appropriated into this particular Expendable Trust Fund. And as you said Mr. Chairman, once it gets into the Expendable Trust Fund, it doesn't lapse to surplus so it can be spent under the Board of Alderman and probably the Mayor and the Economic Development Director. Thank you.

Chairman Dowd

Are you all set Alderman Jette or shall I get other questions?

Alderman Jette

No I think that my point is that I don't see the need to tie these two things together. If we think that the Business & Industrial Development Authority should get \$250,000.00 to do their work, then we ought to put that in part of next year's Budget and figure out how to come up with that money. To tie it into this project I don't see why; I think you are combining two separate items and I would want to make it clear that the \$775,000.00 that the developer is paying the City in lieu of the athletic field remain for recreational purpose and I don't want to see anything that threatens that.

Chairman Dowd

Yeah I don't see anything in this Legislation that threatens that and as Mr. Griffin just said, the \$250,000.00 is like a holding place. The basic form of this Legislation is to develop an Expendable Trust Fund, which doesn't exist yet, would exist after the Board of Aldermen approves this Legislation, that if there is funds left over from the sale and acquisition, that this is a place that the money could be placed, again if I am hearing right from Mr. Griffin.

It would take another move of the Board of Aldermen to put the money into the Expendable Trust but we have to establish the Expendable Trust to safeguard the money from being spent on anything else that's not covered by the Expendable Trust. I have multiple people with their hands up. Mr. Cummings once again?

Director Cummings

If I could Mr. Chairman just to explain the rationale. It would be my counsel to the City of Nashua and to BIDA to only use the proceeds that would actually come from a transaction. That way you are not affecting the property tax base. And so the logic being so that BIDA being self-sufficient would only use in theory and I would even argue a portion maybe not all, a percentage of its proceeds that are gained from pursuing and moving certain projects forward. That would be the reason why, so therefore it's not part of any theory or any connectivity to a property tax type of mechanism.

Chairman Dowd

Alderman Jette, I will come back to you but I've got a couple of other Aldermen that would like to...

Alderman Jette

Of course.

Chairman Dowd

Alderman Lu?

Alderwoman Lu

Thank you Mr. Chairman. My question through you to Director Cummings is what has BIDA done in the past? They've made progress on a couple of projects over the years. And in the past how did they fund whatever activities it is that they produce funding for. And in addition to that, rather than call it a "kitty" is it possible that you could just describe what going forward, what types of things they need funding for?

Chairman Dowd

Director Cummings?

Director Cummings

Certainly. Yes, thank you. So there was a couple questions in there; I apologize if I don't get them all. First BIDA has never had any real funding associated to it. I believe probably over time they've had certain type of appropriations as necessary to do various studies and what not. But they haven't necessarily had any opportunity to really create their own revenue source, if you will. Because this Renaissance project is the sole project that they've been working on. They've been working on it since like 2008; they successfully brought Phase I of the project through; that's the 152 units that were recently built. They are now in Phase II, they have Phase II under agreement and it is hopefully slated to close sometime probably early summer which would wrap up this area and then they would be looking to apply their expertise and their mission to other areas of the City.

And to answer the last question, it is to redevelop underperforming land in the City. That is what BIDA was created to do. They were charged with this area on the east side of the City and then I fully suspect that they would be looking to do something similar; I can't speak to the size or scale. But something of a similar nature where they would take an underperforming piece of land, an asset and try to create some value on it so the City can yield the tax revenue.

Chairman Dowd

Any further questions?

Alderwoman Lu

Yeah just a clarification, thank you. What I was trying to understand is what expenses are they needing the money for?

Director Cummings

I mean it could be a whole litany, I can't answer that per se. But it could be acquiring, it could be an auction, it could be studies, it could be permitting, it could be technical expertise; those are just some ideas of the top of my head.

