

Council Meeting
January 10, 2007
Page 1

The Claremont City Council held a meeting on Wednesday, January 10, 2007, in the Council Chambers of City Hall.

Members of the Council present were:

Deborah Cutts
Heather Bopp
Assistant Mayor Christopher Irish
Mayor Scott Pope
Andrew Austin
William Regan, III
Ralph Swift
James Neilsen, IV

Absent:

Michael Prozzo, Jr.

Also present were:

Guy Santagate, City Manager
Jane Taylor, City Solicitor

The meeting was called to order by Mayor Pope at 6:31 p.m.

MAYOR'S NOTES

Mayor Pope thanked Scott Hausler for the lights downtown. He said he had gotten lots of compliments. The Parks and Recreation field house at Monadnock Park is almost completed. He commended the Sugar River Valley Regional Technical Center students for their work on the field house. Starting in March, Mayor Pope would like to have board recognitions and reports under Mayor's Notes. Mayor Pope said he had received two requests for the Social Services money.

REPORT OF THE SECRETARY

A motion was made by Mr. Austin and seconded by Ms. Bopp to accept the minutes of the December 13, 2006, City Council meeting (with the change noted below).

Mr. Regan said at the end of the Mill Project Update, he asked Alex Ray, the construction side of the fivesome, about the construction schedule. He wants the answer included because it laid out the construction schedule along with April '08 anticipation for occupancy.

Motion carried 8-0.

APPOINTMENT TO BOARDS AND COMMITTEES

Mayor Pope asked Councilors to think about what boards they would like to volunteer for at the February Council meeting. He also asked for expiration dates to be extended until then.

Claremont Community Television, Inc. (CCTV) Board of Directors

Seat #1

There were no volunteers so Mayor Pope said he would fill this position temporarily.

Frances J. Tolles Home Trustees

Seat #2

A motion was made by Mr. Regan and seconded by Mr. Swift to appoint Bonnie Miles to Seat #2 on the Frances J. Tolles Home Trustees board.

Motion carried 8-0.

Historic District Commission

Seat #1

A motion was made by Mr. Regan and seconded by Ms. Cutts to appoint Brenda Taite to Seat #1 on the Historic District Commission.

Motion carried 8-0.

Tax Increment Finance District Advisory Board – River Road

Seat #1

A motion was made by Mr. Swift and seconded by Mr. Austin to reappoint William Corey to Seat #1 on the Tax Increment Finance District Advisory Board – River Road

Motion carried 8-0.

Zoning Board of Adjustment

Seat #3

A motion was made by Mr. Austin and seconded by Mr. Regan to reappoint Richard Dietz to Seat #3 on the Zoning Board of Adjustment. **No Vote Taken**

Ms. Cutts said there was a conflict between the cover sheet which said Zoning Board of Adjustment and the application which said Application to Serve on Historic District Commission. Ms. Taylor requested it be withdrawn. His term does not expire until the end of March. Mayor Pope said they will hold off on it for now.

OLD BUSINESS

New Community Center Update

Jeff Goff stated that his group will update the Council quarterly. They have reorganized, established tri-chairs and they are redrafting their by-laws to reflect such. They are reconfiguring some of the financial accounts; moving them to other locations and trying to take advantage of the favorable interest rates on the deposits. They have temporarily suspended their contract with Hartsook until June 2007. They continue to make presentations to public and private groups (i.e. Chamber of Commerce, Board of Realtors and Claremont Savings Bank Trustees). The bakery site is their preferred site and it will be on hold until all issues are resolved. He wanted it known that they had heard informally that the Post Office is not interested in purchasing the GCC (Goodwin Community Center) building and they didn't know if that would figure into the monies that the City had agreed to allocate to this project. Mayor Pope said he had received the letter from Senator Sununu regarding the Post Office and he had passed it on to Mr. Napsey.

Mr. Regan asked about the bakery site concerns. Mr. Goff said those concerns are not slowing them down. Mr. Goff said the savings to use that site are huge (\$3 million). Mr. Regan asked if the footprint will work. Mr. Goff said there would be some changes and he thinks this will be a project that will have to be phased in, but the site does allow room for everything they initially wanted there.

Mr. Neilsen asked about the time clock on the matching funds for the City. Mr. Irish said and Ms. Bopp confirmed it is November 1, 2008.

Mr. Austin asked about the boxing club losing space in the Oddfellows building. He asked if it will be part of the new Community Center. Mr. Goff said it is a private entity; it is not part of the city and is, therefore, not part of the discussion.

NEW BUSINESS

Agreement to Display Decorative Banners in Downtown

Ms. Taylor said that the City and the Chamber of Commerce have been working on who would be responsible for decorative banners (seasonal or holiday) on the light poles. In discussions with PSNH (Public Service of New Hampshire), they said they are willing to contract with a municipal entity only, not a private entity or Chamber of Commerce. Ms. Taylor said that if

approved, the City will contract with PSNH for permission to hang the banners and then contract with the Chamber to administer the program.

