

A regular meeting of the Keene City Council was held Thursday, February 4, 2016. The Honorable Mayor Kendall W. Lane called the meeting to order at 7:00 PM. Roll called: Carl B. Jacobs, Janis O. Manwaring, Robert J. O'Connor, Terry M. Clark, Randy L. Filiault, Thomas F. Powers, Robert B. Sutherland, Gary P. Lamoureux, Stephen L. Hooper, Bettina A. Chadbourne, Philip M. Jones and David C. Richards were present. Jay V. Kahn, George S. Hansel, Stephen L. Hooper and Mitchell H. Greenwald were absent. The Mayor noted Councilor Richard's service on the City Council spans from 2001 to the present. He spoke about the Committees that Councilor Richards served on including most recently serving as Chair of the Planning, Licenses and Development Committee since 2012. Councilor Richards led the Pledge of Allegiance. A motion by Councilor Richards to accept the minutes from the January 21, 2016 meeting was duly seconded. The motion passed with a unanimous vote in favor.

ANNOUNCEMENTS – MAYOR

The Mayor reminded the Councilors that review of the CIP with an early start time on Thursday, on Thursday, February 11, 2016. This review will focus on projects from the Administrative Services and Community Services portfolios.

The Mayor restated that the re-dedication of the Michael EJ Blastos Community Room will be Saturday, February 6, 2016 at 11:00 AM.

The Mayor continued with respect to Council goal setting; the Special Council Committee charged to develop a process for establishing long term Council goals recommended that Primex be engaged to lead a facilitated session to develop such biennial goals. The goals will guide Council policy-making and enhance its leadership of the City. Primex's process, conducted through 5 hour workshop session, will include both large and small group work. With the focus of this effort being the establishment of long term goals, a Saturday session in July is anticipated.

PRESENTATION – LIBRARY PROJECT UPDATE

The Mayor recognized the City Manager for some opening comments relative to this evening's presentation. The Manager stated that this has been put together by the Friends of the Keene Public Library, the Trustees, City staff and MEDC. This has been a strong partnership in working towards this project. He went on to provide a timeline of the steps that have occurred to date in this process.

Paul Henkel and Jane Pitts of the Library Board of Trustees; Patti Farmer, Capital Campaign Manager; and Jack Dugan of MEDC came forward to address the Council. With the aid of a Powerpoint presentation, Mr. Henkel began by explaining that in 2013 the Keene Library Annex Advisory Committee was created, with membership including the Library Trustees, The Friends and City staff. He continued the first step this Committee undertook was to examine what is needed to make the Library Annex viable and code compliant. The two questions the group was charged with answering included: how these two buildings could best be used to provide library services that meet our community's 21st century needs; and, should the two buildings be physically connected, enabling services to flow between them as well as scalability for the future. Mr. Henkel stated that to determine the answers to these questions, 13 community

visioning sessions were conducted by Scully Architects, and the community's needs and priorities were identified. Mr. Henkel stated that the Committee concluded that the needs and priorities identified at these sessions are in alignment with the Library's mission as well as with the City's Comprehensive Master Plan.

Mr. Henkel went on to explain where they are currently relative to the project's timeline. He noted they are about to enter Phase three of the project relative to permitting. He noted that once phase three is complete, they will have the information needed to file for a site plan review with the Planning Board. He added that two other processes have begun as well: the rezoning of the Library Annex property to match the zoning of the current Library building, and the expansion of the Wells Street Tax Increment Financing District to include the Library property, which supports the application for New Market Tax Credits to fund the project. He noted at this point Mr. Dugan will provide an update on the financing for the project.

Jack Dugan, President of the Monadnock Economic Development Corporation explained the financing for the project. He stated that MEDC is very interested in this project because it will create 79 new construction jobs and generate up to \$1.7 million of sales for Keene area businesses during construction. In addition, it is estimated to bring over 2,300 new visitors to downtown Keene every year and \$70,000 of new visitor spending every year. The project will also provide new meeting space, access to technology, and another "big city amenity" in a small city to attract skilled residents and new businesses.

Mr. Dugan stated this is a creative and beneficial financing plan that will minimize the impact to the taxpayers of Keene. He went on to explain the use of New Market Tax Credits, which is a program that was established by Congress in 2000 to spur new or increased investments into operating businesses and real estate projects located in low-income communities/census tracts. The program attracts investment capital to these areas by permitting individual and corporate investors to receive a tax credit against their Federal income tax return in exchange for making equity investments in a worthwhile project. The credit totals 39 percent of the original investment amount and is claimed over a period of seven years (five percent for each of the first three years, and six percent for each of the remaining four years). The investment cannot be redeemed before the end of the seven-year period commencing with the closing of the funding.