Alderwoman Lu

OK. Thank you. Just a comment just to the group. I know the Conservation Commission came to us not long ago for an allocation for something and it was nice that it was specific, we knew what they were asking for it for. And my concern is just is this a time when we want to throw several thousand dollars into a fund just to be held for the future? I am just wondering if we need these funds for 2022?

Chairman Dowd

Director Cummings and then Alderman Clemons?

Alderwoman Lu

Thank you.

Director Cummings

The Legislation before you references RSA 162 I am just looking at it here, it's 162A and in 162A it is very prescribed as to what the mission of BIDA is and that would be what the purpose of those funds would be used for.

Alderwoman Lu

Follow up please?

Chairman Dowd

Follow up. Well I understand the mission, I just don't understand what activities or what costs they incur. Apparently there have been no costs since now.

Director Cummings

I never said that. What I said was is they receive separate appropriations throughout the time, I can't speak to what it is.

Alderwoman Lu

You did say that. Thank you.

Chairman Dowd

Alderman Clemons?

Alderman Clemons

Thank you Mr. Chairman. The good thing about this Legislation that's before us is it doesn't appropriate any money. So it just creates the account; to appropriate the money into it we need to have a separate conversation about that in the future.

Chairman Dowd

So again the \$250 is just sort of a guess or an earmark that that might be over and above what they get from selling these units. But again, the Legislation is to establish an Expendable Trust Fund if the Board of Aldermen so decides to put the money aside to help in future endeavors along this line, the money could go into this Expendable Trust and be held there until the expenditure. But any monies that would go into this have to be, again, voted on under separate Legislation by the Board of Aldermen. Any other questions?
Alderman Jette?

Alderman Jette

Yeah I want to make it clear. This Resolution is tied to R-19-148 which is the sale of this lot that I talked about on Bridge Street. When you look at the Purchase & Sale Agreement attached to the Resolution, the price that the developer is paying; the developer is buying a lot of land that the City owns that was supposed to be developed as a recreational lot. The developer is agreeing to pay \$775,000.00 and that money is in lieu of developing that lot as a recreational site. That was part of the original agreement that the developer was going to develop that lot for recreational purposes.

So this new agreement is that we are going to allow him to buy that lot and build housing units on it and he's going to pay, I say "he" – it is going to pay \$775,000.00. There is no other money. So when you talk about \$250,000.00 from the closing, the \$250,000.00 is coming from the \$775,000.00 that was supposed to be used for recreational purposes. There is the possibility if it gets approval for more than 147 units that the developer will pay an additional, I think it's \$7,500.00 per unit above that 147. But that's all speculation. What we are dealing with is a total of \$775,000.00, that's it. And if you take \$250,000.00 from this closing it is going to reduce that \$775,000.00 by the \$250,000.00.

So what I am saying is if the Business & Industrial Development Authority needs money to seed further activity, further development, then let's remove the connection to the sale of this lot. The proceeds of which are supposed to be used for recreation. Let's remove that part of it and just say, and I would prefer that the Mayor just make this proposal as part of his Budget that the BIDA get funded \$250,000.00 or whatever other amount is appropriate and we debate whether or not that's necessary and whether or not that's an appropriate amount and whether it's too little, whether it should be more; but not take it out of the \$775,000.00 which is supposed to be used for recreation.

Chairman Dowd

Alderman Clemons?

Alderman Clemons

Thank you Mr. Chairman. I would agree with Alderman Jette; however the Legislation has to have an intent from where the money is going to come from. And the intent was to come from the excess of the units of – so in other words you can't just create an Expendable Trust Fund and not have a place from which to put the money.

There has to be a source and so this is kind of a gray area because it says the intent of the source is going to be that account. However it doesn't appropriate anything and it also doesn't tie this Board's hand to doing so either. We can change our minds after the fact if we want to. So essentially this gets done what Alderman Jette is asking for in my opinion which is to create the account and then at a later date, debate the merits of where that money should come from.