Ruth Preston, Executive Director, Claremont Chamber of Commerce, said this will not cost the city anything. It will be supported by the business community. They also hope to write a few grants to pay for the initial cost of getting it set up. They will be vertical banners that hang on the light posts. The goal is to have a cohesive look for Claremont and to have Welcome to Claremont signs on these posts throughout the city. This will be a collaborative effort between the Chamber, Main Street and the City. Only the City can sign the contract. The Chamber will be responsible for hiring a professional, with insurance, to hang and take down the banners. This will not be done by volunteers. The design will be agreed upon by the committee including Nancy Merrill, Business Development Coordinator; Jerry Coogan, Interim City Planner; Martha Holvani, Main Street; Andrew Fennelly, Claremont Housing Authority (he has had experience with banners) and Ms. Preston. They will expand the committee later. The initial plan is to put up 100 banners at a cost of \$17,000. If they can't raise that amount of money, they will cut back. The other part of the plan (even though the committee hasn't agreed on it yet) is to put up a banner with a four-season logo on it for a year. Then the following year, do a three-season approach. They are working with Mr. Coogan to make sure they comply with the sign codes. The initial cost this year is the brackets. They will identify all poles they will use and notify PSNH of those numbers. PSNH will then check them for clearance and safety.

Ms. Cutts was concerned about the material's ability to last for more than a year. Ms. Preston did some research and they have gotten five proposals. One of the requirements is they have to be of good quality. Ms. Cutts talked about the Welcome to Claremont signs, with the wood frames that identify community agencies, as you come in from Charlestown and Ascutney. She noted that they are not being maintained. Ms. Preston said they are old and need to be replaced. This committee talked about signage in general and there are three parts they want to work on, the banners, the Welcome to Claremont signs and the sign ordinance for sandwich boards. If a signage committee is formed, she would like to be a part of it. Mayor Pope said the Welcome to Claremont signs were put up by two shop teachers, who worked in the school district, and they are 25-30 years old. He thinks they were made by students at the old high school shop. Ms. Preston said the Kiwanis mended one recently. Ms. Cutts said it would be nice to see something happen with them.

Ms. Preston noted that her volunteer who took care of the flowers in the hanging baskets could no longer do it. She said they would have to eliminate the hanging baskets and the banners will replace that.

Ms. Bopp said she is behind this and thinks it is a wonderful project. She asked about volunteers changing the banners 3-4 times a year. Ms. Preston said they will hire a professional with a bucket loader and insurance. He would be on call to fix or take down damaged banners. Chase the Mover has given them a place to store the banners and Christmas decorations.

Mr. Swift said he owned a sign company for 15 years. He said you cannot skimp on the brackets and banners or in six months they will look bad. He noted that \$17,000 is not much to spend on

100 banners. Ms. Preston said if they have to, they will cut the number of banners to save the quality.

Ms. Taylor reassured the Council that PSNH has lots of detail in reference to size, quality and height of the brackets. The City retains ultimate responsibility and will work with the Chamber to make sure everything is carried out as approved.

Ms. Preston noted that the banners cannot have advertising on them.

A motion was made by Mr. Regan and seconded by Mr. Neilsen to authorize the City Manager or his designee to enter into a license agreement with Public Service Company of New Hampshire (PSNH) for permission to affix authorized decorative attachments to utility poles owned by PSNH located within the City and also to enter into a separate administrative agreement with the Claremont Chamber of Commerce under which the Claremont Chamber of Commerce would assume responsibility, subject to the City's ordinances and regulations, for the administration of a decorative attachment program, at no expense to the City.

Motion carried 8-0.

CITIZEN'S FORUM

Bill Gray invited people with disabilities to join a self advocacy group at Developmental Services on Main Street that meets once a month on the first Friday at 11:30 a.m. to 12:30 p.m. It promotes independence for people with disabilities. He said his birthday was on Christmas Day.

Ruth Preston reminded the community that there is a calendar on the Chamber's website. Any organization that invites the public to participate, any club, group or church can post their event on the website. They advertise all the events on the Chamber's radio spot on Wednesday mornings. Once a month they put it in the Chamber's newsletter in the Eagle Times. The website is www.claremontnhchamber.org

Lisa Bundy asked if the tax workshop will be on the 24th. Mayor Pope said yes.

NEW BUSINESS (Cont'd)

White Mountain Child Care Center

Bruce Temple, Acting Planning and Development Director, explained the White Mountain Child Care Center would be located at Ashley's Landing and he hopes for construction in the summer.

Sharon Miller-Dombrowski, Executive Director of the Green Mountain Children's Center in White River Junction (WRJ), Vermont, said they serve 150 children (birth to age 12) in the WRJ area. There are four campuses in WRJ. They just took over operations of the former Milestones

on the Charlestown Road. They serve 200 children in the Upper Valley with child care. They hope to close on the property in the first week in April, begin construction in May and open by Columbus Day 2007. They will apply for USDA Rural Development grants and guaranteed loan dollars to finish their budget. They are working with local businesses to sell NH Business Profit Tax Credits. The capital campaign has just hit \$60,000. There is \$140,000 still to go. It will be for fit up (playground equipment, classroom materials, art supplies, bark mulch and fencing).

Erin Darrow, Darrow Civil Engineering, said this will be a 5,500 square foot building designed to accommodate approximately 88 children, 6 months – 12 years. It is a timber frame structure, has central air conditioning and propane heat. All wetland permits are in place and they have conditional site plan approval from the Planning Board. The building plans are at 80% design. It will go out to bid in February and start construction in May.