Mr. Dugan went on to describe how the use of these tax credits along with a capital investment by the City, a capital campaign, other state tax credit and grant programs and the expansion of the Wells Street TIF district would round out the financing for this project. The expansion of the TIF and the rural area we are in makes the City eligible for the New Market Tax Credits. He explained that during the 7 year recapture period, the City of Keene would lease the library annex property from MEDC Next Chapter LLC, and the lease that the City would pay would cover the interest on the City Bond plus the property taxes on the completed project. He explained the interest payment will flow through the structure and be applied to the City Bond. During that time, the property taxes will be paid back to the City, and the City, because of the TIF, has the ability to apply up to all of the returned property taxes to the principal amount of the City Bond. He noted if the TIF district is expanded to include this project, there will be an excess of funds over the expenses of the district and the City could use that surplus revenue to

pay down the bond. The City's investment would not exceed \$2,000,000 and would gain an over \$14,000,000 investment.

Jane Pitts spoke about the third funding piece. In addition to the funds contributed towards the project's concept design, the Friends of the Library have contributed funds towards the setting up of a capital campaign. The Friends contracted with consultant Al Cantor in 2015 to conduct a feasibility study. Based on its result, the Friends and project partners are launching a \$5,000,000 capital campaign drive. She continued that they have hired development professional Patty Farmer as the Campaign Manager. Ms. Pitts noted that Ms. Farmer is here this evening to provide an update on the capital campaign.

Ms. Farmer explained that the campaign effort began last fall with the appointment of campaign co-chairs Judy Putnam and Alfreida Englund. She stated the two co-chairs have assembled an outstanding campaign committee made up of civic leaders, educators, business people and "professional" retirees all who share a passion for advancing the vision and impact of the Library. She continued that the committee is in the process of developing marketing materials. She noted that the Councilors have been provided with the brochure they developed to promote the campaign and describe the philanthropic need for the renovation. She spoke about the revitalization of the Annex as well as the creation of a connector between the Library Annex. She stated her hope that the Council will become familiar with the campaign materials and able to answer questions from constituents. She noted the quiet phase of the campaign has begun with 100% participation. Ms. Farmer continued that once 80-90% of their goal is reached, a public campaign will begin.

At this point Ms. Pitts spoke briefly about the current state of the Library and Library Annex and went on to show the new design that includes a connection between the buildings, second floor space for Cheshire TV and outdoor spaces and parking. The Library will continue to provide a space for people to access information and this will allow greater use, shared spaces and collaboration.

Mr. Henkel stated this revitalization will allow the City to provide a 21st century library facility. He noted that on Councilors desks tonight is a copy of "Our Window to a Wider World", written by Susan Peery for the Library centennial. As she recounts the history and evolution of the Keene Public Library, she speaks to what it means to be a public library in today's world. "A public library is much more than the sum of all the books, periodicals, art, and other media collected there. A library is evidence of society's desire to organize information and ideas and make them accessible to all. A library brings order to the chaotic flood of data that drenches our lives. And in a democratic society that relies on an educated populace, a public library is a way to share the intellectual wealth." He ended by stating there is broad support for this project in the greater community.

At this time the Mayor asked if the Councilors had any questions.

Councilor Chadbourne asked Mr. Dugan how the figure of 2,300 additional visitors to Keene's downtown on an annual basis was derived, and how the library would generate this. Mr. Dugan stated part of the process for applying for New Market Tax Credits involves querying the library

for information about what the additional venues for meeting space and technology space are likely to generate in new visitors. They provided a number that was just of 10,000 per year in total. They were then asked to break this down by how many would be from Keene or from outside Keene, and that is where the 2,300 estimate was derived, they represent people from outside Keene that would visit. They then took that information and entered it into the DRED Community Impact Program which estimated there would be about \$70,000 in new spending attributed to these outside visitors annually. If someone comes from outside Keene it is anticipated they will spend money at local businesses while they are here.

Councilor Sutherland asked for clarification relative to the 3.5 million dollars for Heberton Hall. Mr. Dugan stated it is a “same day” transaction. He explained that this would allow the value of that property to be rolled into the financing. In effect MEDC would own the land during the seven year recapture period but would owe the City 3.5 million dollars. The City would lease the building during the recapture period. At the end of the recapture period MEDC would hand the keys back to the City. There is really no exchange of money, this is a way to capture that property value to use in applying for the New Market Tax Credits.

