

The Claremont City Council held a meeting on Wednesday, July 22, 2015, in the Council Chambers of City Hall.

The meeting was called to order by Mayor Neilsen at 6:30 p.m.

Members of the Council present were:

At-Large Councilor Keith Raymond  
Ward I Councilor Carolyn Towle  
Ward III Councilor Nicholas Koloski  
Assistant Mayor Victor Bergeron  
Mayor James Neilsen, IV  
Ward II Councilor Charlene Lovett  
At-Large Councilor Kyle Messier  
At-Large Councilor John Simonds

Absent:

At-Large Councilor James Reed

Also present were:

Mary Walter, Acting City Manager  
Jane Taylor, City Solicitor

Ms. Towle shared some of her experience with the UM ARMY (United Methodist Action Reach-Out Mission by Youth). The participants range in age from high school freshmen to college seniors. They are not allowed to have technology during their week here and they may not accept gifts (not even cookies). They are “paying it forward.” She really appreciated the work. Mr. Bergeron said he met with four members and one of the leaders. He was impressed with their work ethics. He will represent the City at tomorrow night’s banquet. Mayor Neilsen said the group was interviewed by WMUR and they talked about Claremont’s willingness and openness to help make this process happen.

### **CITIZEN’S FORUM**

AJ Maranville, Jr., Ward 2, talked about a \$1,000 donation that was given to the City in 2012 by Father Stan for rehabilitation of a cannon in one of the City’s parks. The project has not gone forward, so Father Stan requested his money back. He was informed by the City that the money could not be returned. Mr. Maranville questioned the ethics of the City administration.

## OLD BUSINESS

### Authorize Proposal and Fundraising for Cemetery Lights at Mountain View Cemetery

Tina Rock said she was asking for approval to get some solar lights for Mountain View Cemetery. She showed a sample of a solar panel she would like to use. The only maintenance the lights will need is new batteries every five years. She would like to raise the funds for the lights. She will order two extra lights in case they are needed. The lights will add security to the cemetery. Ms. Rock said she worked with Public Works employees Danny Miller and Bill Oullette, who set up a demonstration of the light. Interim Public Works Director Scott Sweet said it won't interfere with snow plowing and he has no concerns with the plan.

Bernie Folta, Ward 3, asked about the fundraising and who he should make the check out to.

Ms. Walter said to make the check out to Mountain View Cemetery Light Project; it will go through the City's books.

**A motion was made by Mr. Raymond and seconded by Ms. Towle to authorize the fundraising project for solar energy lights at Mountain View Cemetery to be led by Tina Rock. All funds received for this project as well as a listing of all donors and donations, whether cash, material or in kind, shall be forwarded to the City's Treasurer on a periodic basis as established by the City's Finance Director. It is anticipated that this project shall have no impact on the tax rate. Upon conclusion of the fundraising project, a summary of the donations and the value of the project shall be presented to the Council for final acceptance.**

**Roll call vote: motion carried 8-0.**

### Resolution 2016-10 Authorize Road Bond for Up to \$3 Million – Public Hearing

The Council has determined that there is a need, as a matter of public safety, for additional expenditures related to the City's public highway infrastructure. The Council has determined that this need cannot be met through the amounts appropriated in the 2016 Fiscal Year Operating Budget without placing an undue burden on the City's taxpayers. The Council has determined that the most fiscally prudent manner to meet this need is through a special appropriation for capital improvements to the City's public highway infrastructure. This resolution is for up to \$3 million for up to 20 years.

Mayor Neilsen said this is for up to \$3 million as was the original bond vote. The original bond vote was invalid because of a procedural issue. This resolution is the way to correct that.

Mr. Koloski said during the previous meeting he said he wasn't comfortable voting on the bond without Ms. Taylor being present. In the event something like that comes in front of the Council in the future, it should be pushed off until she is present.

There was a discussion that Councilors should be familiar with Roberts Rules and Council Rules.

Councilors would have appreciated having an explanation of the process to correct the vote that wasn't valid in addition to having the new resolution in the packet.

Ms. Towle asked why this was put out as a \$3 million bond. Ms. Taylor said that was the amount of the original bond request which was amended and the amendment was defeated. She said there is a reconsideration provision in Council Rules, but being able to present DRA (Department of Revenue Administration) with a clean motion will make it easier, so this is a "do-over."

**A motion was made by Mr. Bergeron and seconded by Mr. Raymond to adopt Resolution 2016-10 Authorize Road Bond for Up to \$3 Million.**

Mr. Bergeron read the resolution into the record.

Mayor Neilsen opened the public hearing.

Jim Sullivan, Ward 1, questioned the \$3 million amount. He said the amount needs to be specified as last time it was \$1.5 million. He talked about making sure the previous resolution was off the books.

Mayor Neilsen agreed someone would have to make an amendment.

Bernie Folta, Ward 3, suggested someone amend the motion for up to \$1.5 million. He talked about having Councilor training and/or a handbook.

AJ Maranville, Jr., Ward 2, said in the Charter it states that someone can request the opinion from the City Solicitor and he thinks that should be done.