But in order to have that debate you have to create the account first. I mean I suppose we could wait until the money comes in from the sale but I think, I would venture to guess that we are close to that point. Is that correct Mr. Cummings?

Chairman Dowd

Director Cummings.

Director Cummings

Yes. I believe we will see a closing sometime in the next 90 to 120, a far outside, but probably within the next 90 days.

Chairman Dowd

OK. So again, this establishes the Trust Fund, does not put any money in it, does not guarantee that we are going to take money from that sale. Any money that gets put into that account would have to be voted by the Board of Aldermen and from its source and into this account. And then any monies put into this account would have to be approved by the Board of Aldermen to be spent. But in order to establish the Expendable Trust, you have to have a potential from where the funds would be coming; in this case there's some speculation that there will be excess funds. And what they are saying is if the Board of Aldermen so determines by an additional vote later, that those funds could be put in this Expendable Trust. Does that clarify things Alderman Jette?

Alderman Jette

Could I, through you, could I ask CFO Griffin, is that true? If we amended this to remove that second paragraph to remove the reference to \$250,000.00 coming from the sale of this lot on Bridge Street, the idea of creating an Expendable Trust Fund, would that fail? I mean is that not possible? Do we have to identify the source of the funds at this point?

Chairman Dowd

CFO Griffin?

Mr. Griffin

CFO Griffin, Mr. Chairman. As Alderman Clemons indicated, I've never seen the creation of an Expendable Trust Fund without some kind of intent of trying to put money into such an Expendable Trust Fund. I don't believe that as has been stated, the \$250,000.00 needs another Legislation Action to put in here. As Director Cummings and I spoke about this particular Resolution, we both believe that setting up an Expendable Trust Fund that could be used effectively in the future was the way to go and that's why we put this in here. So I think as Chairman Dowd has indicated there's a lot of safeguards in here that you are not appropriating money and Alderman Clemons as well, you are not appropriating money tonight.

Waiting, I think there's an intent here to maybe properly fund the Business & Industrial Development Authority. I'm not sure I'd have to check with Deputy Corporation Counsel Clarke if we take that paragraph out that somehow it wouldn't be able to be approved. I think the risk is low. My preference would be to recommend as Director Cummings to keep it the way it is. Thank you.

Chairman Dowd

My suggestion would be to pass the Legislation as its written tonight. If Attorney Clarke comes back and says we don't need the second paragraph, then Alderman Jette you certainly could put a motion in at the Full Board Meeting to remove that as an amendment to this motion.

Alderman Jette

Ok.

Chairman Dowd

I believe the Legislation that establishes Expendable Trust Funds, has to have in it, and this is what we will ask Attorney Clarke; you have to have a potential source. You just can't create ad nauseum Expendable Trust Funds with no idea you are ever going to put money in it. You've got to have some idea where the money might be coming from. But it still takes other action of the Board of Aldermen to put anything into it from anywhere. Alderman Jette?

Alderman Jette

Yeah. This is my last word I promise. I still think that identifying \$250,000.00 coming from this closing where there's no other money other than \$775,000.00 is taking away money from the purpose of that \$775,000.00 which is to provide recreation; ideally for this area but at least somewhere in the City. So I am going to vote against this for that reason. I don't think we ought to be establishing an Expendable Trust Fund for the Business & Industrial Development Authority at this point. We are about to be looking at the Budget. The Mayor is preparing his budget. If he thinks that money, you know there are a lot of demands on the City Budget this year. We have heard all kinds of stories about how the State is passing cost down to us. We are already talking about increases in the Wastewater rates. Pennichuck is increasing its rates. We are talking about having to increase the tax rate again because of the expenses that the State is passing down to us.