The Mayor thanked the presenters for the information provided this evening. He stated this is the beginning of a lengthy process and there will be further opportunities to answer questions as this unfolds.

CONFIRMATIONS

A motion was made by Councilor Richards and duly seconded to confirm the following nominations: Robert Sutherland to serve as a regular member on the Airport Advisory Committee for a term to expire December 31, 2018; Steve Hooper to serve as a regular member on the Ashuelot River Park Advisory Board for a term to expire December 31, 2017; Charles Redfern to serve as a regular member on the Ashuelot River Park Advisory Board for a term to expire December 31, 2018; Joshua Greenwald to serve as a regular member on the Assessors Board for a term to expire December 31, 2017; Mari Brunner reappointed to serve as a regular member on the Cities for Climate Protection for a term to expire December 31, 2018; Gary Lamoureux to serve as a regular member on the Cities for Climate Protection for a term to expire December 31, 2017; Megan D. Straughen to serve as a regular member on the Cities for Climate Protection for a term to expire December 31, 2018; Larry Dachowski to serve as a regular member on the Cities for Climate Protection for a term to expire December 31, 2018; David Bergeron to serve as an alternate member on the Historic District Commission for a term to expire December 31, 2018; Paul Cooper to serve as an alternate member on the Historic District Commission for a term to expire December 31, 2018; Rev. Michael Hall to serve as a regular member on the Martin Luther King, Jr./Jonathan Daniels Committee for a term to expire December 31, 2018; Jay Kahn to serve as a regular member on the Partner City Committee for a term to expire December 31, 2017; Dawn Thomas-Smith reappointed to serve as a regular member on the Partner City Committee for a term to expire December 31, 2018; Karen Parsells reappointed to serve as a regular member on the Partner City Committee for a term to expire December 31, 2018; Kathy Frink reappointed to serve as a regular member on the Partner City Committee for a term to expire December 31, 2018; Chris Cusack to serve as a regular member on the Planning Board for a term to expire December 31, 2017; George Hansel to serve as a

regular member on the Planning Board for a term to expire December 31, 2017; James Duffy to serve as an alternate member on the Planning Board for a term to expire December 31, 2018; Richard Berry reappointed to serve as a regular member on the Southwest Regional Planning Commission for a term to expire December 31, 2019; and Kathy Snow to serve as a regular member on the Trustees of Trust Funds for a term to expire December 31, 2018. On a roll call vote, with 11 Councilors present and voting in favor the motion carried. Councilors Kahn, Hansel, Hooper and Greenwald were absent.

NOMINATIONS

The following nominations to City boards and commissions were received from the Mayor: Bettina Chadbourne as a regular member to the Agricultural Commission for a term to expire December 31, 2017; Joseph Briggs to the Airport Advisory Commission for a term to expire December 31, 2017; Barry LeClair to the Assessors Board for a term to expire December 31, 2018; Edward Guyot to the Bicycle/Pedestrian Path Advisory Committee for a term to expire December 31, 2017; Sadie Butler as an alternate to the Conservation Commission for a term to expire December 31, 2018; Robert O'Connor to Heritage Commission for a term to expire December 31, 2017; Thomas Powers to Historic District Commission for a term to expire December 31, 2018; Carl Jacobs as a liaison to Library Board of Trustee for a term to expire December 31, 2017; and Will Schoefmann as an alternate to the Partner City Committee for a term to expire December 31, 2016. The confirmations will occur at the next regular meeting.

APPOINTMENT – COLLEGE/CITY SPECIAL COMMISSION

The following appointments to the College/City Special Commission were received from the Mayor: Darryl Masterson, Phil Jones, Bettina Chadbourne, Dick Berry, Paula Jessup, Marcia Kayser and Rhett Lamb as regular members. Dean Eaton will serve as the Chair. The Mayor noted this is a reappointment of the Commission. This special commission will become a standing board through the adoption of an ordinance. At that time a new charge will be developed. A motion by Councilor Richards was duly seconded to accept the Mayor's appointments. The motion passed with a unanimous vote in favor.

