

PUBLIC HEARING

A public hearing was conducted by the Human Affairs Committee on Monday, April 8, 2019, at 7:00 p.m. in the Aldermanic Chamber.

Alderman June M. Caron, Vice Chairman, presided.

Members of the Committee present: Alderman June M. Caron, Vice Chair
 Alderman Patricia Klee
 Alderdwoman Mary Ann Melizzi-Golja
 Alderman Linda Harriott-Gathright

Members not in Attendance: Alderman-at-Large Lori Wilshire, Chairman

PUBLIC HEARING

R-19-126

AUTHORIZING THE MAYOR TO APPLY FOR AND EXPEND THE COMMUNITY DEVELOPMENT BLOCK GRANT (“CDBG”) AND HOME INVESTMENT PARTNERSHIP PROGRAM FUNDS FOR FISCAL YEAR 2020

Chairman Caron

We will take testimony in favor of this program. Everyone on the sign-up sheet is that what you're here for, concerning that? Or are you here for the regular meeting? You are here for the Public Hearing? Ok. So Lou Esposito. Would you please give your name and address, thank you.

TESTIMONY IN FAVOR

Louis Esposito My name is Louis Esposito, I'm from Brookline, New Hampshire and I just want to thank you all for letting us come to speak today. I am here to introduce my friend, Josh Nadeau. We are from Opportunity Networks and we want to discuss some of the things that you guys are helping us fund.

Chairman Caron

Please state your name and address please for the record.

Josh Nadeau Hi I'm Josh Nadeau from Danforth Road in Nashua. I am here to address some things because we are expecting to do some remodeling at one of our offices. And we are hoping to be able to actually have enough funding for it, sort to speak, in a way. Anyway, the first thing is the handicap back door. The back door that we currently have right now we pretty much just open and close. But we have certain individuals, I wouldn't say clients because even though that's what they are called basically, but they are individuals. Some of them, well almost all of them are handicapped and have a real hard time walking. So it would let's see here, it would be extremely helpful to us because it helps those certain individuals who have a hard time walking. We have been needing this kind of door for a long, long time. We just haven't been able to actually do it because of the funding and everything. So isn't how great money is these days?

And then we also have four bathrooms but one of them has a shower and it is like a stand up shower and it, how do I put it, it's got one of these little walls, not like a ramp or anything. Just like one of those, it's a standard show that you typically see at a home basically. And we are hoping to get rid of that and put some sort of special like, just flatten it out sort to speak and just basically make pretty much better access for those certain individuals to be able to take a shower and clean up, you know. Because we are very strict about hygiene these days, we don't want anybody offended.

Basically it helps them spruce up their little, gets rid of all that body odor that nobody likes. So we are hoping that we can figure out how to take care of that so that we can just get along with it. So with that said I thank you very much for listening and I hope that we can come to some sort of arrangement.

Chairman Caron

Thank you. Next person is Justin Houle. Please state your name and address please?

Justin Houle I am Justin Houle from 61 Pike Street, Nashua, New Hampshire. We want, we have issues with the facility and the bathroom and the back door. Any help that you would give would be really appreciated. Thank you.

Chairman Caron

Thank you. Ed Watts.

Ed Watts My name is Ed Watts, I live at 98 Coburn Woods. I have worked for Opportunity Networks since 2006. I currently am a part-time manager there but from 2006 to 2017 for 11 years I was the Program Manager at the Nashua facility. What I wanted to speak to tonight is the difficulties in working a non-profit where funding is limited in maintaining the building and making improvements on the building. So just to sort of add a little bit to what Josh and Justin said, the back door which most of the clients come in, doesn't have what you typically have now which is it would be a press button so that the door swings open automatically. And particularly in bad weather that's not safe; it also doesn't have a window and cars pull up right there so it's not necessarily the safest situation.

So this is something we have been aware of for a long time, so improving that would be very important to all of us to make it a safer situation for all of us. And in particular we have many clients who are in wheelchairs, who use walks, who use canes; we have a wide variety of folks with a variety of disabilities. We have folks with vision disabilities so entering and exiting is a problem for them. We have our own deaf community within our program, so obviously a hearing issue for them when they entering or exiting the building. So those are the people that you can imagine that these types of changes would help the most. So over the 11 years I was Program Manager there we did what we could a lot of the staff volunteered their own time, sometimes after hours, sometimes on weekends, to maintain and to fix the building. We were fortunate to have volunteers through United Way, One Day of Caring and paint and do some repair. But that's a lot of what we depend on because we don't have the money to make any kind of a major repair. So that has a lot to do with why we are here tonight.

