



City of Keene
New Hampshire

**FINANCE, ORGANIZATION
AND PERSONNEL COMMITTEE
AGENDA
Council Chambers B
September 26, 2019
6:30 PM**

Mitchell H. Greenwald
Carl B. Jacobs
Terry M. Clark
Thomas F. Powers
Bettina A. Chadbourne

-
1. Acceptance of Donations - Parks, Recreation and Facilities Department
 2. 79E Community Revitalization Tax Relief Application for 112 Washington Street
 3. Relating to an Appropriation of Funds for the Solid Waste Fund
Resolution R-2019-35
 4. Economic Development Plan
 5. Request to Purchase City Property - 160 Emerald Street/Ashuelot Rail Trail
 6. Acceptance of Donations - Holiday Sponsorship Program

MORE TIME ITEMS:

- A. Joseph S. Hoppock, Esq. - Request to Purchase City Property
- B. Ed and Kathleen (Kennedy) Burke - Beauregard Trust Property and 0 Chapman Road
- C. Continued Discussion - Campaign Finance Ordinance

Non Public Session
Adjournment



City of Keene, N.H.
Transmittal Form

September 23, 2019

TO: Finance, Organization and Personnel Committee

FROM: Andy Bohannon, Parks, Recreation and Facilities Director

THROUGH: Elizabeth A. Dragon, City Manager

ITEM: 1.

SUBJECT: Acceptance of Donations - Parks, Recreation and Facilities Department

RECOMMENDATION:

Move that the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to accept donations in the amount of \$1000.00, \$247.83 and \$100.00 and that the donations be used for the Human Rights Committee collaboration with the Keene International Festival.

BACKGROUND:

On Saturday, September 21, community organizers hosted the 2nd Annual Keene International Festival. The event attracted over 800 attendees from the Monadnock region. The event was created to showcase and celebrate the rich cultural diversity of the Keene community through activities that engage and connect people to each other.

Activities included food trucks and vendors, workshops for African drumming and Bollywood dancing, games, arts and crafts, and performances highlighting the many cultures within the community.

Among the donations for the event, Savings Bank of Walpole donated \$1000.00, the Cheshire County Literacy Coalition donated \$247.83 and Fenton Family Dealerships donated \$100.00.

Planning for next year's event has already begun and to keep track of various happenings, follow the social media platforms and visit the website at keeneinternationalfestival.org.

CITY OF KEENE RSA 79-E COMMITTEE REPORT

Property Owner: 112 Washington LLC

Property Location: 112 Washington St, Keene, NH 03431

Applicant: Joshua Gorman

Date application submitted: July 30, 2019 (revisions submitted August 23, 2019)

Date of Committee Review: August 15, 2019, & August 28, 2019

- **Is property located within the 79-E district?** YES NO See Note Below
The property is determined by the NH Division of Historical Resources to be eligible for the State and National Register of Historic Places. Although the property is located outside of the City of Keene’s defined 79-E district boundary, it is considered eligible for this program per the definitions of Historic Structure and Qualifying Structure in NH RSA 79-E:2.
- **Is property located within a TIF District?** YES NO
- **Does the project require additional infrastructure by the City?** YES NO
- **Is the property listed or eligible to be listed on the national or state register of historic places and a copy of historic designation submitted?** YES NO
- **If yes, does the project devote at least \$5,000 to energy efficiency?** YES NO N/A
- **Does project replace or redevelop an existing structure?** REPLACE REDEVELOP
- **If a replacement, has HDC approval been obtained?** YES NO N/A
- **Are project cost estimates provided?** YES NO
- **Does the estimated project cost exceed the 75,000 minimum?** YES NO
Summary of work:
Applicant proposes a series of exterior and interior renovations to an historic building.
- **What is the proposed use of the building?** Bed and Breakfast/Inn
- **Does the project include one or more required public benefit(s)?** YES NO
- **Does the project comply with the Master Plan?** YES NO
- **Does the proposed use meet current zoning regulations?** YES NO
Notes:
- **Is the application complete with necessary documentation?** YES NO
- **Has the owner agreed to the execution and recording of a covenant?** YES NO

SUMMARY OF PUBLIC BENEFITS (as proposed by the applicant):

See application for full details

The Applicant notes that the proposed project meets the following public benefits:

CITY OF KEENE RSA 79-E COMMITTEE REPORT

- ***Enhances Downtown economic vitality*** by renovating a building along a gateway corridor into the Downtown into a use (Bed and Breakfast/Inn) that will attract visitors to Keene.
- ***Improves a culturally or historically important structure*** as the building is eligible for listing on the State/National Register of Historic Places and the work proposed is intended to preserve the building's unique "historical aesthetic qualities."
- ***Promotes the preservation and reuse of the existing building stock*** as the proposed work is intended to retain the existing structures and architectural features on the site/buildings and make improvements to modernize the property's infrastructure
- ***Promotes efficient design, safety, and greater sense of community consistent with the Comprehensive Master Plan*** by maintaining the City's history through the preservation, reuse, renovation and energy upgrades to a historic architectural building, and promoting downtown walkability for guests and employees of the proposed bed and breakfast/inn.
- ***Increases energy sustainability through reduced emissions*** by converting the existing heating system to a ten zone forced hot water system with smart thermostats as well as installing R-30 attic cap, and energy star windows.

Community Revitalization Tax Relief Incentive (RSA 79-E)

KEENE
NEW HAMPSHIRE



APPLICATION FORM

Contact throughout the application process will be made with the Applicant listed below. The property owner or a designated agent may act as the Applicant.

Property Owner:

Print Name: 112 Washington LLC.
Address: 85 Park Avenue
City: Keene State: NH Zip: 03431
Phone: 209-1588 Email: gormanjosh@gmail.com

Applicant (if different from owner):

Print Name: Joshua Gorman
Address: 85 Park Avenue
City: Keene State: NH Zip: 03431
Phone: 209-1588 Email: gormanjosh@gmail.com

Building Information:

Building Name (If Any): _____
Building Address: 112 Washington Street
Tax Map Lot #: 554-085-00000000 Zoning District: Office
Cheshire County Registry of Deeds Book #: 3000 Page#: 0392
Gross Square Footage of Building: 3454/859 Year Built: CA 1880

Is the building eligible for listing or listed individually on the National or State Register of Historic Places or located within a locally designated, State or National Historic District? No: _____ Yes*: _____

**If yes, provide a copy of the approved designation by the National or State Register of the building or the district*

Does the property currently have any credit or exemption from real estate tax assessment? No: Yes*: _____ *If yes, please describe:

Continue →

Return this completed application to:
COMMUNITY DEVELOPMENT DEPARTMENT
3 Washington St, 4th Floor
Keene, NH 03431
Phone: (603) 352-5440

OFFICE USE ONLY

Date Submitted: _____
Received by: _____
Date Complete: _____

Project Information:

Describe Existing Uses (include detail on the current uses of the building/site, number of units by type and size, number of employees, etc.):

see attached pages

Describe Proposed Uses (include detail on proposed use of the building/site, number of units by type and size, number of employees, etc.):

see attached pages

Is a change of use associated with this project?

No: _____ Yes*:

*If yes, please describe:

see attached pages

Will greater than 50% of the gross floor area be occupied by residential uses?

No: Yes*: _____

*If yes, this project is not eligible for 79-E tax relief

Will any state or federal grants or funds be used to finance the rehabilitation or construction?

