

BUDGET REVIEW COMMITTEE

MAY 17, 2021

A meeting of the Budget Review Committee was held Monday, May 17, 2021, at 7:16 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: 825 1383 1135 and Passcode: 373407

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 7 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.
Alderdwoman-at-Large Shoshanna Kelly

Also in Attendance:

Alderdwoman Elizabeth Lu
Alderman Patricia Klee
Alderman-at-Large Brandon Michael Laws
Alderman Linda Harriott-Gathright
Dan Hudson, City Engineer

Tim Cummings, Economic Development Director

ROLL CALL

Alderwoman Kelly

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

Alderman O'Brien

Alderman Michael O'Brien is present, I can hear the proceedings and I am alone.

Alderman Wilshire

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

Alderman Jette

I am here alone and I can hear the proceedings.

Alderman Schmidt

I am present, alone and can hear everyone.

Alderman Clemons

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

Chairman Dowd

Yes, I am present. I can hear the proceedings and I am alone. Also in attendance we have?

Alderman O'Brien

Mr. Chairman, you do have 7 members present, also attending I think I have Alderman Lu, Alderman Klee, Alderman Harriott-Gathright and Alderman Laws. Any other Aldermen present? OK. Also in attendance, Mr. Chairman, Dan Hudson, City Engineer; Mr. Tim Cummings, Economic Development Director and Sarah Marchant.

Chairman Dowd

Alright, the first item on the agenda is public comment. Is there anyone that would like to speak on anything on tonight's agenda for the Budget Committee?

PUBLIC COMMENT

Laurie Ortolano 41 Berkeley Street.

Chairman Dowd

Yes, go ahead.

Ms. Ortolano Hi. Just quickly, I noticed you are going to talk about the pilot program for the Bronstein Redevelopment. I am just wondering, when you talk about the pilot program there seems to be a lot more

going on with pilots and if there is any information you can share about the City’s expanded use of them and what you are trying to accomplish or the benefits you see for the City in using the pilots, it would be helpful.

I think there are some good things there and I don’t think that everyone understands what pilots are about. Thank you.

Chairman Dowd

OK. Thank you. Anyone else? Seeing and hearing no one else, I will close public comment.

COMMUNICATIONS - None

UNFINISHED BUSINESS - None

NEW BUSINESS – RESOLUTIONS

R-21-134

Endorsers: Mayor Jim Donchess
Alderman Richard A. Dowd
Alderman-at-Large Michael B. O’Brien, Sr.
Alderman Linda Harriott-Gathright
Alderman-at-Large Lori Wilshire

RELATIVE TO THE SUPPLEMENTAL APPROPRIATION OF \$30,000 OF UNANTICIPATED REVENUE INTO DEPARTMENT #160 “PUBLIC WORKS ADMINISTRATION & ENGINEERING”

MOTION BY ALDERMAN O’BIEN TO RECOMMEND FINAL PASSAGE BY ROLL CALL

ON THE QUESTION

Chairman Dowd

Is there anyone that would like to speak to this? We just had the definition presented to us by Director Marchant and others at the Public Hearing. Is there anyone on the Budget Committee that would like any further amplification? Seeing and hearing no one, 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, Alderwoman Kelly, Alderman Dowd 7

Nay: 0

MOTION CARRIED

R-21-136

Endorsers: Mayor Jim Donchess
Alderman-at-Large Lori Wilshire
Alderman-at-Large Michael B. O’Brien, Sr.
Alderman Jan Schmidt
Alderman Patricia Klee
Alderman Linda Harriott-Gathright
Alderman-at-Large Lori Wilshire

AUTHORIZING DEVELOPER AGREEMENT WITH PAYMENT IN LIEU OF TAXES (PILOT) FOR BRONSTEIN REDEVELOPMENT

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

ON THE QUESTION

Chairman Dowd

So the motion on the floor is to recommend to the Full Board final passage of R-21-136. Is there anyone from the City that would like to talk to the context of this Resolution?

Tim Cummings, Director of Economic Development

I'd be happy to Mr. Chairman.

Chairman Dowd

Director Cummings?