We are in the middle of a pandemic. We are not sure what our revenues are going to be like. To allocate, you know, to create an Expendable Trust Fund, I understand you are saying, well you know the \$250,000.00 isn't going to be put in there until we do something else. The fact that it appears in this Resolution, you know, I think is paving the way to take \$250,000.00 from this \$775,000.00 and give it to the Business & Industrial Development Authority instead of the idea of funding the Business & Development Industrial Authority that concept competing with the other needs of the City during the normal budget process, you know, I think that's the way we ought to be approaching this, not taking \$250,000.00 out of the General Fund for this purpose without weighing it against all of the other needs of the City. So that's all I'll say; thank you for indulging me.

Chairman Dowd

Yeah I don't think I heard at any time that we are taking \$250,000.00 out of the General Fund to fund this. For one thing we are not taking any motions about allocating funds to this from anywhere, that would be a separate item which would come before the Board. But it is my understanding, correct me if I am wrong Director Cummings, this would only be money coming from a private entity to the City that we would be putting in. It has nothing to with the taxes at this point.

Director Cummings

Correct.

Chairman Dowd

So with that, if there aren't any other questions, I will have the Clerk call the roll on this motion to recommend final passage?

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Clemons, Alderman Schmidt, Alderman Wilshire Alderman O'Brien, Alderman Dowd	5
Nay: Alderman Jette	1

MOTION CARRIEDNEW BUSINESS – ORDINANCES**O-21-047**

Endorsers: Alderman-at-Large Ben Clemons
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman Patricia Klee
Alderman Skip Cleaver
Alderman-at-Large Brandon Michael Laws
Alderman-at-Large Lori Wilshire

TEMPORARILY CHANGING THE DOWNTOWN IMPROVEMENTS FUNDING PLAN**MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGE BY ROLL CALL**ON THE QUESTIONChairman Dowd

The Motion on the floor is to recommend to Full Board final passage of O-21-047, temporarily changing the downtown improvements funding plan. Who is going to present? Alderman Clemons?

Alderman Clemons

Yes, thank you. So the reason that this coming forward is because as we know last year we put the barriers up for the businesses downtown for the COVID-19 Pandemic which was very successful. However that had the effect of taking away parking revenue from downtown. In addition to that, traffic was actually lighter downtown especially in the months before we put the barriers up. And we lost quite a bit of parking revenue in those months as well. So traditionally the way that we fund the Downtown Improvement Committee is that any revenue in excess of \$728,000.00 is put into an Expendable Trust Fund for the Downtown Improvement Committee; and that's based on calendar year basis. So that's from January, if we are looking back at last year it is January 2020 to December 31, 2020.

So last year we ran short, it was about \$665,000.00 I think if I remember correctly. And so what that means is that the typical appropriation that we would normally put into the Downtown Improvement Committee for the Budget coming up, so for July 2021 we won't have that. So the flip side of that is that we, the Downtown Improvement Committee also saved some money by not having to do some of the things that we normally do; you know some of the events and the festivals and things like that, that normally go on as business was overall down and you can't have big congregations and things like that.

So the good news is that we should be OK going through for this year, particularly as things open up. Maybe we can have the Holiday Stroll this November and I imagine that with the way business was down, I think the Downtown Improvement Committee might stand to be one of the places that GAD has to go for some of the funding for an event like that. With all of that said, there are plenty of things on our horizon. However, we are intending to put the barriers back. So that was a successful programs and our restaurants benefited from it quite a bit and it is going to run longer. So the intention is to run that from March to November. So we are going to lose that parking revenue again.

It is not exactly clear that it is going to come back to that traditional \$728,000.00 that we have historically gotten for the last two decades. So what I have done and I talked to the Mayor about this and I talked to several of the co-sponsors is to come up with a plan that basically says we are going to take \$100,000.00 of the parking revenue that we get from this year; so calendar year '21 and appropriate that in the Budget in July of 2022. That way by the time we get to July of 2022, we will have money to guarantee to put into that account like we normally do. Because it is roughly is about \$100,000.00 that we get on an average basis for that. And then number 2) Director Cummings put into the Parking Study to look at how the barriers are going to affect what we can do with parking revenue in the future.