Ms. Bopp said the \$60,000 raised is phenomenal. She asked if Claremont has responded in kind. She asked about the wait list and employment. Ms. Miller-Dombrowski said they have had a great relationship with the City. This is a partnership between their non-profit organization and the City. They have a wait list of about 60 children. Some children have moved off the wait list into the White Mountain Children's Center at Kinney Place (formerly Milestones). The Associate Director is Christy Richardson. Their website is www.gmccvt.org.

Mayor Pope asked about kindergarten. Ms. Miller-Dombrowski said their plan is to provide before and after school care for kindergarten-age children. The issue is transportation. They lost the transportation for kindergarten-age children at the White Mountain Kinney Place facility. She would like to work with the school district to talk about solutions. They hope to be a partner agency with the United Way in Claremont; they already are in the Upper Valley.

Mr. Santagate said this was high priority on Claremont's list. White Mountain fills a niche. The City filed a CDBG (Community Development Block Grant) for \$350,000 to help this project go forward. The City is committed to try to help this project go forward. There are some issues on funding, but is nothing new. The City will contact state agencies for help. We will update the Council on the progress.

Mayor Pope asked about tax credits. Ms. Miller-Dombrowski said they are applying to the Community Development Finance Authority for a tax credit incentive grant program. Participants receive a 75% tax break, tax credit and their money stays in the community. Mayor Pope clarified that it is a tax credit against the business profit tax.

Assignment of Purchase and Sale & Development Agreement and Sale of Wainshal Building

Ms. Taylor explained in 2005 the Council authorized the sale of the mill buildings including the Wainshal building to the Sugar River Mills Redevelopment (Sugar River), LLC. There was a provision regarding succession to ensure Sugar River and John Illick stayed involved. In that provision, we allow for Sugar River to take on additional partners as long as there is no negative financial impact on the original LLC. We provided that the agreement could be assigned to a

new entity as long as the original partners were included, but for that assignment to take place, we wrote that it would come back to the Council for its approval. The purpose of setting up the separate LLC is to separate out the Wainshal building for financing purposes and historic tax credits.

Mr. Regan referring to the last line of the motion, asked about the proceeds and account. Ms. Taylor said it is the same financial arrangement as the other two mill building (Peterson and Woven Label). Mayor Pope said it's for monies such as performance bonds. Mr. Regan asked if the sale was actually for \$1. Ms. Taylor said yes and about 12 pages of other considerations.

Mr. Santagate said the important issue is the use of the building versus the price. In a prior request for bid, the City received one proposal for demolition at \$1 million. During negotiations, the City was asked to pay for some foundation work, but only agreed to pay \$12,000 - \$18,000 toward asbestos removal and capped it at that amount. Any other problems are the developers. The City is glad to get the building off the city books, into the developer's hands and back on the tax rolls. This allows the building to be occupied by several owners (Red River Computer Company, Inc., Common Man Inn, and Mr. Illick). Mayor Pope said that 5 years ago, the bid to tear down the Woven Label and Peterson buildings was \$995,000. They didn't want to touch the Wainshal building because of brownfield issues. Senator Smith gave us \$200,000 to do some testing and clean up in the building. Mayor Pope asked if we were to never do these buildings, how much would upkeep cost. Mr. Santagate said the Sawtooth clean up cost over \$1 million to get rid of contaminated toxic poisons in the middle of the city.

A motion was made by Mr. Swift and seconded by Mr. Regan: The Claremont City Council hereby agrees, pursuant to a certain Purchase and Sale and Development Agreement dated June 10, 2005 between the City of Claremont and Sugar River Mills Redevelopment, LLC, to the assignment of said Agreement to Wainshal Partners, LLC, a New Hampshire limited liability company. The Claremont City Council hereby further authorizes the City Manager or his designee to execute and take all such actions as may be required to convey land and buildings thereon located at 21 Water Street (Tax Map 120, Lot 6), the Wainshal Building, so-called, to Wainshal Partners, LLC, and to accept all proceeds related thereto for deposit into the applicable City account.

Motion carried 8-0.

Resolution 2007-6 Authorization to Borrow up to \$7 Million for the Downtown TIFD
Parking – Public Hearing

Bruce Temple, Acting Planning and Development Director, has broken this into four components: scope of the Downtown TIFD (Tax Incremental Finance District), increased parking for the Downtown TIFD, budget for \$7 million and the timeline of what has been accomplished in the last two years. As of tomorrow the Sawtooth should be a clean site.

Nancy Merrill gave a PowerPoint presentation. The Monadnock Mills project is 138,000 square feet. The estimated \$25 million investment is a conservative one; John Illick expects it to be

about \$26 million. They expect 100 high technology jobs at Red River Computer Co. and 30 service jobs at the Common Man Inn and Restaurant. There will be an additional 10,000 square feet of office space for lease in the Wainshal.