APPOINTMENT – AD HOC AIRPORT MASTER PLAN STUDY ADVISORY COMMITTEE

The following appointments were made the ad hoc Airport Master Plan Study Advisory committee: Rebecca Landry (staff), Kenneth Colby, Jr., Janis Manwaring, Elizabeth Bendel, Joseph Briggs, Robert Bergevin, Jack Dugan, Phil Suter, William Summers, Dr. Ann Shedd, Rhett Lamb, Kenneth Colby and W. William Hutwelker, III as regular members. James Duffy will serve as the Chair. This is a reappointment of the ad hoc Commission. A motion by Councilor Richards was duly seconded to accept the Mayor's appointments. The motion passed with a unanimous vote in favor.

COMMUNICATION – DANIELLE BOUDRAND – SUGGESTED BAN ON SINGLE USE PLASTIC BAGS

A communication was received from Danielle Boudrand, requesting to ban of single use plastic bags. The communication was referred to the Planning, Licenses and Development Committee.

COMMUNICATION – UNITED CHURCH OF CHRIST IN KEENE – LODGING HOUSE LICENSE

A communication was received from Rev. Christine Boardman and Kathy Blair, of the United Church of Christ in Keene, requesting a Lodging Housing License for the United Church of Christ in Keene in order to provide space for the overflow of homeless people from the Hundred Nights Shelter. The communication was referred to the Planning, Licenses and Development Committee.

MSFI REPORT – PERIODIC UPDATE – AIRPORT ADVISORY COMMISSION

Municipal Services, Facilities and Infrastructure Committee report read recommending the report by the Airport Advisory Commission be accepted as informational. The report was filed as informational.

MSFI REPORT – RE-DEDICATION OF MICHAEL EJ BLASTOS COMMUNITY ROOM

Municipal Services, Facilities and Infrastructure Committee report read recommending the rededication of the Michael EJ Blastos Community Room for Saturday, February 6, 2016. A motion by Councilor Manwaring to carry out the intent of the report was duly seconded. The motion passed with a unanimous vote in favor.

MSFI REPORT – PERIODIC REPORT – AGRICULTURAL COMMISSION

Municipal Services, Facilities and Infrastructure Committee report read recommending the report by the Airport Advisory Commission be accepted as informational. The report was filed as informational.

PLD REPORT – REQUEST TO USE CITY PROPERTY – ICE AND SNOW FESTIVAL

Planning, Licenses and Development Committee report read recommending the periodic report from the Agricultural Commission be accepted as informational. The report was filed as informational.

PLD REPORT – REQUEST TO USE CITY PROPERTY – 4 ON THE 4TH ROAD RACE

Planning, Licenses and Development Committee report read recommending the City Council grant permission to Pathways for Keene to sponsor a running race on July 4, 2016, subject to the customary licensing requirements of the City Council. In addition, the Police Department shall identify Railroad Street immediately adjacent to Railroad Square as a No Parking zone from the

hours of 6:00 AM to 11:00 AM. This license is conditional upon the petitioners providing ten volunteer race marshals, and subject to any recommendations of City staff. A motion by Councilor Richards to carry out the intent of the report was duly seconded. The motion passed with a unanimous vote in favor.

PLD REPORT – LODGING HOUSE LICENSE – 100 NIGHTS, INC

Planning, Licenses and Development Committee report read recommending the City Council grant the license for Hundred Nights Shelter subject to any recommendations from staff. A motion by Councilor Richards to carry out the intent of the report was duly seconded. The motion passed with a unanimous vote in favor.

PLD REPORT – LAND USE CODE UPDATE PROJECT

Planning, Licenses and Development Committee report read recommending this update on the land use code update be accepted as informational. The report was filed as informational.

CITY MANAGER – COMMENTS

The City Manager thanked the various Presidential Campaigns for cleaning up their signs on Main Street as quickly as they did. The City Manager commented that he likes to use part of his comment period to update the Council on things that City staff are doing. He went on to state Liz Sayre and the NH local Welfare Administrators Association gave testimony for HB 1696. The City Manager noted Mitchell Smith, Highway Foreman, has earned his Senior Road Scholar Certification and designation as a Safety Champion Recognition. He continued that Will Dourdounas, Highway Maintenance Aid II, has earned his Road Scholar Two Certification and designation as a Safety Champion. The City Manager noted that Peg Bruce from the Kiwanis Club is planning on removing the lights off the downtown lights next week and the Christmas tree on February 13, 2016. He commented that the City of Keene has 4 young professionals being recognized with the 2016 Business Monadnock Trendsetters Awards on March 9, 2016. They are part of 20 other people making an impact at their companies and in the community. The selection process not only included their individual contributions to their field of work, but how they give back to the community in a meaningful way. The 4 City of Keene employees are: Will Schoefmann, a GIS technician in the Planning Department; Jennifer Ramey, an Investigator for the Keene Police Department; Meghan Spaulding, Recreation Programmer for the Parks and Recreation Department; and Tara Kessler, Planner in the Planning Department.