Historically we have counted on that to fund the Downtown Improvement Committee and what we have to look at now in the future is that something that we are going to be able to count on? Are we going to be able to somehow rearrange the revenue to get back up to that \$850,000.00 that we are used to coming in? Or do we have to do something else? And we are going to get those answers via the Parking Study. So hopefully by 2022 we will have an idea of where to go for the funding for the Downtown Improvement Committee going forward and we can reassess the Ordinance at that point to decide what the best way is to fund that group and to fund our downtown so that we can keep that going. Do we have to do something different? Is it just a matter of we are going to make up the revenue if we adjust where, for example, Zone 1 is? Are we going to do the barriers again; things like that.

So it gives us time. What it does is 1) it gives us time to study those things but 2) make sure that the Downtown Improvement Committee is going to have funds available in the year 2022. Because if we don't do this this year, then our next opportunity wouldn't be until 2023. So this is a compromise. The net effect of this is that it is going to take \$100,000.00 away from the General Fund. And it is going to put it into the Downtown Improvement Committee. But I think that we can all agree, our downtown is an important part of the City that this Board of Aldermen has supported in the past. And the Board of Aldermen in general has made a commitment to our downtown via this fund to keep it going and keep it vital and I think we've done a very good job with that plan.

This is the crux of the Legislation and I hope I can answer any questions and hopefully I can get your support. Thank you.

Chairman Dowd

Any questions on this bill? Alderman Wilshire?

Alderman Wilshire

Thank you and thank you Alderman Clemons, you've been the cheerleader for the Downtown Improvement Committee from the get-go so I really appreciate the work that you do on this. And I think this makes sense, it just makes sense. We've made a commitment to the downtown merchants that we were going to do this and through no fault of anyone's this happens and they shouldn't be left hung out there to dry. We should still honor our commitment to them as best we can. Thank you.

Chairman Dowd

Any other questions or comments on this? Alderman Lu?

Alderwoman Lu

Thank you Mr. Chairman. I wondered through you to Alderman Clemons, I wasn't quite clear on how Section B actually works. The notwithstanding subsection A. If we do fund the \$100,000.00 and if, in fact, 2022 ends up being a year that parking operations go above and beyond the \$775 or whatever that number is, then would we then be paying the excess of parking revenues also?

Chairman Dowd

Alderman Clemons?

Alderman Clemons

No, we wouldn't. It would be strictly the \$100,000.00 the way that it is written it would strictly be the \$100,000.00. However I mean it would be great if it happened, but I don't think it's going to happen, highly unlikely that we are even get to the \$660,000.00 that we got for this year; it is probably going to be more around the \$500,000.00 mark. If I was a betting that's what I would put my money on.

Chairman Dowd

Any other questions?

Alderwoman Lu

Just a follow up.

Chairman Dowd

Follow up Alderman Lu?

Alderwoman Lu

Do we have an attorney to answer that question? Notwithstanding just sounds to me as though both funding measures would continue, although I recognize Alderman Clemons' expectation that the funding type A will not materialize. But is there an Attorney or Corporate Counsel?

Chairman Dowd

We don't have any attorneys with us this evening but Alderman Clemons, do you talk to the attorneys?

Alderman Clemons

I did and I spoke to Attorney Clarke and the notwithstanding is subsection A meaning that there's a sunset on Section B. So in other words, for the calendar year 2021 and the Fiscal Year 2022, that's what the notwithstanding is. So then after Fiscal Year 2022 and calendar year 2022 it is going to revert back to subsection A and the B will be stricken from the Ordinances. And that's how she described it to me.

Alderwoman Lu

OK, Alderman Clemons I articulated this in an email just to be certain this is the question you were discussing with Attorney Clarke.

Alderman Clemons

Right, because I wrote the paragraph myself and Attorney Clarke changed it and that's what she changed it to.

Alderwoman Lu

Thank you.