She pointed out some other areas of investment in the Downtown TIFD. Other recent mill district investments: Ramunto's, Reliable Paper Company and American Star Realty. Recent Opera House Square investments: Dickinson Building (assessed value when purchased was \$23,000), Wadleigh Building, and Old Fiske Library Building. Recent Pleasant Street Investment: Brown Block (financing will close on January 16th, contractor will start work at the end of January and be finish by the first of August), 14-20 Pleasant Street has a new owner and tenant (Unicel), Latchis Building and Granite State College.

Return on Investment – Direct: \$775,000 per year added value revenue; 47 new units of market rate residential housing; 130 new jobs; more office space; additional public parking for downtown; and improved streets, sidewalks and urban landscaping. – Indirect: Spin-off city center investment; increased retail and service needs; increased tourism revenues; preservation of significant historic property; elimination of hazardous material in the Sawtooth; and the sewer/storm water separation project on Water Street.

Mr. Temple said there will be 400 new parking spaces in the Downtown TIFD.

Kurt Beek, Project Manager, talked about where the parking spaces are. Current parking: Visitor's Center, Water and Broad Street east (across from Ramunto's), Water and Broad Street west, Broad Street south of City Hall (85 spaces).

Proposed parking lots to be constructed in 2007 and 2008: west of the Visitor's Center (84), corner of Washington and North Streets (12), Washington and Broad Streets near the Fire Station (14), Sawtooth property (256), surface lot next to it (12), near pedestrian bridge behind the Peterson building (10) = 400 spaces, 15 will be handicap accessible.

Mr. Beek gave detailed expenditures of the Water and Mill Streets reconstruction project, Sawtooth site and the Pedestrian Bridge. Water Street had a base bid of \$2.1 million with additional items for a subtotal of \$2.6 million. The project consists of reconstructing the roadway surface for Water, Mill and Crescent Streets. The City has received \$1 million in HUD monies, \$525,000 from NH State Revolving Loan Fund (SRF) and \$212,000 from 2007 Public Works Operating Funds. The project total is \$885,000.

The Sawtooth building: Studies \$30,670, Clean Up \$1,113,142 and Parking Garage \$6,982,545 (anticipated). They will save the front third of the building and provide 10,000 square feet of commercial space. Total for Sawtooth site is about \$8.5 million.

Additional Surface Parking around the TIFD will be about \$350,000.

Pedestrian Bridge is estimated to cost \$1.45 million including landscaping and lighting. The City has received a NH Department of Transportation Enhancement Grant for \$901,000 and the 2005/2006 City Share from Fund Balance is \$225,000 for a total project cost of \$327,503.

The total for all of these projects is \$9,689,641.

The Bond Request Number 1 consists of \$30,670 for the Sawtooth Studies and \$969,330 for the Sawtooth Clean Up. Bond Request Number 2 consists of \$885,781 for Water Street, \$143,812 for the Sawtooth Clean Up and \$478,545 for the Sawtooth Parking Garage. Bond Request Number 3 (tonight's request) includes \$6,504,000 for the Sawtooth Parking Garage and \$350,000 for the Surface Parking Lots around the TIFD.

Mr. Beek showed a Project Schedule. Water Street has begun and is about 20% complete. Sawtooth Studies are 100% complete. Sawtooth Clean Up will be 100% completed by the end of this week. The Engineering/Bidding/Oversight/Testing is 50% completed. Testing will happen for a couple of years. Sawtooth Parking Garage Programming Phase is 100% complete. Preliminary/Final Design is 80% complete. Additional Surface Parking Design/Layout is 10% complete. Pedestrian Bridge Preliminary and Final Designs are 100% complete. Bids will go out for the second time in January and construction is expected to start in April.

Mr. Temple talked about the infrastructure in the Mill District. Morrill Construction has a \$2 million contract to upgrade the water, sewer, roadway, sidewalks and landscaping. Underground, we had a combined storm drain and sanitary sewer and when we got a lot of rain, it overflowed into the Sugar River. As part of the separation, we will move onto Pleasant Street which is being done before we are forced to by court order. Some of the water pipes are from the early 1900s and the City is trying to take care of them.

Mr. Temple wrapped it up by saying the Sawtooth clean up was over \$1 million. We will have a four-story parking garage. On the front end of the Sawtooth, there will be two commercial spaces which will be income for the City. The front two teeth of the Sawtooth will be preserved. There will be 256 spaces on four floors in the parking garage. Across the river, there will be a \$1.3 million bridge leading to a parking lot. Once we see construction in the mill buildings, the City will start construction on the garage. There will be 150 people employed for the next year to year and a half.

Mr. Santagate thanked Mr. Temple, Mr. Beek and Ms. Merrill for all of their work. The hurdles took a year. When a Tax Incremental Finance District (TIFD) is created, state law guides how it is operated. As of a certain date, all tax monies paid from the TIFD to the City continue to be paid to the City. Any new growth or increase in values (that generate new tax dollars) remains for investment in that district. It is one of the best economic development tools New Hampshire has. The Downtown TIFD includes more than just the mills. In 2007 we will not be required to make a repayment of the bond because of the timing. We will make a payment no earlier than 2008. There may be an interest payment due in February 2008 and the principal payment will be due in August. We are looking at a 20 year bond and we estimate 4.5% rate on the bond. What is complete on April 1st is what is assessed for that year. For the first payment of the bond in

2008, we will repay that portion that has grown out of the proceeds in the TIFD and any shortfall will come out of the principal of the bond. The third alternative is to place it on the tax rate and we don't want to go that road. Out of 400 parking spaces, 130 will be for public parking. The bulk of the spaces in the garage will go toward the condominiums. This is a transformational project for Claremont. This is the second largest mill redevelopment in the state outside of Manchester.