Mayor Neilsen closed the public hearing.

Mayor Neilsen asked about, and Ms. Taylor explained, the amendment process.

**A motion was made by Ms. Lovett and seconded by Mr. Koloski to amend the resolution to read, "up to \$1.5 million for up to 15 years."**

Mayor Neilsen invited public comment on the amendment. No one spoke. He closed it.

**Roll call vote on the amendment: motion carried 8-0.**

Mayor Neilsen said he had received an e-mail from Councilor Reed and Mr. Reed would like this Council and future Councils to put enough money in the budget for road improvements.

**Roll call vote on the amended resolution: motion carried 8-0.**

## NEW BUSINESS

### Resolution 2016-11 Adoption of RSA 79-E, Community Revitalization Tax Relief-Public Hearing

RSA Chapter 79-E "Community Revitalization Tax Relief Incentive" declares it a public benefit to enhance downtown and town centers. RSA 79-E provides short-term property assessment tax relief and related covenants to encourage substantial rehabilitation and/or replacement of qualifying structures. "Substantial rehabilitation" shall mean rehabilitation of a qualifying structure which costs at least 100 percent of the pre-rehabilitation assessed valuation and replacement of a qualifying structure which costs at least 100 percent of the pre-replacement assessed valuation. "Tax Relief Period" shall mean a period of up to 5 years with a possible additional period of up to 4 years.

Mayor Neilsen invited Bernie Folta, Ward 3, to speak. Mr. Folta had sent a report to the Council called "A Tool for Your Town: New Hampshire's Community." He said it was a report done by graduate students at Plymouth State College and can be found at the following webpage: [http://www.nh.gov/nhdhr/publications/documents/79e\\_psu\\_report.pdf](http://www.nh.gov/nhdhr/publications/documents/79e_psu_report.pdf).

At 7:15 p.m. Mr. Koloski recused himself as he is a key holder for a property in the subject area and it could be viewed as an incentive. He left the Council table.

Ms. Taylor said before she left on vacation she thought this item was to be voted on by motion. She has determined it needs to be a resolution, but a copy was not placed in the Council packet as required by Council Rules. She asked if Council would suspend its Rules under Rule 47 to suspend the provision of Rule 23 that requires Councilors to have had this last Friday, so that Council can consider it tonight.

**A motion was made by Ms. Lovett and seconded by Mr. Raymond to suspend Council Rule 23.**

**Roll call vote: motion carried 7-0, 1 abstain (Mr. Koloski).**

Nancy Merrill, Planning and Development Director, said she has received requests from people who want to do substantial revitalization downtown. She showed a PowerPoint presentation, Community Revitalization Tax Relief Incentive, AKA N.H. RSA 79-E.

- What is 79-E
  - Short-term property assessment tax relief
  - Up to 5 years
- Public Benefit
  - Economic vitality, preservation of existing building stock, increases residential housing in urban or town centers, etc.
- Substantial Rehabilitation
  - Rehabilitation costing at least 15% of the pre-rehabilitation assessed valuation or at least \$75,000, whichever is less

- Qualified Structure
  - Structure within downtown
  - Historic structure outside area
- Proposed District
  - Claremont Historic District
- Covenants
  - Protect public benefit(s), maintain the building, insurance requirements, payback/penalty provisions
- State Requirements
  - Dover's information was included in the Council packet to show how a community can make the provision their own
- Staff Recommendations
  - Rehabilitation costs of equal or exceed 100 percent of pre-rehabilitation assessed valuation
  - Tax Relief Period up to 5 years, with the ability to add up to an additional 4 years of tax relief
  - Document public benefit
  - Covenant up to twice the tax relief term
  - Lien against proceeds from casualty and flood insurance claims
  - Property to remain taxable for the covenant period
  - Development agreement to be signed
- Process
  - Summary of how the process works

Ms. Taylor said applications will come to Council individually. Council has some discretion on whether to accept or deny and can determine the number of years tax relief will apply.

Councilors discussed marketing broadly, not just on the City's website and to have a boilerplate application, including covenants for applicants to read through. Ms. Merrill said there has already been interest in this.

**A motion was made by Ms. Messier and seconded by Mr. Simonds to adopt Resolution 2016-11 Adoption of RSA 79-E, Community Revitalization Tax Relief.**

Ms. Messier read the resolution into the record.

Mayor Neilsen opened the public hearing.

Nick Koloski, Ward 3, said he was in favor of this, but questions what this does for the already struggling TIFD (Tax Increment Finance District)-Downtown.

Bernie Folta, Ward 3, said he was in favor of this as it seems like an advantage for economic development.

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Gary Trottier, Ward 2 resident, President of Heart of Claremont Association and property owner in the downtown, said there will be a net gain to Claremont. He said it is very difficult to refurbish historic buildings. He is in favor of this.

Jeff Barrette, Ward 1 resident and downtown business owner, said he has dreams of rehabbing a downtown building. He was concerned the 100% rehabilitation costs may limit developers. He asked that the application process be streamlined and available fairly quickly.