Director Cummings

Thank you. So yes, for the record Tim Cummings, Director of Economic Development. I am here before you this evening to ask that you favorably recommend this evening this Legislation before you, R-21-136. And I ask that you do it understanding that there may be some other Committees that will need to weigh in on this, so I'd like the motion to make sure that it reads "subject to the favorable recommendations" of whatever other Committees it was assigned. This is a time sensitive matter where we are hoping to get this project underway and it has to go before the NH Finance Housing Authority, I think for the June meeting. So time is of the essence for this piece of Legislation.

Mr. Chairman, I am proud to be here asking for you to support this piece of Legislation. This is a good public/private partnership that we have developed in tandem with the Nashua Housing Authority and their private developer, ultimately Boston Capital who is helping guide them through this initiative. So I heard the comments made a few minutes ago about why are we using pilots. First I just want to correct the record and make sure it is understood that we are not expanding the use (audio cuts out).

Chairman Dowd

We lost you Tim.

Director Cummings

... are going to be paid for. We are trying to keep pilots used in a very limited fashion, very narrowly focused. But the reasons why it is warranted tonight and for this project is because this community is in desperate need of housing and, in particular, housing for low income individuals. This project does that for you. We get a net increase of something like approximately 160 deed restricted units. We have about 40 ish on site now with the current Bronstein Development. When all is said and done, you will see a net increase of something like 160 ish deed restricted units which is a great introduction of new supply into the market place and one that I know we desperately need.

In addition to that we can all agree that this project and site, the Bronstein site as we know it right now is rather tired and we are well overdue for the private investment that is about to be made on it. And this has been a long time coming; one that I know has been in the back of the minds of a lot of people here. I am very happy and pleased that through the hard work of the folks on the Housing Authority and their consultants, they were able to put together a program that we could all be proud of. I watched them start this more than a year and a half ago where they did some public outreach. They made it very clear, their intention was to include everyone in the process. I am pleased to tell you tonight that they absolutely fulfilled that mission.

So with that being said, I am going to just quickly go through the Legislation before you this evening and just kind of hit the highlights of what this development agreement says. I would like to keep my comments relatively short because I know we all have other matters we need to attend to this evening. So just kind of going right through here, we have the first page with the recitals that kind of sets the stage for what is happening. Then we go into the actual tax agreement itself in paragraph 2. The first few years, we are not looking to charge any type of taxes on the development. This is understandable if you think about it, it is going to take them a few years to actually build the buildings. They are not going to be getting any revenue in so we are just trying to be fair to them to make sure no taxes are going to be charged to them until they actually start bringing in some income and the site stabilizes to some degree.

And then after that for about 15 years, we are going to be looking to charge them \$225,000.00 in taxes with a 3% escalator. You may be asking yourself, well what does that equate to for a savings that this project may be getting or how much is the community not going to be getting if it was taxed at its full fair market value. I can say it is about approximately a 50% discount on its full fair cash value give or take 10% here or there. It equals about 50% break over the life of the agreement.

Moving on paragraph 3, where it just talks about the procedure. Basically it states that we are looking to have the pilot, the tax payments run just like the way they would if they were paying their taxes normally; twice a year payments. We want to make sure the agreement continues, we have go to make sure that there are annual filings so there are compliance periods. Paragraph 7 talks about waiving of fees; we are waiving our building fees, we are waiving some of our other local impact fees, that should be noted. Another big thing that we are doing which I think is a wonderful testament of how we are trying to make this a public/private partnership; the City is repurposing and realigning some of our internal plans. We have been working very closely with the DPW and we are essentially going to take on the cost of doing some pavement and road work improvements along Myrtle Street. It wasn't initially in our plan, we were going to do it at another time, we are going to re-juggle things so we can accommodate this request at it helps save on some project costs.

We are committing some HOME funds to the project. We are doing that over a couple years as outlined in the agreement. And then that's pretty much the substance of the agreement. The next couple of paragraphs really just talk about various housekeeping type items or standard boiler plate items that you may see in some of our other agreements; amendments being necessary speaking to the entirety of the agreement, speaking to the law and where a court would hold anything if there was litigation; notice, counterparts, severability authority. And that pretty much wraps up the substance of the Legislation. So I am going to close my comments there, Mr. Chair. I know there are probably some other folks who would like to speak and say a few words. But I would just to ask you and the members of this Committee to vote on this favorably this evening. It's a good piece of Legislation and I am really looking forward to seeing the project get underway. We are long overdue for it. So thank you very much.