Mr. Irish asked if the dedicated parking for the condos will be free. Mr. Santagate said the parking is a \$1 lease. Past practice has been to deed the space to private companies for no charge and no maintenance. We are trying to reverse that. Developers will pay for the upkeep and maintenance (snowplowing, insurance and other costs) of the parking spaces in the parking garage in proportion to the percentage they have.

Ms. Cutts spoke up for the Historic District Commission in reference to saving the front of the Sawtooth. She said it is important not to forget to recognize the activity that saved the front of that building. She asked how much money has been spent on hazardous material abatement for the Sawtooth and Lowe's. Mr. Santagate said about \$2 million. He reminded everyone that the Sawtooth was "gifted" to the city and the problem was inherited with the "gift." Mr. Temple said the three mill buildings will also be architecturally correct with respect to historic values. To put together the financing (i.e. historic tax credits), you won't see a lot of significant modifications to those buildings. Ms. Cutts credited the historic preservation of the mill buildings to the developers and she credits the historic preservation of the Sawtooth to City Staff and community groups.

Mr. Austin thanked and gave credit to all involved in this project. He said he is in favor of this resolution, however there are a few things to look at in relation to the parking issue. He quoted the Eagle Times, about other implications beyond the mill district. We're trying to get a new city built into an old city and we have old city problems. Working with the downtown merchants, he said we have a quality of life problem. Some undesirables choose to live in the downtown. Part of the problem is we are working with 1930's/1940's parking issues, when people didn't have two cars. There is a parking problem along Pleasant Street with the businesses and the tenements above the businesses. He said we need to go on with this project and more needs to be done to help the merchants. If you rent on Pleasant Street to a person without a car, it's questionable what kind of person that might be. This issue with the quality of life in our city needs to be addressed.

Mr. Santagate said we understand that fixing downtown is crucial to fixing the city. We also understand that if you can't rent upstairs apartments, it's difficult to make the property work economically. The mind set will have to change about parking right in front of the property and people have to walk a couple of blocks. Customers are willing to walk two blocks to a restaurant, but condo owners want parking to be close by. He agrees that residential properties without parking are a major problem. Additional parking downtown will alleviate the problem today. We'll address it where we can.

Ms. Bopp has worked on Pleasant Street for five years, the road was horrible and there were a lot of empty buildings. Now the road is cleared up, things are going well and will get congested as things get better. She is from a city where you have to walk a mile to get to the mall and it works. She did not agree with the historic aspect of the Sawtooth building. She would rather it had been torn down. She asked about traffic flow and money to pay for traffic control during construction. Mr. Temple said he anticipates lower Main Street will be two-way traffic (diner to bridge). Traffic in front of the State office building will probably be rerouted (organized chaos for 15 months). The Wainshal building will get a new foundation. Ms. Bopp suggested making up signs to detour the traffic into downtown. Mr. Temple said discussions are beginning on it.

Mr. Neilsen would have liked to have a spreadsheet on the payback provisions for the \$7 million, \$1 million and \$2 million bonds. He is curious about any consideration being given to making offers to downtown merchants to have their own spaces in the parking garage. He asked about the maintenance in the parking garage.

Mr. Santagate said the bond payment will be about \$770,000 per year. Since the bond payment will be paid for the constructions of these buildings, it is not unreasonable to conclude that the developers will be looking for parking spaces for the businesses they will operate. The \$25 million they will invest is the cost and cost does not equal the value but it is an indicator of value. By allowing parking to be available, we increase the amount of taxes they will pay toward the bond. We have created lease space in the Sawtooth because Red River Computer Company gets deliveries of hardware often and we couldn't solve the problem of trailer trucks backing in and blocking the Common Man Restaurant. We will have 10,000 square feet of rentable commercial space in the garage; half will be rented to Red River. The money from the rents will go toward the bond.

Ms. Taylor said the parking lease had to go to the Attorney General's office for approval with the condominium documents for the Peterson building. It is a basic triple net commercial lease. It is based on expenses and upkeep, which will be figured on an annual basis and will be billed to the condominium association in addition to the base rent. The city will have 100% control of how it is maintained and operated.

Mr. Regan said the April 2008 occupancy of Red River is no coincidence because of April 1 being the measuring date for tax season. He asked Nancy Merrill's opinion that April 2008 will see occupancy and tax paying of our new tenants. Nancy Merrill said her understanding is the construction period is May 2007 to May 2008 (when they intend to be in). Mr. Regan asked if based on the April tax season, we'll miss the 2008 calendar year for taxing our new residents. Mr. Santagate said that based on what is completed on April 1, is what is assessed. He said there is no iron clad guarantee they will be finished, but Red River has a goal to be in by April 1. In the event they aren't, Mr. Santagate proposes to take the payment out of the principal of the bond for the first year.