Mayor Neilsen closed the public hearing.

There was a discussion about transferring the covenants to future building owners. The covenant would be amended to name the new owner.

There was a discussion about the 100% rehabilitation cost. Changing the amount to a smaller percentage may allow just a bandaid fix, not a substantial improvement.

Jeff Barrette, Ward 1, said several buildings on Pleasant Street with assessments in the \$200,000-\$400,000 range are in need of rehabilitation. A \$75,000 makeover would provide a public good, but wouldn't qualify for this. He felt the market value of those properties would not support the assessment plus the 100% rehabilitation; it would be too much.

Gary Trottier, Ward 2, said it is self-regulating and he suggested doing a phased program and ladder it over time.

Bernie Folta, Ward 3, said if the entry level is too high, people may not want to join the program. On the other hand, if the entry level is too low, people will try to take advantage of it. If needed, Council can change it.

Nick Koloski, Ward 3, said he thinks it would be good to lower the threshold. He thinks this would be a shot in the arm to the downtown.

David Putnam, Ward 2, said he was strongly in support of this initiative. He thinks this will help development in Claremont. He suggested having a sliding scale in the plan.

Ms. Merrill was concerned about using a small percentage such as 15%. There are a lot of foreclosures that are selling for low amounts. We don't want to end up with a lot of blight. We want to improve the tax base and get better housing and provide nicer spaces for the community.

When asked about the sliding scale, Ms. Taylor responded that she didn't think that could be done as it could be discriminatory.

There was a discussion that if 15% is too low and 100% is too high, then maybe use 50% which is middle ground.

Gary Trottier, Ward 2, said there is no downside. Even if the assessment is increased by \$15,000, he believes people will do a good job.

Ms. Taylor said you can't go lower than the statutory limits of \$75,000 or 15%, whichever is less.

Ms. Walter said some buildings have been sold for \$50,000, so 15% could be quite low.

Allen Damren, Ward 1, urged Council to pass this as written and to include, "or \$75,000, whichever is less." Let it run 1-3 years and then come back to revisit it.

Jeff Barrette, Ward 1, asked the Council to move forward with this. He said there are shovel-ready projects waiting.

**A motion was made by Ms. Messier and seconded by Mr. Raymond to amend the motion to change the percentage to at least 50 percent instead of the 100%.**

Ms. Lovett asked to leave it at 100% and to add "or \$75,000, whichever is less."

**Ms. Messier withdrew her amendment and Mr. Raymond withdrew his second.**

**A motion was made by Ms. Lovett and seconded by Mr. Simonds to amend the motion to be at least 100 percent of pre-replacement assessed valuation or \$75,000, whichever is less.**

Nick Koloski, Ward 3, doesn't see the downfall of 15% or \$75,000.

Gary Trottier, Ward 2, agreed with Mr. Koloski. As for foreclosures, the purchase price is not the assessed value. He would like to go with the state standard and to get moving on this. It can be amended later, if needed.

Mayor Neilsen thinks 100% is too high.

Mr. Bergeron said he will vote no as he thinks it is too high. He thinks we can start at a lower rate and we can always amend it later.

Ms. Lovett talked about the Dover resolution and the guaranteed assessed value.

Ms. Taylor said this resolution does not include a guaranteed assessment. There is no case law on this. She is concerned that it could be challenged; you can't guarantee a future value.

At 8:49 Mr. Simonds left Council Chambers.

Mayor Neilsen requested the amendment be withdrawn and to come back with 25% of the assessed value or \$75,000, whichever is less.

At 8:52 p.m., Mr. Simonds returned to Council Chambers.

**Roll call to amend failed 0-7 with all Councilors voting no.**

**A motion was made by Mr. Raymond and seconded by Ms. Towle to amend the motion to be 25% or \$75,000, whichever is less.**

**Roll call vote to amend carried: 7-0.**

**Roll call vote on the resolution as amended: motion carried 7-0.**

After the break, Mr. Koloski returned to the Council table.

### **FUTURE AGENDA ITEMS AND DIRECTIVES**

Ms. Messier would like to discuss what items Council would like to put in a packet for the next City Councilors and she suggested having training on Roberts Rules, reviewing Council Rules, Capital Improvements Plan and the budget. She would like to know when the training would happen and if someone would facilitate it.

Ms. Lovett said she would not be at the August 12 Council meeting and won't be able to call in. She asked for an update at the August 12<sup>th</sup> meeting from Planning and Development on the 79-E implementation.

Mr. Bergeron would like to have an open discussion about putting deeded properties in the hands of realtors.

Mr. Koloski suggested this, or the next Council, should tour the Transfer Station as that would make it easier to make any necessary decisions.

Ms. Towle would like to have an action plan on how to add money to Public Works' budget next year.

### **CONSULTATION WITH LEGAL COUNSEL**

None

### **ADJOURNMENT**

**At 9:10 p.m., a motion was made by Mr. Koloski and seconded by Ms. Lovett to adjourn.**

**Voice vote: motion carried 8-0.**

Respectfully Submitted,

Dorée M. Russell  
Clerk to the Council