Chairman Dowd

Thank you. We have some questions; I saw Alderman Clemons first and then Alderman Wilshire.

Alderman Clemons

Thank you. So my question is a bit off topic because I just want to be clear about something. The entire project is not just low income housing though, it is a mix, is that correct?

Director Cummings

If I may Mr. Chair.

Chairman Dowd

Director Cummings.

Director Cummings

Thank you. Yes that is correct though I will say substantially it has a low income housing component to it, but there are market rate units with the project as well.

Alderman Clemons

Can you tell me, so you are saying that right now there's 40 low income units, and you say it is going to increase by 160 so I assume that is going to be 200 in the end is that correct?

Director Cummings

I believe the number is 216 is the entire unit count. Of that 216, 10 will be market rate. So approximately 206 ish in that range would be deed restricted units.

Alderman Clemons

OK.

Chairman Dowd

Alderman Clemons?

Alderman Clemons

Is there any opportunity to increase that market rate number I am wondering or is this a final deal?

Director Cummings

If I may, no. I understand what he is saying but the way that the formulas are worked and the way the proformas need to work together for financing reasons it really has to be developed in this manner. I can tell you we asked very early on that they include market rate housing. They are able to get 10 units in; we made that very clear that we would like to see also some market rate units in there and we were happy that they were able to include some portion of it into the project.

Chairman Dowd

All set, Alderman Clemons?

Alderman Clemons

For now. Yes.

Chairman Dowd

OK. I have Alderman Wilshire?

Alderman Wilshire

Thank you. This is not something new to the City. The Housing Authority has been in the City of Nashua since the 1940's. This is a really good project and it meets so many needs of the City. I mean I know that the

Housing Authority has 3,000 people on one waiting list and maybe about 4,000 on another waiting list. So there is a real need, a demand for this kind of housing. I have the utmost respect of the people at the Housing Authority to do the right thing, to make this project work and work well for our community.

I give them props for bringing this forward. I mean we have been trying for quite a while now to improve the Bronstein site. And I am hoping that most of you or all of you will see that this is really necessary. It is something that we've been looking to do as a City for quite a while. And the Housing Authority stepped up and they are doing it and I appreciate that and I hope everyone else does too. Thank you.

Chairman Dowd

OK. Alderman Jette?

Alderman Jette

Thank you, Mr. Chairman. Director Cummings when you first started speaking you kind of blanked out, we didn't hear everything you were saying. You were talking about, "we are not expanding pilots" and then for a few minutes after that I couldn't hear anything you said. So I don't know if you can kind of recreate what you said. If you remember where you left off there?

Chairman Dowd

Director Cummings.

Director Cummings

Well I was speaking extemporaneously so I can't recall it verbatim, but essentially the message or the spirit of what I was trying to say is that we are not increasing the usage of pilots. This is a development agreement, one section of the development agreement does speak to taxes. We are trying to keep the pilot program, if you will, very narrow in its focus and its intent and usage here in the City. This project does call for it, does warrant a tax payment type structure, one that I wholeheartedly recommend to you all. Why? Because we are increasing deed restricted units for those who need housing the most and giving them access to housing that they otherwise may not have had made available to them. We are increasing that exponentially, going from 40 ish deed restricted units to something like 160 net new for supply. And then lastly I was just commenting that the Bronstein project or site I should say, in and out of itself, is rather tired. It has come to its end of life. We need to reinvest in this area of the City. It makes sense to move a project in this direction. The developers who are taking this project on are really doing a great service for the City by creating a dynamic project right at the corner of the brand new Broad Street Parkway and it will become a nice gateway into the downtown as well. For those reasons, plus for the fact that this project does need it, we are restricting the revenue that will be coming in because they will be providing a reduced rent for those individuals in our area who need housing. I think it makes sense for us to provide this tool for them and that's all I was essentially saying.

Chairman Dowd

And in the 10 plus years I've been around, we have used this very judiciously; it has be something that provides a substantial benefit to the City and I think this does. Are you all set Alderman Jette?