No: Yes*: _____

*If yes, what is the amount of the aid? _____

Note: Rehabilitation or construction subsidized by state or federal grants or funds that do not need to be repaid totaling more than 50% of construction costs from state or federal programs are not eligible for 79-E tax relief.

Does the project involve the replacement of an existing structure? No: Yes*: _____

*If yes, following materials shall be submitted with this application:

A New Hampshire Division of Historical Resources individual resource inventory form, prepared by a qualified architectural historian.

A letter from the Keene Heritage Commission that identifies any and all historical, cultural and architectural value of the structure(s) that are proposed to be replaced and the property on which those structures are located.

Note: This application shall not be deemed complete and the governing body shall not schedule the public hearing on the application for replacement of a qualifying structure as required under RSA 79-E:4,II until the inventory form and letter from the Heritage Commission, as well as all other required information, have been submitted, if required.

Describe the work to be done and estimated cost (Attach additional sheets if necessary)

1. Attach a copy of a contract, contractor estimates, or itemized list of materials
2. Attach a project narrative, building plans or sketches, renderings or photographs to help explain the proposed rehabilitation or construction.

Structural: N/A	\$ ∅
Exterior Alterations (storefront, walls, windows, doors, etc.): see line items #11+12 attached	\$ 7,100.00
Interior Alterations (walls, ceilings, moldings, doors, etc.): see lines #3,6,7 and 8 attached	\$ 36,050.00
Electrical: see lines #4,5, and 9 attached	\$ 17,400.00
Plumbing/Heating: see line 15 attached	\$ 13,650
Mechanical: see line item #1 attached	\$ 7,300.00
Energy Efficiency: see lines #13,14,17,18 attached	\$ 30,200
Other: see line item #2+10 +16 attached	\$ 31,950.00
TOTAL ESTIMATED PROJECT COST: <i>Note: To be considered for this tax relief incentive, the project costs must be \$75,000 or greater.</i>	\$ 143,650.00

Expected Project Start Date:

12/15/17

Expected project completion date:

3/15/20

Public Benefit (Attach additional sheets if necessary)

In order to qualify for tax relief under this program, the proposed work must provide at least one of the public benefits listed below. Greater consideration will be given to projects that provide three or more public benefits. Any proposed replacement must provide one or more of the public benefits listed below to a greater degree than would a substantial rehabilitation of the same structure.

Enhances the economic vitality of downtown areas. No: ___ Yes*: <input checked="" type="checkbox"/> *If yes, please describe: see attached pages
Enhances & improves a structure that is culturally or historically important on a local, regional, state, or national level, either independently or within the context of an historic district, town center, or village center in which the building is located. No: ___ Yes*: <input checked="" type="checkbox"/> *If yes, please describe: see attached pages
Promotes the preservation and reuse of existing building stock by the rehabilitation of historic structures, in accordance with energy efficiency guidelines established by the U.S. Secretary of the Interior's Standards for Rehabilitation. No: ___ Yes*: <input checked="" type="checkbox"/> *If yes, please describe: see attached pages
Promotes efficient design, safety, and a greater sense of community in a manner consistent with the Keene Comprehensive Master Plan. No: ___ Yes*: <input checked="" type="checkbox"/> *If yes, please describe: see attached pages
Will add to the City's employment base by creating at least one new, full-time job in Keene's downtown area. No: ___ Yes*: ___ *If yes, please describe: not applicable, but probable
Directly supports the integration of public art in the downtown. No: ___ Yes*: ___ *If yes, please describe: not applicable
Promotes development of a sustainable building stock in the downtown that achieves a nationally or internationally recognized green building standard (e.g. LEED, Green Globes, National Green Building Standard, and International Green Construction Code). No: ___ Yes*: ___ *If yes, please describe: not applicable
Maintains owner occupancy of a residential building or it returns a residential building to owner occupancy. No: ___ Yes*: ___ *If yes, please describe: not applicable, but probable
Results in an increase in energy sustainability in conformance with the City adopted greenhouse gas initiatives as determined by a home energy score of at least six (6), and demonstrated carbon emission reduction of at least 10%. No: ___ Yes*: <input checked="" type="checkbox"/> *If yes, please describe: see attached pages

Affidavit

I (we) hereby submit this application under the Community Revitalization Tax Relief Incentive Statue (NH RSA 79-E) and attest that to the best of my (our) knowledge all of the information herein and in the accompanying materials is true and accurate.

I (we) have reviewed the statute and Resolution R-2017-41 (see attached) and understand that:

- a) This application will be reviewed for completeness;
- b) There will be a public hearing to evaluate the merits of this application;
- c) If this application is approved by City Council, I (we) will need to enter into a covenant with the City; and
- d) I (we) may be required to pay reasonable expenses associated with the creation of the covenant.


I (we) understand this application will not be determined as complete and recommended to the City Council until all of the necessary information is provided.


IMPORTANT:

Per RSA 79-E:13, the base or "original" assessed value for any tax relief period is set only after the following two conditions are met:

- 1. Approval by City Council; and
- 2. The Applicant has entered into a covenant with the City of Keene to protect the public benefit.

Tax relief granted will pertain only to assessment increases attributable to the substantial rehabilitation or replacement performed under the conditions approved by the City Council and not to those increases attributable to other factors including but not limited to market forces.

 Josh Gorman, Manager 112 Washington LLC 7/3/19
APPLICANT (signed) (name printed) (date)

 Dittke Gorman, Member 112 Washington LLC 7/3/19
OWNER (signed) (name printed) (date)

NOTE: Owner must sign this Affidavit, if Owner is not the Applicant

112 Washington background and introduction:

The property at 112 Washington Sreet was purchased by 112 Washington LLC. as a vacant building in September of 2017. At the time of purchase the building had been vacant for over a year. Prior to its vacancy it had a single tenant office use, which despite having no mortgage, struggled to earn the utilities and taxes.

Shortly after acquiring the property and exploring it's potential uses, the new owner became excited about the proposition of converting the property into a bed and breakfast as a permitted use within the zone. Upon investigation of all of the logistics involved in doing so, the new owner concluded that the project was lofty. However, the new use offered opportunity for the building to shine again, while providing benefit both the community and owner.

As the decision became final, the new owner realized the financial drain as well as the risk involved with the project. Regardless, they chose to move forward. This was perhaps due to a case of irrational exuberance towards this amazing property as well as a love for historic architecture. At that time, knowing the risks were real, the owner inquired with the Keene Community Development Dept. about the State of NH 79-e tax relief program. Unfortunately, even though the project fit the criteria of this program, the owner was made aware that such incentive was only available in the Marlboro St. district at that time.

Since purchase, the new owner has poured over 3000 hrs., as well as over \$138,000.00 in construction materials, subcontract labor, and ownership expenses to date. As expenses mount and the project slowly nudges towards completion, the owner now seeks tax relief from remaining improvements, thereby retaining the current assessed value under the provisions of the 79-e program, which has since been expanded in the city to include this property. This will hopefully enable the successful completion, ensuing community benefits, and future viability of this project.