Chairman Dowd

Director Cummings, did you have something you wanted to add?

Director Cummings

Yes, thank you Mr. Chairman. Tim Cummings, Director of Economic Development. I just wanted to further clarify the notwithstanding, that is typical legislative parlance; that is oftentimes something you will see, notwithstanding a law regulation to the contrary, the following will take effect". It is essentially language that you put in that basically says, whatever you've done in the past is on hold because what you are putting forward from that sentence, that line, is what will actually be the Legislative Action that you are looking to adopt or implement.

Chairman Dowd

Yeah I think another way to look at this is before anything over \$758 K used to go to the Downtown Improvements Committee; if we made \$1 million dollars they got a couple hundred grand. I think this \$100 that we are talking about going to Downtown Improvements Committee it is probably because of the barriers and everything it is probably more appropriate to think of this as it is coming from the \$665 K and the City is earning less because we didn't have the Downtown parking we anticipated. But we are also meeting our commitment to the Downtown Improvement Committee.

So that's one way to look at it. As I said, if we earned \$1 million in parking they would have got a lot more because right now they get anything above \$758 – not last year but I think that helping the Downtown Improvement Committee, we are doing a lot of things to help the Downtown Improvement Committee; this is probably one of the more minor ones. Any other questions or concerns on this Legislation that anyone would like to bring up? Alderman Jette? You're on mute.

Alderman Jette

Thank you Mr. Chairman. To Director Cummings through you if I could. Alderman Clemons mentioned that the parking revenue last year for the calendar year 2020 was \$665,000.00 what were our expenses, do you know what our expenses were?

Director Cummings

If I may Mr. Chairman?

Chairman Dowd

Yes, Director Cummings?

Director Cummings

Thank you. Tim Cummings, Director of Economic Development. I would have to look it up to tell you definitively what our expenses were; ballpark – operations, probably around \$300,000.00 and I am guessing enforcement was probably somewhere around \$300,000.00. We budget for enforcement probably around \$400,000.00 but we didn't spend all of that. So probably somewhere around \$600,000.00 is what our expenses are.

Chairman Dowd

I am also assuming there is probably some money saved from a lot of meters you didn't have to collect from and a lot of tickets that you didn't have to write because there was no way to park there.

Director Cummings

Yes.

Chairman Dowd

OK, Alderman Lu you have a question?

Alderwoman Lu

Thank you. Yes I just wanted to suggest another way of looking at this. I am all in favor of supporting our downtown. But I want to point out that I don't agree that unless we do this we will be not upholding our commitments to the downtown. Even without this measure, we have an agreement and it doesn't require this measure to comply with our commitments. If we don't make that money, then our commitment is that it doesn't go. And another point I want to just offer for consideration is the Downtown Improvement Committee is currently, holds about \$275,000.00. I may be slightly off. But in the last four years their spending's have been \$8,000.00; \$50,000.00 the previous year; \$100,000.00 the previous year and \$33,000.00 the year before that.

So just to consider that we are living up to the agreements that we made. The question is, is there some need for them to have additional funds in there when we do not have the obligation necessarily. So that's the point I wanted to make.

Chairman Dowd

In a minute I am going to ask if there are no objections, if nobody has any objections I'd like to hear from one of the members of the Downtown Improvement Committee that's on with us. But in this instance we have a commitment which we've lived up to every year; if we didn't make the money they didn't get any. If they made excess money they got the excess money. So it was in place but with the COVID and the fact that our restaurants and a lot of the downtown businesses were suffering, we took parking spaces away from them as a City and cut the revenue down. So that's an issue. So I didn't hear any objections so Rich or who would like to speak?

Director Cummings

I see Mary Lou Blaisdell.

Chairman Dowd

Marylou?

Mary Lou Blaisdell, Downtown Improvement Committee

Can you hear me?

Chairman Dowd

Yes, I can.