Alderman Jette

If I could follow up, Mr. Chairman?

Chairman Dowd

Alderman Jette.

Alderman Jette

So thank you for that. I just didn't want you to lose the opportunity to say something you were trying to say or at least us hearing what you were trying to say. I thought that the Nashua Housing Authority was a Federally sponsored organization and as such was not liable to taxes at all and that they are volunteering to make payments in lieu of taxes was kind of an agreement on their part. Is my understanding incorrect about that? If we didn't do this would the Nashua Housing & Redevelopment Authority be subject to normal property taxes?

Chairman Dowd

Director Cummings?

Director Cummings

Thank you. So it is a good very technical question. So the taxation on the improvements would actually to not the Nashua Housing Authority but the entity that would be owning the property which is a special purpose legal entity, which I believe the Housing Authority may be a limited partner in that. But there will be a managing partner and probably a few others as well. I am not really sure about that part. But it will not be a legal entity holding the asset in hand.

Chairman Dowd

All set Alderman Jette?

Alderman Jette

So if I could follow up. So the actual entity that will be owning this property will not be the Nashua Housing & Redevelopment Authority but something else and that's why they would, the something else would be subject to taxes. Is that what you are saying?

Chairman Dowd

Director Cummings?

Director Cummings

Yes, essentially correct. I mean there's a few other nuances in there with the land will be retained by the Housing Authority, leased – so it's the improvements on the leased land area that would be taxable. But essentially, yes, Alderman Jette what you are saying is essentially accurate. And anytime we lease to a private sector entity, taxes have to be paid.

Alderman Jette

Ok thank you.

Chairman Dowd

OK, Alderman Lopez.

Alderman Lopez

Yeah with regards to Alderman Jette's point and I guess I was heading in the same direction as that. So the Nashua Housing & Redevelopment Authority over the past several years, President Wilshire can probably provide more direct insight since she is the liaison. But they've modified their legal entity and partnerships and transitioned from being sort of just the Federal Broker of public housing that they were in the past, to include a limited private entity and non-profit entity partnership as well. And that's so they can do things like generate revenue to sustain and promote more long-term sustainability so they aren't sort of subject to the whims of whoever is President, whoever is Governor, whatever. My understanding is it is supposed to provide more continuity of service, but also give them access to more resources.

What I had wanted Director Cummings to just highlight a little bit was on its surface, people may understand what the Nashua Housing Authority is. But in a recent Infrastructure Meeting we had explicitly made a point that we don't necessarily give out tax incentives or relief to any development project. Director Cummings has brought this up in a number of other circumstances where it is not in his considered opinion the best practice to subsidize developments and projects. You've already done a good job of articulating the tremendous, positive impact this has for the City. One of our leading issues in terms of constituent services and really humanitarian need is a lack of capacity in affordable housing.

The region that this is going to be benefiting in terms of developmental area is one that really needs reinvestment. It is in that area that is identified federally as extremely economically depressed. So those are two major factors but Director Cummings can you comment explicitly on this project may be considerably different than say somebody adding a second level to their store front and maybe an apartment or two?

Director Cummings

Yes, happy to if I may Mr. Chairman.

Chairman Dowd

Director Cummings.

Director Cummings

Yes and Alderman Lopez makes a great point and I was before the Infrastructure Committee or at a Board of Alderman Committee meeting recently and I talked about how we are getting ... "we" being the City we are getting asked numerous, many times, many different projects about tax breaks and different type of tax incentives that we can offer. I've been very clear in the position which I do not recommend that we go down that path easily. And a project would need to warrant it and there are some ways in which I recommend that we can value or judge that.

First, substantial rehabilitation or investment in a site. I mean this is a good project, you are going to see I would suggest something between \$40 to \$60 million dollar type of investment in this area. That is a good investment that would make us think that we should be looking at a tax incentive. Why? Because we are limited their income or their revenue that they are going to be able to bring in. And they are doing it explicitly understanding that they will be providing housing stock for individuals who may otherwise not be able to obtain it. Those are community values, ones that I absolutely agree with and believe in. That is why I think this project, more than any other, warrants a tax incentive.