And I just wanted to mention one other thing about Opportunity Networks. I don't think we are highly visible in this community. There are similar organizations that are similar to us that have a much higher profile, just because people drive by them all the time. There are some just a couple blocks away from here and people are generally aware of them. Opportunity Networks has been around since the 80's and we've been at the Perimeter Road location since that time. And I don't know how many people make their way down Perimeter Road. I live two miles from that office in Ward 1 and I never made it to the end of Perimeter Road which is where the facility is at until I had lived maybe 15 or 20 years; I mean I think people go down Perimeter Road part-way to the airport.

There are other business but we are way at the end and I don't think people have been as aware of us. We have been serving Nashua for many years, many of our clients are Nashua residents. Many of our clients have jobs in various businesses in Nashua.

So we very much have a Nashua connection. I just wanted to raise the visibility of Opportunity Networks in Nashua by being here tonight. I've lived in Nashua since 1976, I've been a homeowner and property tax payer since 1978. And so I feel invested in the community and connected to the community and really want the community to appreciate what Opportunity Networks does for many of its disabled citizens. So thank you.

Chairman Caron

Thank you. I have a Skip Whitmore.

Robert "Skip" Whitmore Good evening, do I need to speak into this microphone?

Chairman Caron

Yes you do.

Mr. Whitmore Hi my name is actually Robert Whitmore, but I go by Skip. My son Michael is a 47 year old man with Down Syndrome.

Chairman Caron

Excuse me, would you please give us your address, thank you.

Mr. Whitmore Oh I'm sorry. 42 Langholm Drive, homeowner since 1977. As I said my son Mike is a 47 year old man with Down Syndrome. We have lived in Nashua since 1969 except for 3 years when I was drafted in the service. I was a science teacher in the New Hampshire Public Educational System for 31 years; with my last 15 being at Pennichuck Junior High School as it was called back then before the change. Mike was part of the Nashua School System from 1975 until he graduated. He was one of the first Down Syndrome individuals to enter the Public School System at that time.

Mike has been with Opportunity Networks since 1996 when it was then known as Souhegan Valley Resources having only one facility at Caldwell Road in Amherst. At that time it was primarily a sheltered workshop whose work items were brought in from outside companies and corporations and completed by the clients there. After the second facility was established on Perimeter Road, Mike was reassigned there as his home-based location. As I have been closely involved with Mike throughout all of his life and especially the last 23 years with Opportunity Networks, I have been to both locations many times. I think I have an up-close and personal knowledge of both places; what they have for facilities, what they've done and what they can provide.

With the addition of the second location at Perimeter Road, this allowed them to provide services for many more clients, many of whom were not able to do the same type of activities as Mike. As a result the physical facilities became more important to these folks to be able to do the same type of activities ... I'm sorry the physical facilities became more important to these folks who were spending more time at them. Some had more serious physical limitations and required more from their physical surroundings than others; it was true and it is still true now. The Caldwell Road building was renovated a few years ago and it became much more handicap friendly in terms of the number of clients it could serve as well as the in-house services it could provide. This was especially true for the more physically challenged clients, meaning those with mobility and personal hygiene issues. Entrance ways, doorways, hallways and especially lavatory facilities were upgraded to meet their needs. It is a fantastic upgrade from what used to be there when Mike first joined Opportunity Networks.

Which brings me to the Perimeter Road facility. As the number of clients have increased over the years and with a waiting list for future ones, the physical building here has become extremely important in the daily lives on many people. It needs as much as can be provided from whatever the source may be. Through my and Mike's experiences with the Nashua School System and the City, I have seen the concern and attention given to its special needs citizens here and have been very impressed; it is one of the main reasons we continue to live here.