Remaining construction costs at 112 Washington Street relative to 79-E application

- 1.) Retrofit whole house 14-d sprinkler system, (partial of total) per Life Safety:
\$7,300.00
- 2.) Site work and piping to bring larger water and sewer line across Washington street and into main house,
per Pappas Construction quote: \$12,950
- 3.) Remaining finish carpentry (partial of total) includes reuse of salvage baseboard, band molding, doors, jambs, crown molding and door casing- materials and labor :\$6,200
- 4.) Fire alarm system remaining work (partial of total) including horn strobes, alarms, pull stations, alarm panel and wireless firehouse communication equipment per JE&BC electric: \$8,700.00
- 5.) Various electrical work remaining (partial of total) including panel work, co detectors, telecomm control panel, light fixtures, emergency lighting, dressing out all roughed in electrical boxes per Newell and Sons electric: \$5,800.00
- 6.) Waterproof, tile, grout, and seal (partial of total) all (9) bathroom showers and floors labor and materials:\$11,750.00
- 7.) Remaining (partial of total) interior painting consisting of two coats on entire interior (10 rooms, 9 bathrooms, 1 kitchen, 2 foyers) paint and materials: \$11,500
- 8.) Remaining (partial of total) hardwood floor sanding screening, replacing, and refinishing labor and materials: \$6,600.00
- 9.) Exterior electrical including porch, sign and parking lighting and security per Newell and Sons: \$2,900
- 10.)Exterior paving repairs and replacement post sitework: \$5,000
- 11.) Remaining (partial of total) hardwood porch floor replacement and refinish: \$2,300
- 12.) Remaining (partial of total) exterior window, soffit, fascia, crown, shutter and corbel repair/replace, prep, and refinish labor and materials: \$4,800.00
- 13.) blow in attic cap insulation labor and materials: \$1,600.00
- 14.) Domestic hot water super store tanks installed : \$5300.00
- 15.) Remaining (partial of total) plumbing and bath fixtures installed: \$13,650.00
- 16.) Exterior fencing, walkways, ramp, shrubs and landscaping materials and labor: \$14,000.00
- 17.) Install smart thermostats for all heat zones:\$2,300.00
- 18.) Install mini-split cooling units for sleeping rooms: \$21,000.00

Grand total:\$143,650.00

The proposed tax relief meets the following multiple criteria, where one is required:

***Enhances Downtown economic vitality:**

The conversion of this property into a 9 suite inn (including operators quarters) will certainly add to the vitality of downtown. Prior to purchase in late 2017, and during subsequent ongoing renovation, this building has been vacant and had been deteriorating for a significant time period. The renovations to this building in one of the gateway sections of our center will bring a visual artistic improvement to our downtown. The new use will bring people from this and other communities to enjoy the many experiences that our beautiful downtown has to offer, thus adding to vitality of our main street.

***Improves a culturally or historically important structure:**

This property is one of significant grandeur from a period of our past. The Court Street and Washington Street corridors that lead to Central Square, whose historic significance are addressed in the comprehensive master plan, offer some of the most grand and historically accurate clusters of architecture in our region. The carriage house on this property, which was in disrepair upon purchase, is one of the most distinct and original carriage houses in the region that I am aware of. It is slated to be in the heritage commission carriage barn tour this August. The 3500+/- square foot main house is a stately Classic Revival, which will have all of its remaining original features renovated and retained. The improvements being made will modernize the property's infrastructure and catch up on years of deferred maintenance. At the same the process retains and restores as many of its historical aesthetic qualities as possible both inside and out, allowing it to be preserved and enjoyed for generations to come. A report detailing the property's historic significance is currently being prepared for this property by the Heritage Commission, and upon its completion, the property is being placed on the State Historic Register

***Promotes the preservation and reuse of the existing building stock:**

As far as renovations to the main house, strenuous efforts have been and are being made to insure the character and preservation of the home both inside and out. Things such as, but not limited to: the repair and restoration of exterior shutters, corbels, soffit and fascia, the repair of stained glass on double entry doors, the repair and restoration of original exterior doors, the removal of a front porch enclosure to restore the original open porch including the reinstallation of an original arched window which had been removed, the preservation of original gas lighting fixtures which have been converted to electricity; the reuse of original baseboards, band molding, crown molding; the reuse of original doors and casing for the installation of the bathrooms; the repurposing of flooring from the bathroom footprints to repair other existing floors, and the repair of marble fireplaces.

***Promotes efficient design, safety, and greater sense of community consistent with the comprehensive master plan:**

Pages 52- 55 of the comprehensive master plan specifically address the various elements, challenges, and imperative importance of maintaining our city's history through the preservation, reuse, renovation, and energy upgrades of our many historic architectural gems. The master plan sites a need for programs which will stimulate such activity. The 79-e is a prime example of such a program and this project captivates all of the purposes, challenges, and benefits relative to reuse, preservation and efficiency. Pages 56-58 address the need and benefit of a walkable community. The location and use of this building surely promotes downtown walkability for all of it's guests as well as it's operator and owner, thus benefitting the many downtown merchants.

***Increases energy sustainability through reduced emissions**

Through conversion of heating system from highly inefficient gravity system to a ten zone forced hot water system with smart thermostats, as well as blowing in an r-30 attic cap and installing energy star windows, annual heating oil consumption will be reduced by at least 40% (forty percent has already been realized prior to attic cap)



NEW HAMPSHIRE DIVISION OF HISTORICAL RESOURCES

State of New Hampshire, Department of Natural and Cultural Resources 603-271-3483
19 Pillsbury Street, Concord, NH 03301-3570 603-271-3558
TDD Access Relay NH 1-800-735-2964 FAX 603-271-3433
www.nh.gov/nhdhr preservation@dncr.nh.gov

July 30, 2019

Joshua Gorman
112 Washington LLC
85 Park Avenue
Keene, NH 03431

Dear Mr. Gorman,

The Division of Historical Resources (DHR) has reviewed the inventory form prepared for the Washington House (Burrell Residence) at 112 Washington Street in Keene and has determined that it is eligible for listing to the New Hampshire State Register of Historic Places.

To officially list the property on the New Hampshire State Register, please have a legally-appointed representative of the property check and sign this letter below and return it to our office at the address noted above. With a returned signed letter, we will place it on the agenda for final approval by the State Historical Resources Council at its quarterly meeting on October 28, 2019. More information on the State Register and its benefits is enclosed.

A copy of the Determination of Eligibility evaluation form for your files is also attached. This evaluation and the inventory data will be added to DHR's database for historic properties in New Hampshire. Thank you for your stewardship of this important piece of New Hampshire history and please feel free to call with questions.

Sincerely,


Megan R. Rupnik
State Survey Coordinator

Encl.

I certify that I am the legal property owner or legally-appointed representative of the above property.

Please list my property on the New Hampshire State Register, pending approval by the State Historical Resources Council

Please do NOT list my property on the New Hampshire State Register at this time:

Signature

Name (please print)

Date



New Hampshire Division of Historical Resources
Determination of Eligibility (DOE)

Inventory #: KEE0244

DOE Review Date: 7/24/2019

Date Received: 7/18/2019

Final DOE Approved: Yes

Property Name: George Burrell Residence

Area:

Address: 112 Washington Street

Town: Keene

County: Cheshire

Reviewed For: SR

DOE Program(s):
State Register

Determination of Eligibility:

State Register eligible, individually		Integrity: Yes		Level: Local	
Criteria:	A: No	B: No	C: Yes	D: No	E: No

Areas of Significance(s):
Architecture

Period of Significance:

ca 1853

Boundary:
Tax parcel 554-085-000

Statement of Significance:

The property at 112 Washington street is a very well preserved example of the Italianate style of architecture. The carriage house, executed in the Stick style, also possesses a high degree of integrity. Together the house and carriage house are eligible for listing in the State Register for their architectural significance and the period of significance of the property reflects this.