Oftentimes in Economic Development you use the "but for" clause. You want to make sure that, but for an offer of a tax incentive, a project wouldn't move forward. I can tell you, I've run through the analysis, this project absolutely meets that standard, but for us providing this incentive, this project would not be able to move forward. Unlike the other projects, to Alderman Lopez's question where I have had conversations with the developer and I kid you not, they have told me and I appreciate their honesty, they have told me that they would get a 15% to 18% IRR on their investment but they think they want to do just a little bit better so they

have asked me if we would give them a tax break so they can get something like a low 20% IRR. IRR stands for Internal Rate of Return; it's basically a metric used in the investment world to judge whether you are making a good investment or not. Anything at 15% is a good return in real estate for our market.

When I am already talking to a local developer and they are telling me that this what they are going to get, I can't in good faith turn to this body and say, this is a project I could recommend. In this instance, I can absolutely in good conscious bring this to you and tell you that this project does meet all the standards which we should be looking at providing an incentive. And I am by no means easy to deal with when it comes to this type of conversation. I would suggest that some members of the Nashua Housing Authority may be a little frustrated with me because I'd like to believe I do my due diligence. I dot my I's, I cross my T's, I ask the right questions and I do that because I know more than anyone that we are talking about the taxpayer's money. And we have to be very serious and very considerate in what we are doing. And what I can say with this project is that the City of Nashua will be very proud at the end of the day when this project is done.

Chairman Dowd

Thank you. All set?

Alderman Lopez

Just in response, we are all aware of the taxpayer's money; we take it very seriously especially this particular year looking at the budget. And that's what we are going to be doing over the next several weeks so we are right there with you on that. I just wanted to acknowledge that to a smaller business, a higher IRR for an investment means more because they are smaller versus a larger one. That's a very important factor to consider in terms of you made the decision, did you make it from profit and you are using the tax break in order to improve that project or are you looking at an IRR for survival. So I think there's probably some cases where someone might look at that and say, OK well what he is saying though is that he wants us to go under and I don't think that is what Director Cummings is saying.

And then finally there are recognizable conditions and major city priorities. This is one that has had considerable attention and we have directed considerable economic development attention to as well as to as annually, we are referring considerable City Welfare and services resources towards. Just because we have a lot of non-profit organizations pitching in it doesn't mean that this crisis, this housing crisis that we are experiencing wouldn't cost the taxpayers a lot of money upfront if the City were left solely to deal with and doesn't cost taxpayers a tremendous amount of effort in terms of the amount that they volunteer and in terms of the amount that they donate and all of the industries that are supported by it.

Housing is a basic need for any community. You can't have a City without people living there. This meets that need and that's where I think it is important for people who are trying to augment or enhance businesses downtown seeking a tax break. The first thing you should be doing is talking to Director Cummings and the City about what exactly that would entail before you undertake the project, before you prove that you could complete the project without our help. That's really the reasoning and the methodology you would want to be using in that development rather than saying, well this would help my business run a little bit more smoothly. That's important, we take the small business very seriously but when you are talking about everybody's pot of money and everybody's shared resources, you have to show how not only will it help your business sustain itself, but you are paying it forward and back into the community. So Director Cummings, I hope I didn't unnecessarily modify anything you were saying, I just heard a couple things I didn't want people to take exception to.

Chairman Dowd

Thank you Alderman Lopez. And now I have Alderman Lu?

Alderwoman Lu

Thank you Mr. Chairman. Just a couple questions. I did think that the pilot program was reserved for non-profits. So now I understand that it is also used for for-profit entities and this is the situation that we are in with this pilot. Is that correct through you to Mr. Cummings?

Chairman Dowd

Director Cummings?

Director Cummings

There is an RSA that affords private entity to be able to the beneficiary of a tax break like this so long as they are providing affordable housing.

Alderwoman Lu

Follow up, please?

Chairman Dowd

Go ahead.

Alderwoman Lu

I'm sorry, I didn't mean to question whether it was allowed. I think I looked at the RSA that was referenced, no I think I googled pilot so that's fine. This is related to a non-profit, correct? It seems like it is just sort of in the structure of the entity that it strictly speaking off the non-profit that we are conveying the pilot to? Am I correct there Mr. Cummings?