Even though the Best City in which to live award, which Nashua has won a few times and for which is usually seems to be in contention; I'm not sure those folks may take into consideration how a City addresses the needs of that segment of its population. But those of us who live here do. As the numbers from that segment are more likely to increase than decrease, organizations such as Opportunity Networks, which has been part of the Nashua landscape for many years as Ed mentioned and will need more and more assistance from local civic organizations to continue their ability to provide for this particular demographic group. An investment in them is an investment in the City in terms of Nashua showing its care and concern for the well-being of its most needy citizens. Thank you.

Chairman Caron

Thank you. And Kim Shottes?

Kim Shottes Hi I'm Kim Shottes from New Boston, New Hampshire representing the PLUS Company which is located over here at 19 Chestnut Street. We applied for CDBG funds to replace the HVAC units that are up on top of our roof. PLUS Company purchased the building over on Chestnut Street 6 years ago. We've been in the City for over 45 years and serve over 400 individuals, most of whom are from, or the majority of whom are from the Nashua area.

We are pretty much a community-based organization but a lot of people start and end their day. Some of our elderly folks who are more medically frail will spend the bulk of their day at 19 Chestnut Street. We also have Gateways Community Services as a tenant in that building. So we have a large number of city residents that are coming through the building on a daily basis. The HVAC is the original units in the buildings and they are 25 years old and the shelf life is 15 so we are sort of hanging on there, hoping to make it through another winter, which we are finishing up and then hopefully the air conditioners will work. So we appreciate the opportunity to put a grant before CDBG and hope that you will find in our favor.

Chairman Caron

Is there anyone who didn't sign up in favor of R-19-126?

Fred Teeboom 24 Cheyenne Drive. I don't normally come before this Committee, in fact I think this is the second time I have appeared before this Committee. I got involved in this Committee, actually the CDBG grant because of Lynn Barry who contacted me, you all know the story, I've come here what last month and explained to this Committee and had Lynn Barry here who had a leaking pipe. She is an individual not an organization and she looked for some help, to make the long story short, by the time she was done, the \$300.00 repair cost \$1,100.00 and wound up with an \$1,100.00 mortgage on her mobile home. And that is not right.

She contact me and I got involved. As much as contacting HUD, the Regional Office in Boston and extended communication with the Urban Program Department, Carrie Schena I think is her name as well as meeting with Mayor Donchess about what do people do if they are in need, need some cash, need some repair to their homes? And the answer was there is none. You can get a loan but you can't get cash. We then came to an agreement that maybe we should make a change to the Housing Improvement Program part of the CDBG grant. And even though Carrie Schena told me

that this Committee “does not get into the weeds” , back in February she gave you a detailed program plan. I don’t know if you have that on your desk, you probably don’t. The detailed program plan gave every application made that was adopted and recommended by UDP, Urban Programs Department.

And if you look at that description of the home improvements program, it had a third sentence that read, and what I’d like to do before I go on, I made a copy of my address, my notes, I’d like to hand those out and make sure it is part of the record

Chairman Caron

Yes do you have an extra one.

Mr. Teeboom Well everybody here plus a copy for the record. So you have this in front of you now, since this is a Public Hearing one of several that HUD demands, let me take my time to go over this. If you look at that particular program description of the Housing Improvements Program that was handed to you back in February, in the first paragraph under Activities Description and I take it that you a memory of it, perhaps you have a copy of it. Do you, do you have a copy of that?

Chairman Caron

I have it here.

Mr. Teeboom You have a copy; well then you can follow me in the activity description. They’ve added the last sentence. The last sentence now reads, “minor emergency repairs of \$1,000.00 to \$5,000.00 may be awarded as a grant for owners earning less than 30% of the average area median income, AMI”. That’s something new and I have a problem in there. What I recommend is that you vote to make a change in that last sentence to read, “minor emergency repairs of \$500.00 to \$5,000.00 may be awarded as a grant for owners earning less than 50% of the average median income”.

The reasons are and I state those as well right below, this is the only cash grant to a homeowner that does not require a loan on their property. Second of all, to bring the low level down, I don’t have a problem with the upper limit, after \$5,000.00 to get a loan to remain on this program. But the repairs can be well below \$1,000.00 and I am talking emergency repairs, I think Alderman Lopez brought up last time you met about the boiler, it can be less than that. It could be as simple as Evelyn Barry who is 86 years old with a water pipe leak and it was a pretty serious problem. So \$500.00 is more appropriate as to what the lower range can be. It avoids having all the repairs come in at \$1,000.00 or higher, because bidders and I’ve seen it happen now, see that the lowest amount is \$1,000.00 they’ll bid \$1,000.00 and up. And, in fact, that’s how Ms. Barry wound up with \$1,100.00 mortgage, because the bidder bid high.