Comments:

Follow Up:
Notify appropriate parties



CITY OF KEENE

R-2018-33

In the Year of Our Lord Two Thousand and Eighteen

A RESOLUTION RELATING TO ADOPTING THE PROVISIONS OF RSA 79-E
"COMMUNITY REVITALIZATION TAX RELIEF INCENTIVE"

Resolved by the City Council of the City of Keene, as follows:

WHEREAS, RSA 79-E "Community Revitalization Tax Relief Incentive" (hereinafter "RSA 79-E) declares it a public benefit to enhance downtown and town centers with respect to economic activity, cultural and historic character, sense of community, and in-town residential uses that contribute to economic and social vitality; and

WHEREAS, RSA 79-E further declares it a public benefit to encourage the rehabilitation of underutilized structures in urban and town centers as a means of encouraging growth of economic, residential, and municipal uses in a more compact pattern, in accordance with RSA 9-B.; and

WHEREAS, RSA 79-E also declares it a public benefit to provide short-term property assessment tax relief and a related covenant to protect public benefit in order to encourage substantial rehabilitation and use of qualifying structures, or in certain cases, the replacement of qualifying structures, as described herein; and

WHEREAS, RSA 79-E:3 permits municipalities to adopt modifications of the provisions of RSA 79-E, as set forth within the Statute.

WHEREAS, on December 21, 2017 the City Council adopted RSA 79-E within certain districts located within the City as defined in R-2017-41; and

WHEREAS, the City Council hereby rescinds R-2017-41, and readopts and expands RSA 79-E in accordance with this Resolution;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Keene that the Council hereby readopts and re-implements the provisions of RSA 79-E, with certain modifications, as follows:

A. For purposes of administering a RSA 79-E program within Keene, the City hereby defines that a "qualifying structure" shall mean a non-residential building, a mixed use building with residential uses occupying less than 50% of the gross living area, or a residential use building, being located within the area depicted on the map labeled "City of Keene Community Revitalization Tax Relief Incentive (RSA 79-E) District" dated _____ attached hereto and made part of this Resolution.

PASSED

B. For purposes of administering a RSA 79-E program within Keene, the City Council shall ensure that the proposed substantial rehabilitation provides one or more of the following public benefits, or that the proposed replacement provides one or more of the public benefits to a greater degree than would substantial rehabilitation of the same qualifying structure:

- I. It enhances the economic vitality of downtown areas;
- II. It enhances and improves a structure that is culturally or historically important on a local, regional, state, or national level, either independently or within the context of an historic district, town center, or village center in which the building is located;
- III. It promotes the preservation and reuse of existing building stock throughout a municipality by the rehabilitation of historic structures, thereby conserving the embodied energy in accordance with energy efficiency guidelines established by the U.S. Secretary of the Interior's Standards for Rehabilitation;
- IV. It promotes efficient design, safety, and a greater sense of community in a manner consistent with the Keene Comprehensive Master Plan;
- V. It will add to the City's employment base by creating at least one new, full-time job in Keene's downtown area;
- VI. It directly supports the integration of public art in the downtown; or
- VII. It promotes development of a sustainable building stock in the downtown that achieves a nationally or internationally recognized green building standard (e.g. LEED, Green Globes, National Green Building Standard, and International Green Construction Code).
- VIII. It maintains owner occupancy of a residential building or it returns a residential building to owner occupancy;
- IX. It results in an increase in energy sustainability in conformance with the City adopted greenhouse gas initiatives as determined by a home energy score of at least six (6), and demonstrated carbon emission reduction of at least 10%.

C. "Substantial Rehabilitation" shall mean rehabilitation of a qualifying structure which costs at least \$75,000 and, in certain cases, replacement of a qualifying structure which costs at least \$75,000;

D. "Tax Relief Period" shall mean that for a period of up to five (5) years the property tax on a qualifying structure shall not increase as a result of the substantial rehabilitation or reconstruction thereof, beginning only upon completion of substantial rehabilitation or, in the case of a replacement structure, upon completion of its construction;

E. In accordance with RSA 79-E:5, the duration of the tax relief period for applications filed in Keene shall be considered in the context of each specific application and shall only provide that level of tax relief necessary in the discretion of the City Council to effectuate the specific targeted public benefit(s) outlined as determined by the City Council. By way of example, a qualifying project that is deemed by the City Council to provide one or two of the public

benefits listed above may be granted a tax relief period of up to two years, and a qualifying project that provides three or more public benefits may be granted a tax relief period of up to five years; provided, however, that in determining what, if any, tax relief duration to provide, the City Council may consider the impact the proposed substantial rehabilitation will have on existing, or required, City infrastructure.

BE IT FURTHER RESOLVED that a property owner, as a condition of being granted such tax relief, shall

A. Document the proposed public benefit(s) at the time of the application for tax relief under the Keene RSA 79-E program; and

B. Provide the City promptly with all information and documentation that the City may deem relevant for review of the application for such tax relief, as well as for review of the rehabilitation or replacement project under federal, state, and local laws, codes and regulations, as may be applicable; and

C. Grant to the City a Covenant ensuring that the structure shall be maintained and used in a manner that furthers the public benefit(s) for which the property tax relief was granted and shall require the property owner to obtain casualty insurance, and flood insurance, if appropriate, for twice the term of the tax relief granted; and

D. Grant to the City a lien against the property for the purpose of ensuring proper restoration or demolition of damaged structures and property; and

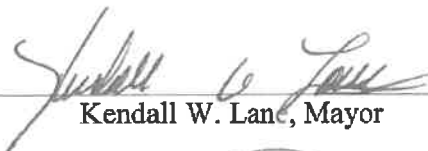
E. Maintain the property as taxable, regardless of whether the property owner is otherwise subject to property taxes under RSA Chapter 72; and

BE IT FURTHER RESOLVED that if the Covenant is terminated for any reason, the City shall assess all current and arrears taxes, with interest, to the property owner as though no tax relief was granted in accordance with RSA 79-E:9,II; and

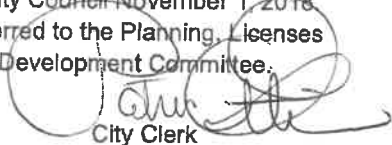
BE IT FURTHER RESOLVED that the City Manager or her or his designee, is hereby authorized to execute all documents and undertake all actions as may be required to implement this resolution.

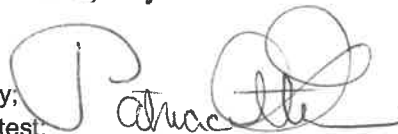
This resolution shall take effect upon sixty (60) days following approval by City Council.

PASSED: November 15, 2018


Kendall W. Lane, Mayor

In City Council November 1, 2018
Referred to the Planning, Licenses
and Development Committee.


City Clerk

A true copy,
Attest: 
City Clerk



September 17, 2019

TO: Mayor and Keene City Council

FROM: Duncan Watson, Assistant Public Works Director/Solid Waste Manager

THROUGH: Elizabeth A. Dragon, City Manager

ITEM: 3.

SUBJECT: Relating to an Appropriation of Funds for the Solid Waste Fund

COUNCIL ACTION:

In City Council September 19, 2019.

Referred to the Finance, Organization and Personnel Committee.

RECOMMENDATION:

That R-2019-35 relating to the appropriation of funds for the Solid Waste Fund for FY 18/19 be read and referred to the Finance, Organization and Personnel Committee.

ATTACHMENTS:

Description

Resolution R-2019-35

BACKGROUND:

The City of Keene Transfer Station received greater volume than expected in FY 18/19. The forecast for the amount of material anticipated to be received at the transfer station and recycling center is developed 18 months prior to the end of the fiscal year and is based on previous volumes received as well as economic forecasts of expected growth. Economic activity, including greater than anticipated solid waste and construction and demolition disposal as well as more robust recycling markets has resulted in both higher revenues and expenses than budgeted. Resolution R-2019-35 adjusts the authorized budget to reflect the increase in revenue and expenses at the recycling center/transfer station.