Chairman Dowd

Director Cummings?

Director Cummings

There will be an entity involved in this project, though probably in a limited type capacity that has Governmental powers.

Chairman Dowd

All set Alderman Lu?

Alderwoman Lu

No, no. Just one more question. But I mentioned non-profit and then you mentioned governmental powers. So is that something, I'm not sure how to ask the question. What kind of governmental? I see it is not a non-profit but it is a governmental, I see. OK thank you. The only other question I have is the deed restrictions, are we just talking about that it is a low income rate, the rents are limited?

Chairman Dowd

Director Cummings?

Director Cummings

Yes, that is correct.

Alderwoman Lu

Thank you.

Chairman Dowd

Are you all set Alderman Lu?

Alderwoman Lu

I'm all set.

Chairman Dowd

Alderman Clemons?

Alderman Clemons

Thank you Mr. Chair. So I am going to support this, obviously. I think we need affordable housing in the City but I am disappointed in the sense that we are putting all, that we are basically increasing the size 3 times of the affordable housing that is currently there into that one spot. Because I don't appreciate projects generally like that. That's where you get the name "the projects". It is what I was hoping we were trying to avoid when this project came about to try to redo that area. And it begs the question of why these types of developments aren't done in other areas of Nashua? Why is it always in the downtown? Why is not out in Ward 1 or Ward 9? Why is it always right in the center of town. And I understand that historically the Bronstein Apartments have been there and that's what their original intent is.

I know that the idea is that obviously the housing that is there now needs to be significantly redeveloped and ultimately this is going to be a benefit to Nashua. But I sincerely hope that moving forward that when we do new projects, new low income projects like this that we look at other places in the City. Granted they have to be on things like the bus route and they have to be near amenities and things like that but I don't think that it is too far out of the question to kind of say, why should all of these places be concentrated in one area? That's how you get the low income census tracks and things like that. I don't know. I don't like it because to me in my opinion it is kind of snobbish and I wish we could change that. With all that being said, I'll support the project because I think that ultimately it is a need that we severely have and so far, I don't see anybody else stepping up to the plate to do anything for it as far as development or things like that. So sometimes when you have a bird in the hand, you got to take it. So that's all I wanted to say.

Chairman Dowd

I think the question is why there? And Director Cummings?

Director Cummings

I think Alderman Clemons made an excellent point and I completely agree with what he was saying actually. And I do think we should be looking to spread around the affordable housing in our community, our inventory and with that being said, I know Director Marchant and I are looking to have that type of conversation with Imagine Nashua going on and the Master Planning effort. And we are having an affordable housing type conversation as well for the very reasons that Alderman Clemons is talking about.

Chairman Dowd

All set Alderman Clemons?

Alderman Clemons

Yes. Thank you.

Chairman Dowd

Alderman Klee?

Alderman Klee

Thank you Mr. Chairman. I want to add to the, I wasn't going to at first. But as a person who spent their first 9 years living in what was called a "project" in Holyoke, Massachusetts, I can tell you the one thing that I have learned is that projects because of the living from it, etc., does build up a sense of community which is a wonderful thing, different than your average neighborhoods. But having said that, I completely agree with what Alderman Clemons said and what Director Cummings and Director Marchant are trying to do is to create mixed communities. I think it is important for us to be more homogenous and to understand how each person lives. But I still do, having grown up, at least the first 10 years of my life in the projects, there is a sense of community. It's different than any other type of living situation. So I did want to add that to it. But I do think we do need to spread it around. And thank you Director Cummings for your conversations with Director Marchant to making that happen.

Chairman Dowd

Alderwoman Kelly?

Alderwoman Kelly

Thank you. I also have bedtime in the background so excuse me if there's some yelling. I have been listening, I think everyone brought up some really thoughtful points on this. I know that this has been an ongoing conversation in terms of affordable housing, the need for it in our City and how to continue moving forward. So I know in talking with Director Cummings and Director Marchant and a number of community members and leaders who really focus on this issue, that this is Step One of a much bigger plan. And I think this is the right public/private partnership to get started on. We do need to consider continuing to spread out how we do this type of mixed housing to make sure that we are not concentrating poverty in certain areas of our City.