Mayor Pope asked about the 84 and 20 parking spaces across the river. Will they be built right away or staggered? Mr. Temple said the plan is to move forward; the 84 spaces are complete, and the other spaces require only minimal work. Mr. Temple said consideration has been given

to the lower pads. On Maynard Street there is no left turn; on the westerly side the road has not been constructed. Mr. Santagate said that the Sugar River is one of the biggest underutilized assets the city has. Property on the other side of the Sugar River is very valuable.

A motion was made by Mr. Irish and seconded by Mr. Neilsen to adopt Resolution 2007-6 Authorization to Borrow up to \$7 Million for the Downtown TIFD Parking.

Mayor Pope read the resolution into the record.

Mayor Pope opened the public hearing.

Nick Koloski, Ward 3, is a restaurant owner in the TIFD, thinks this is a positive step and looks forward to the organized chaos because it is a sign of progress.

Mayor Pope commended the Hullabaloo coffee shop owned by Mr. Koloski and his mother; Mayor Pope thanked them for having faith in our community.

Bill Corey and his wife own the Reliable Paper building, American Star Realty as well as numerous other properties. They have been contacted privately by developers who are watching Claremont under the radar. This part of western New Hampshire is ripe for present and future development. He said they came here for opportunity and they have their hands full. People are looking for solid, good, prosperous, long-term development. He is on the TIFD board. He has had calls from Manchester and Nashua asking about the Paper building. He's from Stanford Connecticut and people have to learn to walk to places. This funding is important for today and the future. He thinks that what is going on will be historic.

Bob Woodman, Ward 3, hopes \$7 million is adequate. With part of the bond maybe paying the first payment, it is going to cut into the available money for the project. We may have to go more. Some of the Common Man Restaurants supply a valet service which may solve some of the parking problems. A Bill that Senator Bob Odell had passed gives a reduced tax credit for the first few years on a reconstruction of one of these projects and he wondered if it would cut back on the payment. He hopes to see this happen. Claremont has been in the middle of a forgotten area. The quality of life here means quite a lot. We are fortunate. Good luck with the project. He noted that one of the eyesores on Bible Hill is no longer there. Every bit helps.

Lisa Bundy, Ward 2, asked for a clarification of the payment that is due in February. Mr. Santagate said the payment due in February 2008 would be the interest payment on the \$7 million bond. The first principal payment will be due in August 2008. Ms. Bundy asked about the payments for the \$1 million and \$2 million bonds. Mr. Santagate said they will be part of the \$770,000 that has been talked about. Ms. Bundy clarified that after year one, the revenues will pay for the bond. Mr. Santagate said that was correct.

Don LaPlume, East Street and business owner of Sensible Mortgage Solutions, which is in the city center, agrees with Mr. Corey. There is more opportunity in Claremont. He supports bringing in additional parking. He is from Worcester Massachusetts and walking a few blocks

was never an issue. His office is in the Moody Building. He has two spaces that are always filled and not with his customers. He supports additional parking and thinks we may need more.

Kyle Messier, Ward 1, Manager of the Oddfellows Building, thinks 400 parking spaces is wonderful and we may need more. Claremont will be much like Portsmouth, people park and then walk to where they are going.

Mayor Pope closed the public hearing.

Mr. Neilsen asked for clarification. The two earlier authorizations to borrow were put into bands, not bonds, so then we are seeking a \$10 million bond. Mr. Santagate said it is about \$9.7 million and the total payment will be \$770,000 per year.

Mr. Swift thinks we're doing the project injustice by trying to roll other issues into this project. He sees the center of the city where dumpy properties will become more valuable as time goes on. He agrees with Mr. Corey that a lot of people are looking at this area. He is very much in favor of this and getting it going.

Mayor Pope agrees we should not roll every problem into this. He looks at the return on investment. We've known that we needed to do Water Street for years. The bond to fix Water Street was \$2,600,000. To clean up the Sawtooth would have cost us \$1,113,142. Had we not had this opportunity, we would have had to tear down the mill buildings at a cost of \$3-4 million and the Sawtooth building. We would have had to pay another million for clean up and repair. Without this project and the TIFD, this city would have had to bond \$6,750,000 to \$7,750,000 to fix known problems and taxpayers would have had to pay for it. He talked about "corporate welfare." These developers will create three buildings that will help pay for an area to be improved out of the TIFD. It costs the city \$20,000 a year for security on those buildings, plus we had liabilities of the Police and Fire Departments. We are paying \$9 million and getting a destination place. In 20 years, we will have buildings that will pay into the tax rate. In the TIFD, the state school tax is paid. We get an inn, new businesses, street scape and we are getting rid of a terrible attractive nuisance. We're fixing an EPA problem. These buildings were symbols of days gone by and now they are symbols of the future. He sees a huge return on investment and as for "corporate welfare," he's glad they are coming to help us out.

Roll Call Vote: Motion carried 8-0.

2007 City Fee Schedule – Public Hearing

Mr. Santagate explained that every year the City's fees are updated.

Ms. Bopp asked about the significant increase (\$25-\$250) for the junkyard license when it was moved from the City Manager's page to the Planning and Development page. Ms. Taylor explained that this update corrects inconsistencies and that State statute is now \$250.

A motion was made by Mr. Swift and seconded by Mr. Irish to adopt the 2007 City Fee Schedule.