It should be noted, that the Solid Waste Fund is completely separate from the General Fund in that no tax dollars support the Solid Waste Fund. Revenues are primarily derived from the tipping fees from disposal of solid waste and the revenue received from the sale of recyclable commodities. The net revenue in the Solid Waste Fund for FY 18/19 exceeds expenses and the excess revenue is placed in the Solid Waste Fund for future needs.

FY 18/19 Solid Waste Expenditure

<u>Account #</u>	<u>Description</u>	<u>FY18/19 Budget</u>	<u>Additional Request</u>	<u>Revised Budget</u>
10002-62448	Disposal- Operations	\$2,659,286	\$ 43,327	\$2,702,613

10002-62448	Disposal- Recycling	\$ 7,600	\$3,053	\$ 10,653
10002-62448	Disposal- Demolition	\$ 107,060	\$ 33,640	\$ 140,700
10002-62314	System Maintenance	\$ 106,549	\$ 48,133	\$ 154,682

FY 18/19 Solid Waste Revenue

<u>Account #</u>	<u>Description</u>	<u>FY 18/19 Budget</u>	<u>Additional Request</u>	<u>Revised Budget</u>
10000-44119	Tipping Fees	\$4,212,483	\$125,100	\$4,337,583
10000-47120	Recycling Fees	\$ 400,000	\$ 3,053	\$ 403,053



CITY OF KEENE

In the Year of Our Lord Two Thousand andNineteen.....

A RESOLUTIONRelating to the Appropriation of Funds for the Solid Waste Fund.....

Resolved by the City Council of the City of Keene, as follows:

That, pursuant to Section 32 of the Rules of Order, the sum of three million eight thousand six hundred forty eight dollars (\$3,008,648) is hereby appropriated in the 2018/2019 fiscal year for disposal costs and system maintenance associated with the operation of the City of Keene Transfer Station, and the sum of four million seven hundred forty thousand six hundred thirty six dollars (\$4,740,636) be added as increased revenue from tipping fees and recycling fees as follows:

FY 18/19 Solid Waste Expenditure

<u>Account#</u>	<u>Description</u>	<u>FY18/19 Budget</u>	<u>Additional Request</u>	<u>Revised Budget</u>
10002-62448	Disposal-Operations	\$2,659,286	\$ 43,327	\$2,702,613
10003-62448	Disposal-Recycling	7,600	3,053	10,653
10006-62448	Disposal-Demolition	107,060	33,640	140,700
10009-62314	System Maintenance	106,549	48,133	154,682

FY 18/19 Solid Waste Revenue

<u>Account#</u>	<u>Description</u>	<u>Budget</u>	<u>Request</u>	<u>Budget</u>
10000-44119	Tipping Fees	\$4,212,483	\$125,100	\$4,337,583
10000-44120	Recycling Fees	400,000	3,053	403,053

Kendall W. Lane, Mayor

PASSED

In City Council September 19, 2019.
Referred to the Finance, Organization and
Personnel Committee.

City Clerk



City of Keene, N.H.
Transmittal Form

September 19, 2019

TO: Mayor and Keene City Council
FROM: Comprehensive Economic Development Committee
ITEM: 4.
SUBJECT: Economic Development Plan

COUNCIL ACTION:

In City Council September 19, 2019.
Referred to the Finance, Organization and Personnel Committee.

RECOMMENDATION:

That the Keene City Council send the Economic Development Plan to the Finance, Organization and Personnel Committee for consideration and recommendation.

ATTACHMENTS:

Description

Draft 2019 Economic Development Plan

BACKGROUND:

The submitted plan is the next set of continuing steps to further the efforts of the original Ad-Hoc Comprehensive Economic Development Committee.

City of Keene Economic Development Plan



Everything You Need Is Here!

August 2019

Ad-Hoc Comprehensive Economic Development Committee

This plan presented, is the next set of continuing steps to further the efforts of the original Ad-Hoc Comprehensive Economic Development Committee. As will be discussed further, the original work by the Committee was to move forward with efforts that devolved from the Adopted 2010 Comprehensive

The City Council has adopted five goals:

- 1. Provide high quality, cost-effective and environmentally sensitive services that are responsive to community needs.*
- 2. Establish a competitive and prosperous local economy.*
- 3. Exercise sound organizational and financial management.*
- 4. Maintain and improve quality of life.*
- 5. Enhance regional collaboration.*

Master Plan, as well as the adopted 2017 City Council Goals. It is clear that development and most especially, redevelopment; carefully tended to are in the City of Keene’s best interests and are clearly needed to promote a sustainable community.

Committee Charge: To take an inventory of Economic Development efforts in Keene and the Monadnock Region, provide guidance, and encourage collaboration and planning for comprehensive Economic Development efforts.

Committee Members

Councilor Mitchell Greenwald

City of Keene, Chair

Councilor Gary Lamoureux

City of Keene

Tim Murphy

Southwest Region Planning Commission

Jack Dugan

Monadnock Economic Development Corporation

Jordan Benik

People’s Linen

Bill Hutwelker

BHG Masiello and Swanzey Selectman

Chris McIntosh

Clark-Mortenson Insurance

Elizabeth Dragon

City Manager, City of Keene

Dominic Perkins

Savings Bank of Walpole

Mayor Kendall Lane

City of Keene

Councilor George Hansel

City of Keene

Phil Suter

Greater Keene Chamber of Commerce

Joseph Walier

Walier Chevrolet

George Foskett

BHG Masiello Real Estate

Keith Thibault

Southwestern Community Services

Rebecca Hamilton

Machina Arts

Melinda Treadwell

President, Keene State College

Frequent Guests, Chris Coates- County Administrator- **Rod Bouchard,** Assistant County Administrator
Medard Kopczynski, Staff Liaison, Director Economic Development, Initiatives and Special Projects

A Letter from the Chair

I am pleased to submit this plan from the Economic Development Committee. This is the second committee that has considered and discussed the current economic climate in Keene, and is making recommendations for the future.

We began by reviewing the plan issued by the 2016 committee. A number of recommendations are in the process of implementation. Several were the basis of action plans by the City Manager and are in place. Many of the topics discussed are still priorities as we move forward.

Significant goals that emerge from this report:

- Implement an outreach-marketing program, while supporting existing businesses to expand the local tax base and providing living wage opportunities. Urge Council to set aside money for Economic Development and branding projects.
- Continue and expand the close working relationship between the City and Keene State College, River Valley and Antioch University. Work to assure the success of the KSC / River Valley / Cheshire Career Center collaboration.
- Support and expand the presence of internships. Encourage employers to implement programs to subsidize college loan debt as an employment incentive.
- Identify, promote and utilize incentive programs from the State and Fed Government.
- Create and implement efforts to promote Keene as a cultural, recreational, and tourist destination. Support downtown Economic Development programs.
- Support the installation and expansion of high-speed internet. Plan for installation of conduit any time a street is excavated.
- Promote diversity as a means to workforce growth.
- Work to develop and expand the airport. Promote the development of public transportation.

The committee held monthly meetings. The attendance was truly amazing. I commend the committee for this and the very active participation in discussions. City Staff (Med Kopczynski) was an invaluable asset and a great fill-in for me when I was away during one of the meetings. Meetings started and ended on time. The committee was focused in discussion, and this report is issued as planned. This all is due to a great committee and staff support!