And so I know with the Master Planning and the people here who are working really hard on this that we are going to get there. So this is a great first step and I appreciate all the hard work that has gone into so far.

Chairman Dowd

Thank you Alderwoman Kelly. Alderman Lopez did you have something you wanted to add that hasn't been said?

Alderman Lopez

Yeah I just want to clarify some perceptions about the downtown area. I think we have been doing a lot of development. Marshall Street is in an area that is not considered downtown unless you really want to expand it. The Cotton Mill is on the other side of a river from it. So we have been putting low income housing and

mixed use housing in different areas. And I would just like to say on behalf of the Tree Streets Downtown area, we are not a ghetto. We have a lot of mixed use housing. We do definitely have that census tract, for a given value of what the Federal Government tracks. But the Clock Tower apartments are pretty nice and pretty pricey when it comes to their value and what they bring. The building I live in is pretty nice, there's some new developments along West Hollis that likewise, also they cost a lot.

So I don't think we are concentrating poverty in one particular area. I think a lot of the concentrated poverty is a result of its proximity to amenities that are important. But many people aren't necessarily staying here for a long-term or life or anything like that. They are just on their way to other parts of the City. So I don't want to leave anybody with the impression that all of the poor people are living downtown because that's not true. And I definitely think we have put a lot of work into developments that if you look geographically at them on the map, although we are currently working on a Bronstein Apartments project and a School Street project, they are not concentrated downtown. They are all over the City. There's one that was going through the Zoning Board that's on Exit 1. Thank you.

Chairman Dowd

Ok. Alderman Schmidt and anybody else that has their hand up that already spoke, please put your hands down unless you want to speak again. Alderman Schmidt?

Alderman Schmidt

I just wanted to say I think this is a tremendous first step for this kind of building. We know that the area needs redevelopment; it has needed it for a good long time. It's right there at the end of the Parkway which makes it very visible in a City. This would be an excellent opportunity for us and it certainly doesn't mean that this is the last time that we will do something like this. It may be so successful that we can continue it quite a few more times in the future. Thank you very much.

Chairman Dowd

Thank you, Alderman Clemons, did you have another follow on?

Alderman Clemons

Yeah I just want to follow up and say that I wasn't trying to suggest anything and quite to the contrary. I grew up on Kinsley Street. I grew up there, I have lived on Blossom Street, I live in Ash Street now. I like the downtown area, I like where I live, I like living in the inner city. I live my neighbors. There's low income housing right below my house, I mean right behind my house. It was a vacant lot when I moved in. I could have gone to the Zoning Board and Planning Board and objected to it when it was built because it is literally a parking lot right behind my house. I didn't do that because I understand the fact that people need a place to live.

But my whole thing is that people need alternatives to just having to live downtown. And you look at where the housing in this City is concentrated for people with lower income and it is mainly the downtown area, off of Exit 8. There's some off of Exit 8 and really it is all concentrated along the major corridors. So I just, my only point was that there's a lot of space in Nashua. We have a lot of opportunity, I would like to see more creative developments in the future because even though I like living here and I like living in downtown, that doesn't mean that somebody else who doesn't necessarily have the means shouldn't have or be afforded the option to potentially live somewhere else in the City if they were given the opportunity to do so. So that's my only point. I'll leave it at that.

Chairman Dowd

Thank you, Alderman Clemons. Again we have had a lot of discussion over the last several months about affordable housing so I am in favor of this. So if there are no further questions or comments from the Committee, 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, Alderwoman Kelly, Alderman Dowd 7

Nay: 0

MOTION CARRIED

NEW BUSINESS – ORDINANCES - None

TABLED IN COMMITTEE

R-20-016

Endorsers: Mayor Jim Donchess
Alderwoman 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

Alderman Wilshire

Thank you. I again want to thank the Housing Authority for stepping up and making the most of and the best of the opportunities they can for housing in the City. It is not an easy thing to, how do I want to say that, to fit something in, you know, redevelop an area that has been so run down. I just thank them for everything they are doing, everything they are doing in that neighborhood. And who knows, maybe someday down the road they will be looking to do some other redevelopment or something. So that's all I have. Thank you.

Chairman Dowd

Any other general discussion?