Ms. Cutts asked if the Parks and Recreation Vendor Permit pertained to the Farmer's Market. Ms. Taylor said it is not applicable to non-profit and/or charitable organizations. That line is aimed at for-profit vendors such as during parades or 4th of July.

Ms. Cutts was concerned about victims being charged for police and fire reports, but she found out that is not the way it works. Fire Chief Peter Chase said the owner gets the first copy of a fire report free. Police Chief Alex Scott had researched other agencies and our report fees are consistent with most respondents. The old report fee was \$20 for all reports. He changed it to include Call for Service reports (\$5) and to add that Claremont citizens pay half of the report fee. About 92% of the revenue from report requests comes from insurance companies. A small number of citizens come in and their concerns have been addressed by reducing the fee. He said if a person is a victim of a crime involved in a serious investigation, and you are working with one of their investigators or working with a Victim Witness Coordinator through the County Attorney's office and as a result of those issues, you need copies of reports, those reports are provided through the Victim Witness Coordinator at no cost. Mr. Irish asked about incident/accident reports. Chief Scott said they typically receive \$240 a month in revenue from insurance companies requesting reports. Mr. Irish said the form that victims fill out does not state there will be a fee. Mr. Irish said he has no problem with the fee, but thinks the form should state there will be a fee and give a more accurate time when the report will be ready. Chief Scott said he will change the form to include the fee and to note that it takes seven days for the report to be ready.

Ms. Taylor asked for an explanation of the types of crimes where a Victim Witness Coordinator would be involved. Chief Scott said it would be a felony-level offense. Chief Scott said typically insurance companies are looking for verification that there is a report (i.e. the case number).

Mayor Pope asked Bruce Temple, Public Works Director, about the Household Construction/Demolition Waste. Mr. Temple said all trucks are now the same price.

Mayor Pope opened the public hearing. No one spoke. He closed the public hearing.

Motion carried 8-0.

Authorization to Apply for the Staffing for Adequate Fire and Emergency Response (SAFER) Grant

Chief Chase said in 2005, under Homeland Security and the Fire Act, money was provided to fire departments throughout the country for adequate staffing. Before the layoffs in 2001, the Claremont Fire Department met the national standard of a minimum of four personnel with four shifts of five. With the layoffs, they went to four shifts of four. If someone is out sick or on vacation, the shift goes to three and they are below the standard. In 2006, two positions were

added (one in January and one in June). Two shifts are still staffed at four. In November 2007, Chief Chase will be asking for an additional firefighter to move toward getting the shifts staffed adequately. The 2008 grant will open in April or May. They will award the grants at the end of this year and if approved, we would have 90 days to hire the firefighters. Because of our staffing, we will get a high priority. The likelihood of getting a grant is 1 in 4. The governing body has to give its support. In 2008, if we get the grant and hire two firefighters, that would be a two for one deal. In the first year, the overtime would be reduced by \$5,000 for each new firefighter and \$10,000 each year after. Without the federal match it would cost \$64,400 for one firefighter. With the match, the grant pays \$37,213. In 2009 the percentage drops; without the match it would cost \$66,332 and with the match we pay \$33,250. It's a 5-year program and the government gives you descending amounts for 4 years. In the fifth year, you guarantee the government to keep the people on. This is a significant amount of savings. With the mill development and more condominiums and more liability, he would like to have the staffing he had in 2001. This is the first year that it is practical to apply for this grant. There is great competition for this money. This grant program offers a total local savings through the four years of federal assistance of \$103,380 plus \$35,000 in overtime savings per firefighter. He asked for the Council's support to apply for the grant.

Mayor Pope saw the grant package last year and it is very in depth. Chief Chase said they do the grant in-house. The Fire Department has received equipment grants through these Federal programs 4 out of 5 times and he believes they do a good job writing grants.

A motion was made by Mr. Regan and seconded by Mr. Neilsen for Authorization to Apply for the Staffing for Adequate Fire and Emergency Response (SAFER) Grant.

Motion carried 8-0.

Fire Prevention and Safety Grant for Marion Phillips Building

Fire Chief Peter Chase said the Marion Phillips home is looking to retrofit its building with sprinklers. Initially, they looked for the Fire Department to submit the grant for them. It is not the Fire Department's grant, although they are in support of it. The grants through FEMA are assigned a password and a sign-on name and it stays the same for every grant. In order for this grant to go through as was originally planned, their grant writer would have access to the Fire Department's password and sign-on name which is not good. Because they are a HUD agency, they can apply for the grant on their own with a sponsorship letter of support from the Fire Department. The Fire Department can use that facility as a model for facilities that are not sprinklered.

CITY MANAGER REPORT

Mr. Santagate said Councilor Swift and he are serving on the Advisory Board at the NH Community Technical College. It is important because expanding the tax base in Claremont relates to a trained workforce. By serving on the Advisory Board, they hope to convince the college to do more outreach to determine what kinds of courses to offer. He'll serve on the

search for the college president. This is a lot of work, but he believes it will pay dividends in that we will see more of their involvement in the downtown. He looks forward to those efforts and will keep the Council updated.