Ms. Blaisdell

Right now in our account we have roughly \$174,000.00 and I can provide to you a detailed spreadsheet from 2015 forward of exactly what we spend every single dollar allocated to us on. And it has been in excess of the numbers Alderman Lu just stated. We have paid for instance the Pay & Displays. This year we did Lighting. We've paid hundreds of thousand dollar in consulting fees for the PAC. We have supported the Farmer's Market for Great American Downtown. We have allocated money for music festivals downtown.

So we have tried to be extreme stewards of the money that has been allocated to us. And it has all gone back down to the benefit of the downtown. And as I said, we keep very close track of our monies. Monthly we view the status of what we have in our funds and what we have spent money on. And, as I said, we can send each of you a very detailed spread sheet of how much money has gone out and to where those monies have gone.

I mean I think that we have really been conscious of what the money has been spent on. We have been huge proponents of the PAC. We funded the first consulting study for the PAC. We have been behind that from the get-go. And the monies that we do get are in excess of \$728,000.00 in Account 166. We definitely don't have, I mean as Alderman Clemons has stated that for 2020 that number is way below and we anticipate it will be that same way again next year. All of us downtown are very much in favor of the barriers and of what we have done to try to keep downtown alive during COVID.

We realize that if we don't do this for our restaurants, it just impacts every other business downtown. So every single one of us is in favor of that. And we are not asking this for the long haul, we are asking it for the next couple of years. Thank you.

Chairman Dowd

Alderman Lu?

Alderwoman Lu

Yes, thank you Mr. Chairman. I want to apologize because I just realized I looked at, I was only looking at one month. I was looking at reports that were only based on a single month so I stand corrected and thank you for clarifying that.

Ms. Blaisdell

Thank you.

Chairman Dowd

OK are there any other questions or concerns on this Legislation? Alderman Jette?

Alderman Jette

I'd like to take the opportunity to, since Ms. Blaisdell is here. I noticed when I was looking at the Ordinance regarding the Downtown Improvement Committee, there is an Ordinance, the second part of the Ordinance. One part talks about the money, the formula for the funding but Section 320-43.2A says that the Downtown

Improvement Committee shall advise the Mayor regarding the final, you know, the expenditure of the money that's in this Expendable Trust Fund. It is to finally be determined by the Mayor and the Board of Aldermen through the regular budget process. Is that being followed? When you spend money do you come back to the Board of Aldermen and get approval for those expenditures?

Ms. Blaisdell

Yes. We send a Memo anytime we have a major expenditure that we are requesting, we send a Memo to the Mayor stating this is what our Committee would like allocated and what it is for. And we follow all the procedures of when you have to go out for an RFP and when you don't. And all of those are followed as set by what the City states we need to do.

Alderman Jette

Ok, thank you.

Chairman Dowd

Alright. Any other questions or concerns on this Legislation? Seeing none, would the Clerk please call the roll?

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Clemons, Alderman Schmidt, Alderman Jette, Alderman Wilshire Alderman O'Brien, Alderman Dowd	6
Nay:	0

MOTION CARRIED

TABLED IN COMMITTEE

R-20-016

Endorsers: Mayor Jim Donchess
Alderman Linda Harriott-Gathright
Alderman Thomas Lopez
Alderman-at-Large Michael B. O'Brien, Sr.

AMENDING THE PURPOSE OF A FISCAL YEAR 2020 UNLIKE ESCROW FOR THE COMMUNITY DEVELOPMENT DIVISION

(tabled at 4-20-20 mtg)

GENERAL DISCUSSION

Chairman Dowd

Alderman Wilshire?

Alderman Wilshire

I wasn't quick enough with the hand. I want to thank the Committee for passing this on to the full board. I think the people on that Committee do a fabulous job. It has worked well for us having interest from the downtown merchants and making sure that things are what they should be downtown. They are ones that live there, they make it what it is. And I appreciate what they do to support each other, to support the City. I think it's important to have them and I think it's important for us to continue to support what they do, because it matters. Thank you.