We need to expand this effort and continue to look at issues related to economic growth. Consideration of developing and adopting an Economic Development Master Plan should seriously occur.

Councilor Mitchell Greenwald
Chair, Comprehensive Economic Development Committee

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INTRODUCTION

Keene is a historic established community centrally located at the heart of New England. Situated in the breathtaking Monadnock region, Keene is linked economically with Windham County Vermont and Franklin County Massachusetts (our natural partners) in addition to the Boston/Portland corridor. Our local partners are the 22 surrounding towns in Cheshire County. The economic push and development of the I-91 Corridor is creating growth opportunities that are separate and distinct from southeast New Hampshire. While Keene has a smaller town feel, opportunities that you may only think are available in big cities like Boston or New York abound. Keene's airport is the third longest in the state, and major airports and cities are but a small drive from Keene (New York, NY, *205 Miles*- Albany NY, *101 Miles*- Hartford CT, *97 Miles*- Portland Me, *135 Miles*- Boston MA *84 Miles*). Our common heritage and community pride continue to drive us to maintain and grow the resources necessary to keep Keene vibrant and resilient for our citizens, guests, and those who work and shop in Keene. Ours is a unique community that our residents are proud to call home.



What Sets Keene Apart

- A City of Opportunity for [all people](#)- the City of Keene, our Colleges, our fine school system, Chamber of Commerce and employers support diversity and inclusion without regard to physical abilities, sexual orientation, and religious affiliation, racial or cultural ethnicity.
- A progressive community that values and supports lifelong learning—Boasting a first-rate public school system and four institutions for higher education.
- A regional airport that includes the third longest runway in New Hampshire.
- A diverse group of internationally relevant, high tech manufacturers that consistently lead their peers in both innovation and social responsibility.
- A rapidly growing arts scene that builds on the region's storied reputation for cultivating successful visual and performing artists.
- A community vision that boldly strives to realize a more sustainable, thoughtful, and quality built environment that is attractive to young families and new residents of diverse backgrounds.
- A vibrant and active downtown core that has received national recognition—Central Square being named as “One of the Great Places in America” by the American Planners Association.
- A thriving “buy local movement” anchored by a downtown food coop and farmer's market.
- Substantial and responsive municipal services housed in a newly constructed Fire Station (2014), Police and Public Works Building (2006), and a beautifully renovated and expanded Public Library (2019) that is the largest such facility in the state of New Hampshire.
- A collaborative and well-functioning group of individuals, businesses, non-profit organizations, and government entities that consistently work together to tackle bold ideas.

Committee Recommendations to the City Council

General

1. The City Council should set aside funding in the City Manager's budget of \$50,000.00 in a reserve account to permit funding of Economic Development efforts such as branding, marketing, networking, and travel.
2. Access to High Speed internet is a priority. To this end, staff shall develop a conduit policy that ensures the installation of suitable conduit in the city; and the City Council should fund these installations as part of any road, or utility projects by the City or any private party.
3. The City Council should consider the value of a regional transportation center located in the Greater Keene area and participate in collaborative efforts to evaluate issues such as appropriateness, features, location, design, funding, etc.
4. The City of Keene should coordinate with the Chamber of Commerce, MEDC and Cheshire County to advance the concept of Countywide Economic Development and Branding.
 - a. Participate in local and area wide Economic Development efforts including the Comprehensive Economic Development Strategy for Southwest New Hampshire.
 - b. Participate with efforts focused on branding and/or promoting Greater Keene and the region such as those currently being explored by the Greater Keene Chamber of Commerce and other stakeholders.
5. The City Council has supported and should continue to support the Downtown Revitalization Project proposed by the Department of Public Works. This presents the opportunity to take a closer look at the current condition of the Downtown area within the City of Keene and to consider replacing outdated and failing infrastructure. It will be important to build upon the vibrancy of Main Street by involving citizens in a community wide decision-making process.
6. The City Council should continue to fund the position of the Downtown Coordinator and the Economic Development and Special Projects Director in order to support and encourage City efforts for Economic Development activities. With the impending retirement of the Executive Director of MEDC, the City will need to take an even more active role in Economic Development, including advocating for appropriate funding at the state and federal level for Economic Development initiatives.

Arts and Culture Goals and Objectives:

1. The review of Land Use Codes as part of the Building Better Together Project to determine if any City Land Use Codes or processes discourage the Arts.
2. The review of Land Use Codes as part of the Building Better Together Project to encourage the placement of public art.
3. By June 2020, the City of Keene under the direction of the City Manager will review the City Code and approval processes to determine if there are barriers to the placement of art, and make recommendations to the City Council as needed.
4. Review by the City Manager of Capital Improvements Budget projects for inclusion of Public Art.
5. The establishment of an Arts and Culture Commission.
6. The creation of the Arts and Culture Corridor with a targeted completion date.
7. As part of the new corridor the placement of Public Art.
8. The creation of a Welcome Center which will supply public bathrooms;
 - a. Could function as center for the Monadnock Chamber of Commerce.

- b. Could function as a center for arts management to include Arts Alive.

Energy Use Supply Goals and Objectives:

1. The review of Land Use Codes as part of the Building Better Together Project to determine if any the City Land Use Codes or processes discourage Energy Efficiency or the placement of Energy Distribution (EG Solar, Solar Farms, Solar siting).
2. The most effective mechanism for increasing/preserving Energy Supply and use is Energy Efficiency, to that end the City Council will:
 - a. Support the review of building/green codes, and building placement with the goal of increasing the energy efficiency of buildings.
 - b. Support programs locally and at the state level that provide incentives to retrofit buildings envelopes.
 - c. Support programs locally and at the state level that provide incentives to retrofit all building envelopes including manufacturing and commercial buildings.
 - d. Continue to promote energy efficiency in design and function of City Facilities.
3. The City Council will continue to support the efforts at the State level to expand Net Metering to allow the expansion of the use of solar and wind power generation.
4. The review of any potential district heating programs that could use renewable energy source supplies such as wood pellets or wood chips.

Dillant-Hopkins Airport Goals and Objectives:

1. Completion of Part 139 status review costs and benefits.
2. Reuse of the PAPI (precision approach path indicator).
3. A review of the actual condition of Airport Building to create an Asset Management Plan.
4. The completion of a revised Market/Demand Study.
5. The continuation of outreach to develop lands on and adjacent to the Airport.
6. Expand the cooperative working relationship with the Town of Swanzey.

Workforce Development Training and Education Goals and Objectives:

1. Create a Monadnock Region Sector Partnership. The Sector Partnerships Initiative (SPI) is a new industry-driven statewide initiative to help businesses in targeted industries address their workforce needs, while also helping workers prepare for and advance in careers in these critical sectors. The initiative is initially focusing on four industries: manufacturing, hospitality, healthcare, and information technology.
2. Keene State College will create a coalition with Franklin Pierce University, River Valley Community College, Cheshire Career Center, and Keene Community Education provided through SAU 29 to create work internships with local employers and industries.
3. The creation appropriate credentialing for Nursing, Healthcare, and Childcare.
4. The establishment of an annual workforce connect event through an organization such as the Hannah Grimes Center.

5. The City of Keene, Keene State College and Franklin Pierce University will work with major employers and industries to create progressive benefits packages that could help with the reduction of student debt, which could link student debt to retention in addition to other progressive benefits options.
6. Support legislation that would reduce or eliminate student debt.
7. Support legislation that would increase state spending on higher education. The biggest higher education spender, relative to personal income was Wyoming (\$11.18 per \$1,000 in personal income) and the lowest New Hampshire (\$1.56 per \$1,000 in personal income).
8. Support the future funding of recent Keene State Workforce Training initiative (Business Partnership Hub).