Mr. Santagate spent some time with students explaining about civics, the Council and his role. Keith Druhl deserves credit for offering the course on public access production. The students came in to interview Mr. Santagate. They did a great job and he mentioned their names: Brian Emmanuel, Brian Finch, Catherine Osgood, Jonathan Cutts, Kyle Templeton and Hope Young. He congratulated the students and Keith Druhl and he is looking forward to seeing the interview when it airs.

FUTURE AGENDA ITEMS AND DIRECTIVES

Mayor Pope said they would talk about some agenda possibilities for the January 24th meeting.

Mr. Irish said, in reference to public input at the January 24th meeting, he did some research and he discovered there is nothing in the Council Rules that differentiates a workshop from a meeting.

Mr. Irish said he watched the meeting with Chuck Reese from the NH Department of Revenue (DRA) and said it was informative. He basically validated most of what the Council and City Manager has been saying. Unfortunately, he did it with enough of a twist that other people came away with skewed ideas.

Workshop on Recent Assessment Issues 1/24/07

Possible Agenda

1. State the objective – (Mayor Pope) **Objective:** *To bring together Mr. Reese and Mr. Santagate in a public setting to clarify information given by them relative to the recent city assessment and other relative tax issues facing the City. Include all parties involved in tax issues for the City, i.e. State officials, County officials, School officials, etc. and gather shared input.*
2. Remarks by elected and school officials – (30 minutes total) *To comment on our current tax situation.*

State Officials:

Representative Converse
Representative Gagnon
Representative Cloutier
Representative Nielsen
Representative Donovan

Senator Odell

County Officials:

Commissioner Jarvis
Commissioner Barrette
Commissioner Nelson

School Officials:

Superintendent Guillette
Assistant Superintendent Damren
Chairman Putnam

3. Reading of transcript of questions from first meeting with Mr. Reese; answered by Mr. Santagate and Mr. Reese
4. Questions from the City Council; answered by Mr. Santagate and Mr. Reese
5. Citizens Forum (*new questions or issues not already covered limited to 5 minutes per speaker – sign up to speak*)
6. Comments from the City Council
7. Final Comments from Mr. Reese.
8. Final Comments from Mr. Santagate
9. Adjournment

In reference to Citizens Forum, Mr. Irish believes citizens should be allowed to ask questions for clarification. He believes the public should have input. He asked if this is a closed workshop or a public forum.

Mr. Neilsen thinks it should be treated like a public meeting. He agrees this is a great agenda and supports it.

Ms. Cutts agrees the reading of the transcript of questions is a phenomenal idea.

Mayor Pope would like an opening statement from Mr. Reese and himself as well.

Ms. Bopp asked Mayor Pope to explain there will be no personal attacks and everyone will be allowed to speak for five minutes. Mayor Pope said this is a meeting for discussion without personal attacks.

Mr. Regan said this was good. He asked Mr. Irish if all of the State and County officials are expected to attend and if this is an invitation. Mr. Irish said we will send an agenda and letter of explanation.

Ms. Cutts suggested the time for the State, County and School officials to speak be extended. Mr. Neilsen suggested giving them approximately 30-40 minutes.

Mr. Santagate said he had asked Mr. Reese to come. He would like to invite Joe Lessard, Interim Assessor. The Council agreed.

Mayor Pope asked for the Council to adopt this including the changes.

Council Approved 8-0.

Mayor Pope noted that of the \$90,000 Liabilities and Equity listed on the CCTV Financial Statement (as was mentioned in the last Council Minutes), \$71,597 is Fixed Assets (cameras, VCRs, etc.), \$15,000 is a Money Market Account and \$3,367.88 is Cash.

Mayor Pope talked about road work. Main Street is on the docket and 75% of the engineering is done.

Mayor Pope will have the Board Appointments for the next meeting.

Ms. Bopp said she had two merchants approach her about lights not working on Pleasant Street. There was a general consensus that some roadwork was needed to be done on that Street. She would like an update. Also, another merchant mentioned wanting a city-wide newsletter that would include what's going on with the roads and what we're looking at for taxes. She said a lot of people don't get cable or internet and a newsletter would be informative.

Mr. Irish said the School Board's budget (significant tax impact) is ready to go to the voters and he asked if the Council would be inviting them to speak. Mr. Santagate said in the past the school has asked to come before the Council. Mayor Pope will make a call and ask them.

Ms. Cutts asked for an update on Lowe's and posting signage about their environmental clean up. Mr. Santagate said the last conversation he had with them is they want the project and they are working to get rid of the contamination. They expect to spend \$2 million on the clean up. Ms. Cutts would like to keep communication open.

Ms. Cutts asked about a truck route. Mr. Santagate said we are working on it. Ms. Taylor said traffic surveys and analysis are underway. Mr. Santagate said the State controls what can be done and that we want a truck route.

COMMITTEE REPORTS

Solid Waste Committee

Mayor Pope said the committee is meeting January 16th.

Mr. Neilsen noted the senior play, Romeo & Juliet, is this weekend.

ADJOURNMENT

At 10:35 p.m., a motion was made by Ms. Cutts and seconded by Mr. Swift to adjourn for consultation with legal counsel.

Motion carried 8-0.

CONSULTATION WITH LEGAL COUNSEL

Respectfully Submitted,

Dorée M. Russell
Clerk to the Council