PUBLIC COMMENT

Alderman Klee

Mr. Chair, there was a gentleman who had his hand raised, "ERW iPhone".

Chairman Dowd

Ok yes, state your name and address for the record. Go ahead.

Eric Wilson Thank you Mr. Chairman. My name is Eric Wilson, 60 Indian Rock Road. Probably for the last two decades I have served on the Nashua Housing & Redevelopment Authority. I've looked through the web here and I see Tom Monahan who has been on all night with me and he's been on the Board a lot longer than I have. And I just wanted to thank the Budget Committee for your consideration of this and just briefly some of the questions that were raised earlier. I just want the balance of the Committee to understand that this is a limited partnership that the Housing Authority is engaging in for Federal Tax Credits. So we need to have some limited partners with us for a period of about 15 years and then everything comes back to the Housing Authority.

It is a tremendous opportunity for us and I appreciate everything that this Committee has done. I know there are some questions about location. There's about 3,000 people still on our waiting list that we are constantly trying to house and we are trying to expand what we are doing over to the Burke Street / Major Drive area as well. So we look forward to looking to expand affordable housing throughout the City. And I appreciate your time and your commitment. Thank you.

Chairman Dowd

You're welcome. Thank you to both of you for serving on that group and doing as much as you do for the people of Nashua; it is well appreciated. Any other public comment? Seeing none, remarks by Aldermen?

REMARKS BY THE ALDERMENChairman Dowd

OK I just want to mention that the Budget Committee for the FY '22 Budget starts this Thursday at 7:00 on Zoom. I will also mention that we are taking our first steps to moving back into the Chamber. The Budget Committee in addressing the FY '22 Budget, after Thursday starting Monday the 24th, we will be having the Budget Committee Meeting in the Chamber socially distance with masks. We went through a test run of the new equipment today and that's why we are not meeting there Thursday because we are still working out the bugs. But it is quite amazing actually. So starting the 24th, the members of the Budget Committee will have access to City Hall. If any other members of the Board of Aldermen want to be there in person they can but they will have to sit in what I am referring as the pews, the benches in the back and socially distance and wear masks.

We will have to make arrangements to get into the building. The Budget Committee will have a way of getting into the building. The people presenting and the members of the public will attend by Zoom, just like we have been doing now. And we will be able to see them on Zoom on the multiple monitors that are now in the Chamber and over time we will be moving back into City Hall which is a good thing. But this will be the first test to get all the bugs out and to have a discussion on the FY '22 Budget. Does anyone have any questions relative to that? I have talked to a couple of people. I haven't been to call everyone on the Budget Committee. If anyone on the Budget Committee actually does not want to appear in the Chamber, they can still attend via Zoom and we can address it that way. And we socially distance, it won't be necessarily where your normal seat is. But you will be separated and again, you have to wear masks. It has been checked with Legal and the Public Health.

Again the public will have to attend via Zoom and if any other Aldermen that is not on the Budget Committee wants to attend, please arrange with me or Donna so that we can make sure that you can get into the building. But you would have to seat in the benches. Any questions? If anybody has any questions they can

give me a call before the time. So any other Remarks by Aldermen?

Chairman Dowd

Alderman Jette?

Alderman Jette

Thank you, Mr. Chairman. So since you brought up this fact that we are going to start slowly reintroducing people into meetings at City Hall, I did want to let the public now, anybody who might be watching that the Board of Health is having a meeting. I am sure Alderman Lopez knows more about this than I do.

Chairman Dowd

Wednesday at 12:30.

Alderman Jette

Wednesday at 12:30 to discuss masks and the Ordinance about masks. So anyone who interested in either observing or providing input, it is available on Zoom and I believe the Zoom address is on the Agenda on the City Web Site.

Chairman Dowd

One of the things I forgot to mention is there still is construction going on in City Hall especially in the City Clerk's office. The City Clerk is up on the 3rd floor and her office is going through major construction. So still a lot of construction going on at City Hall. Any other member want to bring anything up? No? OK, Alderman O'Brien?

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, Alderwoman Kelly, Alderman Dowd 7

Nay: 0

MOTION CARRIED

The meeting was declared closed at 8:12 p.m.

Michael B. O'Brien, Sr.
Committee Clerk