RULES OF ORDER AMENDMENTS – MAYOR AND CITY CLERK

A memorandum from the Mayor and the City Clerk requesting proposed amendments to the City Council's Rules of Order to redistribute the workload of the three Standing Committees and clarify the participation of non-Committee members at Standing Committee meetings. In addition, the amendments eliminate the signature of the Committee Chair on Committee Reports and the filing of quarterly attendance and more time reports. Finally, the amendments would recognize and codify the current tradition of Standing Committee Chairs presenting background

information on their committee's recommendation. The memorandum was referred to the Planning, Licenses and Development Committee.

MORE TIME

More time was granted by the Chair for the following item in Committee: Emergency Operations Plan.

APPLICATION TO AMEND THE ZONING MAP AND ORDINANCE O-2016-01: AN ORDINANCE RELATING TO THE CREATION OF A RESIDENTIAL PRESERVATION DISTRICT, A BUSINESS GROWTH AND RE-USE DISTRICT AND A NEIGHBORHOOD BUSINESS DISTRICT; AND APPLICATION TO AMEND THE ZONING MAP AND ORDINANCE O-2016-02: AN ORDINANCE RELATING TO THE CHANGE OF ZONE – MARLBORO STREET PROJECT AREA AND ITS PARCELS

An application was received from the Planning Department along with Ordinance O-2016-1: an Ordinance Relating to the Creation of a Residential Preservation District, a Business Growth and Re-Use District and a Neighborhood Business District along with Ordinance O-2016-2: an Ordinance Relating to Change of Zone – Marlboro Street Project Area and its Parcels. The application was filed as informational. Ordinance O-2016-1 and Ordinance O-2016-2 were read for the first time. The Ordinances were referred to the Joint Planning Board and Planning, Licenses and Development Committee.

APPLICATION TO AMEND THE ZONING MAP AND ORDINANCE O-2016-03: AN ORDINANCE RELATING TO CHANGE OF ZONE – KEENE PUBLIC LIBRARY ANNEX AND ADJACENT PARCELS

An application was received from the Keene Public Library Board of Trustees along with Ordinance O-2016-03: an Ordinance Relating to Change of Zone – Keene Public Library Annex and Adjacent Parcels. The application was filed as informational. Ordinance O-2016-03 was read for the first time. The Ordinances were referred to the Joint Planning Board and Planning, Licenses and Development Committee.

MEMORANDUM – MAYOR AND ORDINANCE O-2016-05: AN ORDINANCE RELATING THE BICYCLE/PEDESTRIAN PATH ADVISORY COMMITTEE

A memorandum was received from the Mayor along with Ordinance O-2016-05: an Ordinance Relating to the Bicycle/Pedestrian Path Advisory Committee. The memorandum was filed as informational. Ordinance O-2016-05 was read for the first time. The Ordinance was referred to the Municipal Services, Facilities and Infrastructure Committee.

MEMORANDUM AND RESOLUTION R-2016-03: RELATING TO APPROPRIATIONS FOR AIRPORT IMPROVEMENT PROJECTS

A memorandum was received from Donald R. Lussier, City Engineer, along with Resolution R-2016-03: Relating to Appropriations for Airport Improvements Projects. The communication

was filed as informational. Resolution R-2016-03 was read for the first time. The Resolution was referred to the Finance, Organization and Personnel Committee.

NON-PUBLIC SESSION

At 8:20 PM, a motion by Councilor Greenwald to go into non-public session for the purposes of personnel under RSA 91-A:3 II(b) and a land matter under RSA 91-A:3 II (d) was duly seconded. On a roll call vote, 11 Councilors were present and voted in favor. Discussion was limited to the subject matter. The session concluded at 8:50 PM. A motion by Councilor Greenwald to keep the minutes in non-public session was duly seconded. On roll call vote, 11 Councilors were present and voting in favor. Councilors Kahn, Hansel, Hooper and Greenwald were absent.

CITY MANAGER'S CONTRACT

On motion by Councilor Richards, voted unanimously to authorize the Mayor to execute an amendment to the employment agreement with the City Manager to extend the term of the employment agreement for one additional year beyond its current expiration date, with all other terms and conditions of the agreement to remain in full force and effect.

ADJOURNMENT

At 8:52 PM, there being no further business, the Mayor adjourned the meeting.

A true record, attest:

City Clerk