So by making \$500.00 the lower amount, we will not necessarily get all bids coming in at \$1,000.00. Because the other question is, is below \$1,000.00 what is the homeowner to do? They still have no coverage. And I think the income range, by making it 30% to 50%, will qualify more applicants that need emergency repairs and still only at 50% of the Nashua area income level. Now if you decide not to do that, not to vote I have an alternative. The alternative is to place on the bottom as a last sentence in that same paragraph, “these costs and income qualification limits may be extended upon review of the need by the Nashua Urban Program Department”. So it gives them leeway to make some adjustments. I intend to send this information to the Regional Office of HUD as well. So you are well aware I’ve got a lot of correspondence with HUD; people well above the level of the Department here in Nashua. And I think they sympathize with this request.

And also by the way, you are having your minutes of March 11th, Carrie Schena addressed this point and said "yeah we do make adjustments". I would like to see these adjustments put in writing as part of this program plan. That's the first comment I wanted to make.

This being a Public Hearing, I thought, I have never done this before, I thought I'd take a look at the requests of CDBG. I used to be involved in CDBG way back 20 years ago. CDBG money used to be used for things like building garages, you would use CDBG money to build the garages. You used CDBG money to build the sidewalks on Main Street. None of that happens anymore; all of it goes to charities. So I got interested to see how these funds really got distributed; I made up a spread sheet, it took me a little while to make up the spread sheet. I would like to distribute those, I have copies and I'd like to make those of the record and then we will also forward these to the HUD Regional Office. Thank you.

I am obviously not going to go over every entity here because I'll be here for an hour. I'll go over a few. First of all, in the part of the page where it says UDP CDBG Administration UDP Project delivery; I am going to ask a question, this being a public hearing I am allowed to ask a question. And you can see that all the amounts on this paper by far, by far the largest amount goes to administration. If you add up the two columns, \$137,600.00 for the administration and another \$115,000.00 almost for delivery, you wind up with 34% fully 1/3 of the CDBG grant goes to administration. Even the mafia doesn't get that kind of a cut, that's insane. No one in this Committee ever asked from what I can tell, how do you come up with these outrageous costs?

Now the CDBG program has a limit, because it tends to be these programs, and the limit is 20%. Now if you look at the lines for UDP CDBG Administration, that \$137,600.00 represents 17% of the grant. The limit should be 20%; so why is there a separate line item called UDP Project Delivery representing 14% of the grant for \$115,000.00? Now I had hoped that Carrie Schena would be here to answer that question. The Committee members here should have asked that question. I am going to ask HUD in Boston that question. When the limit of administration is 20% why is Nashua charging 34%? And if you look at the difference, we used the specs, construction management, administration, that is all administration. You can't convince me you spend \$137,000.00 just writing reports. That's a problem that has to be adjusted and assessed before you go forward with this grant. You have to call Carrie Schena back in and demand why the City of Nashua is going beyond 20% in the administration of this grant. That's my first point.

My second point is that a mistake was made in the addition of the grants. You've got eleven hundred mill according to Carrie Schena I think because there was a \$47,000.00 error. So if you add all this stuff up the total amount of the grant is not \$765,000 or some amount that you all talked about. The amount of it actually adds up to \$802,000.00, you need to confirm that. Is the \$47,000.00 really added to the full amount, I believe it is. If it is the grant is \$47,000.00 more. I put it on as a contingency because you haven't allocated that \$47,000.00. Which brings me to the point where should you allocate the \$47,000.00 and my answer is, my recommendation is put it into the HOME Program, the Housing Improvement Program. A Housing Improvement Program helps individuals, not organizations, helps individuals. And Carrie Schena in her testimony back in March said on Page 11 of your minutes of March 11th, she says "The program used to be \$175,000.00, it came down". She doesn't know why it came down. The program used to be \$175,000.00 is now \$75,000.00 and it helps a lot of people making repairs to their homes. Why is that? So at least you should take the \$47,000.00 and add it to the \$75,000.00 currently allocated because it says \$75,000.00 allocated last year and the year before that and the year before that. It used to be \$175,000.00.