Chairman Dowd

Anyone else, general comments? Alderman Jette?

Alderman Jette

Thank you Mr. Chairman. Just an inquiry, I know we got a communication from Director Marchant about the reduction in revenue contracts regarding transit. Maybe President Wilshire can help me on this. I thought I saw on tomorrow night's agenda before the Full Board something regarding reducing these contracts. I am wondering were you expecting this Committee to review that and make a recommendation or not?

Alderman Wilshire

I'm not sure what you are asking. What are you talking about specifically?

Alderman Jette

So Director Marchant sent us a communication saying that because of the transit system has a contract with Rivier University and Nashua Community College regarding use of the transit system by their students and it is based upon estimated ridership. And because of COVID there are fewer students using the transit system and so she is recommending waiving the fee that they pay for the second half of the year. And then also the Souhegan Valley Transportation Collaborative pays the Nashua Transit System so much per month based upon estimated number of ridership or hours or some formula. And she's also asking that that be reduced because of the reduced use. I think that's coming before the Full Board tomorrow night and it is on our Agenda tonight as a communication and I didn't know if we were supposed to vet this and make a recommendation to the Full Board? I hate to be catching you by surprise, Madam President.

Chairman Dowd

Director Marchant usually reaches out to me if she has something that requires action and usually if there is something that requires formal action and there's a Resolution to go along with it; I think it was more an RFI, just information to us. But I will touch base with her tomorrow morning and see if she's going to be on the meeting tomorrow night and see if it requires further action from the Budget Committee. But I think if it did, I think she would have the proper legislation in place to do that.

Alderman Jette

OK, thank you.

Alderman Wilshire

It looks like her Memo says that there are CARES Act Funds that will be used to offset the revenue loss.

Chairman Dowd

Oh there you go.

Alderman Wilshire

I don't know your answer Alderman Jette, I apologize.

Chairman Dowd

I will get an answer and follow with everybody on the Budget Committee with the answer that I get from Director Marchant.

Alderman Jette

OK thank you.

Chairman Dowd

Alderman Lu.

Alderwoman Lu

Thank you. I had sent an email to Ms. Marchant about this and I wondered if that is why she mentioned that Ms. Pattison was going to be at this meeting and I think I heard that she was here and I wondered if that's why she came? I just thought I'd offer that.

Chairman Dowd

She probably had other commitments and couldn't stay with us. But I'll find out tomorrow. Alright any other general discussions? No?

PUBLIC COMMENT - None

REMARKS BY THE ALDERMEN

Chairman Dowd

I would just like to say that before the meeting I witnessed the President having a candle light vigil as we passed the 500,000 deaths from COVID. I just hope everybody take a minute to remember all of the people who have been lost to this disease. And I just want to take the moment to thank Public Health and Director Bagley and all of her staff and people that are doing so much to keep the numbers down in Nashua. I think they have done a phenomenal job, sometimes fighting opposition.

But I can tell you for a fact having been there a couple times already, the vaccine site is working amazingly efficiently and I've even heard people that came down from other parts of New Hampshire to go to get a vaccine here that it is 10 times better than any other site in the State.

So I just want to shout out to Director Bagley and all the people involved in fighting COVID here in Nashua. But I do think it was so sad that we've lost half a million people, more than World War I, World War II and Vietnam combined. That's a lot of people. Thank you very much.

POSSIBLE NON-PUBLIC SESSION – None

ADJOURNMENT

MOTION BY ALDERMAN O'BRIEN TO ADJOURN BY ROLL CALL

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Clemons, Alderman Schmidt, Alderman Jette, Alderman Wilshire
Alderman O'Brien, Alderman Dowd 6

Nay: 0

MOTION CARRIED

The meeting was declared closed at 8:22 p.m.

Michael B. O'Brien, Sr.
Committee Clerk