Available Funding for Small and Large Businesses and Development Goals and Objectives:

1. The continuation and expansion of State and Federal programs that support rural and disadvantaged districts, investment and business development.
2. The addition to the City's Economic Development strategy- information to businesses about the variety of funding programs available.
3. Any potential centralization of funding information and contacts that could assist business development and growth.
4. The continued support of the Monadnock Economic Development Corporation as an important component of growth and development in the Monadnock Region.
5. A more pronounced presence at the New Hampshire state level such as New Hampshire Live Free.

Housing Programs and the Availability of Housing Goals and Objectives:

1. Programs to support the reuse of existing housing to include energy efficient upgrades.
2. Programs working with Keene State College and major employers to assist families to purchase one and two family homes when; they are within walking distance of the City of Keene (as an employer), Keene State College and major employers as well as Main Street. These would be owner occupied for a specified period.
3. Programs and funding at the state level to assist with property purchase and home renovations.
4. The revision or adoption of codes and ordinances related to property conditions and enforcement; to ensure public health, safety and welfare insofar as they are affected by the continued occupancy and maintenance of structures; and to improve the quality of life of our citizens.
5. Changes when needed to State Law to assist with the abatement of property conditions, and reduction of the impact on the court system of enforcement cases.
6. Changes in the proposed Unified Development Code, when densification or revised standards could provide a clear path to home ownership in the city core.

Prior Plans

Keene's Adopted 2010 Master Plan

In 2010, the City of Keene adopted an updated Comprehensive Master Plan. Master plans are used to gain acceptance of long-term goals created by Citizens to address future growth and development. The plan is meant to act as a guide and goal for activity as diverse as land planning decisions, rules and ordinance creation and implementation and even budget decisions. The Master Plan provides a yardstick for choices and actions with Keene's long-term economic, social, and developmental goals – as determined by a public process of two and a half years. Key ideas expressed in the Plan include:

Appropriate Industries

The Keene economy was mainly based on local manufacturing and agriculture with Main Street retail and offices. As agriculture shifted and manufacturing changed from rail orientated smokestack industry, large local manufacturing has shifted to more diverse and global high tech industry. Main Street is changing to become a more interesting cultural and entertainment hub. One of the goals of the 1993 Economic Development Plan was the addition of land suitable for increased manufacturing capacity, which was advanced through the Black Brook development initiative. While the economic balance has changed, business has adapted to embrace change, which creates successful entrepreneurs. In partnership with the educational system (Keene State College, Antioch University New England, River Valley Community College and the local school system, SAU 29) Keene is in a position to leverage local business knowledge to both grow and create new business. This means that Keene can capture opportunities during times of economic prosperity and is less vulnerable during periods of economic hardship.

A Vibrant Economy

A vibrant economy addresses the issues of opportunity, prosperity, livability, and availability of meaningful work for citizens.

For our future, achieving a vibrant economy means:

- ❖ **Providing for a Balanced Local Economy.**
- ❖ **Employment Opportunities.**

The City of Keene has an established *development goal* of balancing the tax base among industrial, commercial and residential uses so that no one segment is completely burdened. This helps to preserve economic stability where there is opportunity for investment and employment as well as advanced education and quality housing. The abundant natural gifts bestowed to our City, in addition to quality services and a strong sense of community, communicates to investors that **Keene is a great**

place to Live, Work, and Play. If the tax base is balanced, Keene can continue to support various types of businesses and employment opportunities as well as provide quality housing.

While Keene is successful in attracting new manufacturing and businesses, the ability to construct new buildings is limited by land availability and to some extent transportation. Keene has always been successful in creating new industry and the ability to expand new business efforts is limited by a number of factors, that which is most important at this time, is the ability to attract or create a workforce.

2017 Economic Development Action Plan

At the April 06, 2017 City Council meeting, the Economic Development Action Plan (EDAP) was adopted by the City Council. The Committee charge was to produce a comprehensive Economic Development plan for the City of Keene. Upon review, the committee made a number of recommendations for actions that were substantially under the control of the City, as they tended to be operational, project orientated or regulatory. Many of the recommendations were the same or similar to those contained in the adopted 2010 Keene Comprehensive Master Plan, and the adopted 2017 City Council Goals. Many of the City Council Goals reflect the recommended actions from the EDAP so they are both supportive of Economic Development efforts and reflect the Master Plan.

The adopted plan identified a number of items that grouped under the title of action items. Many of these action items were under way independent to the report, but the report helped to identify those efforts and how important they were to Economic Development. The specific action items are listed in the report and in the updated report for details and how the items were addressed. Most of the action items have been achieved or are well on their way to being achieved.

2017 Adopted City Council Goals

The City Council Goals Committee has identified specific “objectives” under each of the five goal statements. The Goals Committee also identified “stakeholders” who would most likely have either a direct responsibility or they are a potential partner or promoter with others working towards an objective. Stakeholders include the City Council, City staff, Cheshire County, the community and/or the region, and the educational community.

1993 Economic Development Plan

The 1993 Economic Development Plan was quite prescient and the major findings and points made are still very relevant to today. The “plan” is part analysis, part master plan, and part development plan. The information in it and the path forward mesh quite well with the 2010 Keene Adopted Comprehensive Master Plan, the EDAP and the 2017 adopted City Council Goals. The 1993 Economic Development Plan was well conceived, but its goals only partly realized and weakly emphasized in later years. The major achievements from the plan were Black Brook, the redevelopment of the Railroad property and increased planning, as well as spending on critical public infrastructure. The same pattern exists for the 2010 Keene Adopted Comprehensive Master Plan: ambitious, far-reaching, but partly executed. Only

GROWTH IN THE LOCAL ECONOMY WILL REQUIRE*:

1. Supporting the growth of existing Keene businesses.
2. Continuing to incubate new businesses.
3. Attracting businesses to locate and develop in Keene.

In keeping with these priorities, the goals of this plan include:

- Streamlining the local development process.
- Drawing investment in business and industry development projects that effectively expand the Keene property tax base.
- Providing living wage job opportunities for Keene residents.
- Developing a qualified local workforce to meet business needs while also retaining our capable youth population by providing valuable career opportunities.

*2017 Economic Development Action Plan

now with the Building Better Together Project, the creation of Community Development and the completed action items from the EDAP, has progress been made to parts of the plan; there is, however, much more yet to be accomplished.

1993 Long Range Goal: Keene should continue as the economic center for Cheshire County by encouraging reasonable Economic Development in the City that will increase the employment opportunities, expand its tax base, and at the same time maintain its quality of life.

1993 Interim Goal: During this planning cycle, Keene should place emphasis on industrial growth to create 500 to 1000 additional industrial jobs during the next ten years and increase the industrial tax base so that by the year 2003 it is at least 12% of the total Keene tax base.