Ok another point I want to make is who gets this money in the 12 or 13 applications that were approved. First of all there's a nice chunk of money of \$250,000.00 and to your credit you turned it down, to whom? To the City of Nashua to develop Court Street. Court Street is a public building. The grant does not allow you to spend money on public meetings. They specifically prohibit under the guidelines. How did that sneak in here? Now you turned it down but it still came in. You should

ask Carrie Schena how did that come in to the approved programs? Well recommended programs by the Urban Programs Department.

Another thing snuck in here, you turned that down too. An individual landlord of a building he didn't even own, who rents his building to a family of five, four adults and a child, low income, wanted his name is Dan Stevens, that's how it came in, wanted \$27,000.00 to fix his property. Just because they are low income people, that's not the only qualifier, you have to have a series of qualifications of all which are stipulated by HUD. Now you turned him down too; if you look at his sheet, he didn't even fill out the application properly. He had no budget, no salary, no compensation. He just says, "I need \$27,660.00". You ought to at least look at the application to see if they are properly completed before you turn them down. And turn these applications down, the applications asks for the director's salary, the only organization that provided you with the director's salary is the Entrepreneurship for All. And the reason is, you can see clearly why, they are very high numbers. Entrepreneurship for All pays their executive director a compensation package of \$185,000.00 and I've maintained that for the record. And then they have a program manager and they pay the program manager \$145,000.00.

And how many people do they help? They help 100 people total; 40 below 30% of the average median income, 40 total, 31 to 50 and 20 that make 80% of the average median income. For 100 kids, one of them gets \$185,000.00 of salary and the other one gets \$145,000.00 salary. That ought to be automatically a reason not to award them a grant. If they want \$40,000.00 bucks, let them take it out of the salary. I formed a 501(c)3 personally, I built a memorial. I raised personally \$200,000.00; the memorial is worth at this point, probably at book value \$500,000.00. You know how much I paid myself? Zip. Nothing. How can anybody take \$185,000.00 and another guy paid \$145,000.00 and that's a reason none of them fill that column out. If you look at the applications, none of them filled out, by offers are made, even though the application asks for it. And none of you ask for that information. Now you can even ask, how can you have a budget of \$4 million dollars and you help 100 people? \$4 million dollars to help 100 people?

Now if you look at the Boys & Girls Club it's a little different; they got a \$3.3 million dollar budget but they help 888 kids with income below 30% of the average median income and 428 kids between 31% and 50% of the average median income and 219 kids with family incomes at 80%. So even though the budget is high, the salaries, well the salaries is \$2 million dollars out of \$3.3 million dollar budget. Not trivial, I don't know what the directors make, but at least they help a lot of kids. Now you've got the Nashua Children's Home, they are here year after year after year, they've been coming here for 20 years. They helped 12 kids. Now needy kids, that's fine, I can understand that. They have a nice home, 12 kids. They have a \$4 million dollar salaries. Now something is wrong on the application; how can you have \$4 million dollars' worth of salaries when you help 12 kids? And a \$5.1 million dollar budget and you want \$45,600.00. And you gave them \$25,000.00. There is something wrong with the application. Can you explain the difference between the number and helping 12 kids Alderman Caron.

Chairman Caron

We are not here to answer your questions.

Mr. Teeboom Yes you are, this is a public hearing. You are here to answer the questions.

Chairman Caron

But I will say this, there is more than one facility for the Nashua Children's Home.

Mr. Teeboom There is? How many?

Chairman Caron

There are at least 3.

Mr. Teeboom So is that 3?

Chairman Caron

There could be at least 3.

Mr. Teeboom It's not on the application. Do you review these applications?

Chairman Caron

We don't.

Mr. Teeboom And if there is 3 how many kids are being helped in the 3 agencies? Is it 36 kids?

Chairman Caron

Well one facility is for older youths, one is the Children's Home that is up on Amherst Street that takes care of different age groups.

Mr. Teeboom Good, how many total?

Chairman Caron

That varies.

Mr. Teeboom How many total, this year, that they made the application for 2020?

Chairman Caron

Mr. Teeboom I am not going to argue with you but I do know that there is more than one facility. It's not just 12 people within the Children's Home organization.

Mr. Teeboom How many people total, at the 3 facilities are being helped with the budget of \$5.1 million dollars budget and \$4 million dollars' worth of salaries? How many kids? How many adults? How many people total? Do you know? You don't know. You should know when you make these awards. You should get into the details of the specifics, why else are you meeting here? This is a Public Hearing. We have a right to know, I want to ask and I have asked before the Regional Boston Office of HUD to make an audit of the Urban Programs Department in Nashua. I don't think they adequately review these application, in fact, I don't think they adequately oversee the programs. And I can spend an hour talking about the Lynn Barry situation. That's the Nashua Children's Home.

Chairman Caron

Mr. Teeboom if I may, you are doing looking at the CDBG Page 1 of the Children's Home and at the bottom which is where I know you got the number 12, "Number of Clients at or below 30% of median income" and it says "12". But in the information that is asked for there, it says "Please provide estimated number of unduplicated Nashua beneficiaries. So it is only Nashua beneficiaries that will benefit from the CDBG funded activity, not necessarily your entire client population. I do know from the time I served on the Juvenile Parole Board, we have residents, young people who live at the Nashua Children's Home who are not residents of Nashua.

And the facility that they are applying for, who will benefit from this activity, are the 12 youth that live in this house where these windows are being replaced.

I also know that across the year they have rolling residents, so someone may age out of their program and need to be taken to another program. I've had students who have been on parole, juvenile parole and they are living at the Nashua Children's Home and then once they age out of that system, they may move into another supervised young adult facility. So their numbers also move across the year. So they may have a capacity for 60 people, but across the year they may serve 260 people because of the way their youth come and go from that facility. But again, they don't serve only children from Nashua; they serve children from other areas. This application is talking about this specific activity, replacing the windows in that one location and how many Nashuans will benefit from that and it is 12. So they may have 2 or 3 other people living in that house who actually don't, their families aren't from Nashua but they may also be residents of that house.

And I can't remember, I'll be very honest with you, I can't remember how many total young people live in that house, in that supervised housing situation. But what they are reporting here is that there are only 12 from Nashua who live there.

Mr. Teeboom Alright, I understand that, but the application requires a statement agency budget and agency salaries. That's why the agency budget is \$5.1 million dollars and the agency salaries are \$4 million. So you ought to at least know how many they serve so we have a feel for that. A good example of someone that filled out the application properly except the director's salary is PAL, Nashua PAL. They help and this is a nice comparison to make, I was involved with PAL years ago. My grandson actually takes boxing lessons. 358 kids under 30% or lower for AMI. 21, 50% to 30% and one above 51%. So they help 560 people. Their budget is \$600,000.00. The salaries are \$200,000.00 total. Reasonable numbers and they help a lot of kids. Just like the Boys & Girls Clubs helps a lot of kids. So if the Children's Home helps more kids than 12, then you ought to explain this all in the application because the application asks for that so that you can make an assessment, is it a reasonable application. It's the least you can do. Not just sit there and say "Oh \$20,000.00, maybe I'll allocate \$25,000.00" no, you ought to examine what you are doing, that's your job.

Anyway I have nothing to say about the HOME Program, except it is interesting to note on the HOME Program that it is a \$400,000.00 worth of funding and guess what their management is? 10%, \$39,800.00. Not like the CDBG Program \$250,000.00, this whole thing, this whole CDBG process is full of holes. You don't do an adequate job reviewing it, not an adequate job vetting this applications. And I don't know how Court Street got in here, how does a city building get in with a list of \$250,000.00. How does an individual who owns a home with a family and he doesn't even own the home, how does he get on the list? These are the problems I have. I have nothing here for a penny. In my organization I didn't take a penny. But these are serious questions, that's why I came here, that's why I took the trouble most of the day yesterday putting the spread sheet together. It takes a while to put a spread sheet together, but here it is, right in front of you, black and white in color. Examine it. Thank you.

Chairman Caron

Thank you. We will hear testimony in opposition.

TESTIMONY IN OPPOSITION

TESTIMONY IN FAVOR

TESTIMONY IN OPPOSITION

The public hearing was declared closed at 7:45 p.m.

Alderman Linda Harriott-Gathright
Committee Clerk