1993 Findings – Selected for Consistency with Present Committee Effort

Recommendations:

1. The public and private sectors need to work together on two important steps to strengthen Keene's industrial sector:
 - There should be an ongoing program to meet regularly with local industries with the interest of retaining present industries and encouraging those already here to expand in Keene.
 - A concerted, professional effort will need to be made to attract new industries to Keene.
2. There needs to be an increased emphasis on technical training and retraining at both the secondary and post-secondary levels to create a more highly skilled work force to meet industry's needs.
3. A cooperative working relationship between Keene and the towns of Cheshire County should be established in addressing a number of regional issues on traffic, solid waste disposal, housing, etc. which have a bearing on the Economic Development of the area.
4. To increase the importance of tourism in the area, the City should support the private sector in its outreach to new geographic markets and appeal to some new niche markets.
5. A committed effort should be made by the City Government, by private organizations within the community, and by individual citizens to maintain and improve the partnership between Economic Development and the quality of life in Keene. Good schools, good residential neighborhoods, medical facilities, an attractive downtown, low crime rate, efficient local government, an appreciation of its history and heritage, and many other factors. A vibrant downtown is particularly important not only to Keene, but also to the surrounding towns.

Subjects reviewed by Committee and Speakers

Arts and Culture – Councilor Carl Jacobs, Jessica Gelter, Director Monadnock Arts Alive

Energy, Use and Supply – Paul Hausmann, a senior account executive with Eversource Energy. Steve Rokes Operations Manager with Liberty Utilities, Bill Clark - Director of Business Development and Huck Montgomery, Manager of Government and Community Affairs with Liberty Utilities.

County Economic Development Efforts – Tri-Town-Steven Bitel, Chairman of Swanzey Economic Development Advisory Committee, and Christopher Coates, County Administrator.

Current and Future Airport Economic Efforts – Jack Wozmak, Airport Director (former).

Current and Future MEDC Economic Development Efforts – Jack Dugan, President.

Workforce Development Training and Education – Dr. Melinda Treadwell, President Keene State College, Dr. James DuMond, Franklin Pierce University, Michael Burnett, Director Cheshire Career Center, and Dan Osborn, Coordinator of Workforce Development of River Valley Community College.

Financial Resources- Available for existing or potential businesses – Opportunity Zone, 79E, NMTC, CDBG – Jack Dugan, MEDC, Dominic Perkins, Savings Bank of Walpole, Dick Jennings, Mascoma Bank/Mascoma Community Development, and John Hamilton, Vice President of Economic Opportunity, New Hampshire Community Loan Fund.

Housing – programs and availability of housing... including workforce- Josh Meehan, Executive Director Keene Housing, Josh Greenwald, President Monadnock Region Board of Realtors, John Hamilton, Vice President of Economic Opportunity, New Hampshire Community Loan Fund, and Tony Marcotte, MDP Development.

Economic Trends- New Hampshire- Keene, Monadnock Region – Phil Sletten, Policy Analyst- New Hampshire Fiscal Policy Institute.

Economic Development Plan – Workforce Development

The Committee, having heard from many sources, recognizes that the barriers preventing business



It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest.

Adam Smith



expansion is the ability to attract new business, to grow existing business, and to be able to start new business. The lack of qualified employees is a significant problem in Keene and in the State of New Hampshire. There are several subjects that the Committee identified that affect the ability to both recruit and retain employees. These barriers are especially acute for younger employees looking for a place in the community and the age group that normally would be in the stage of life to raise children, purchase homes and become invested in neighborhoods. As the Committee met and discussed issues and potential goals for the committee and for this

plan, the Committee set as a working goal with subsets:

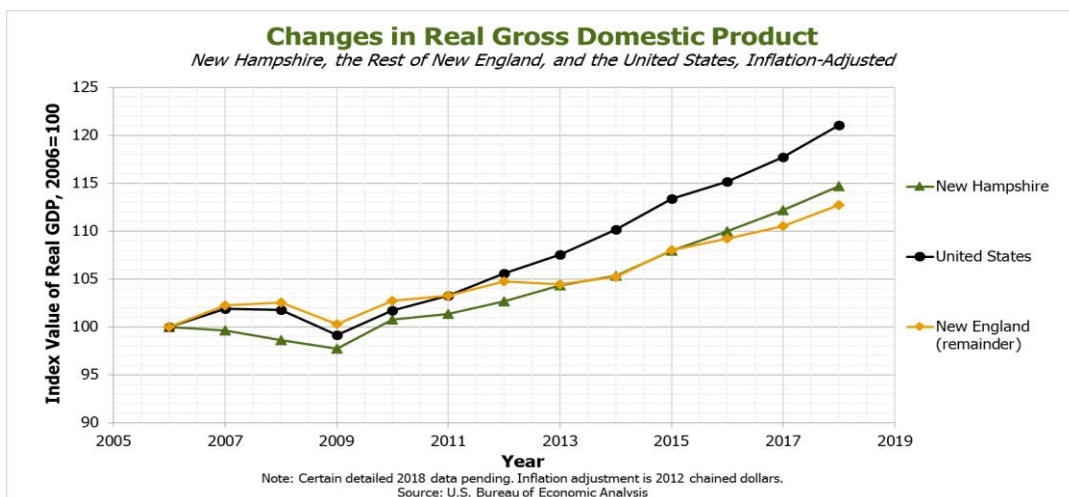
Workforce Development

1. Training and Education
2. Housing
3. Culture (entertainment, arts, recreation that supports the workforce)
4. Compensation

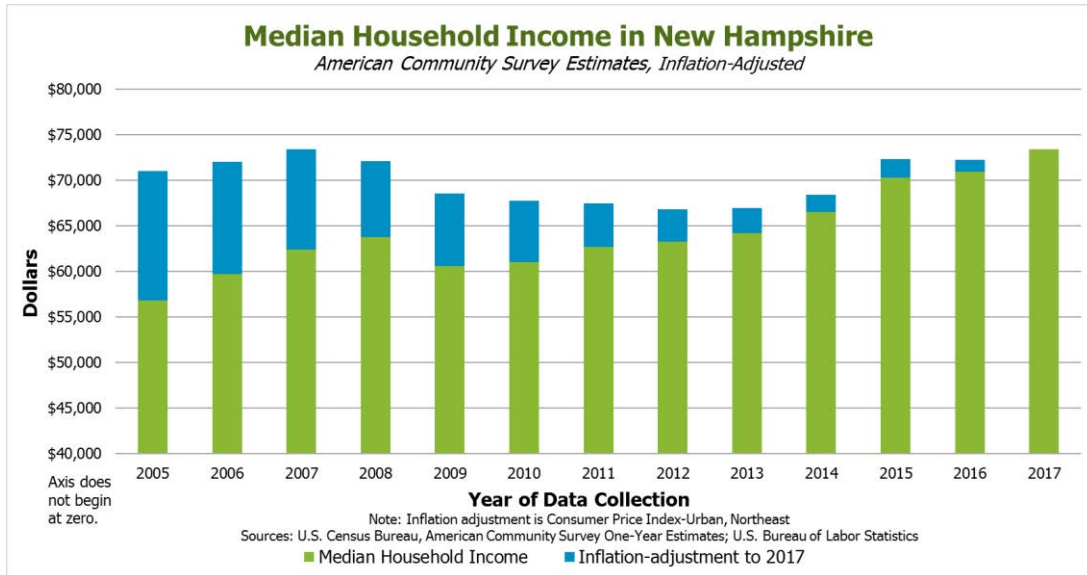
Trends- New Hampshire- Keene, Monadnock Region

Charts and Commentary- Courtesy of the New Hampshire Fiscal Policy Institute

The national and regional economies have grown since the Recession and are larger than they were in 2006. New Hampshire actually entered the Recession earlier, but it was shallower for New Hampshire. However, New Hampshire had slower growth coming out of the Recession than the rest of New England or the United States as a whole. That long, slow period of growth in New Hampshire did not start to turn into faster growth until 2013-2015. While the economy has grown larger...



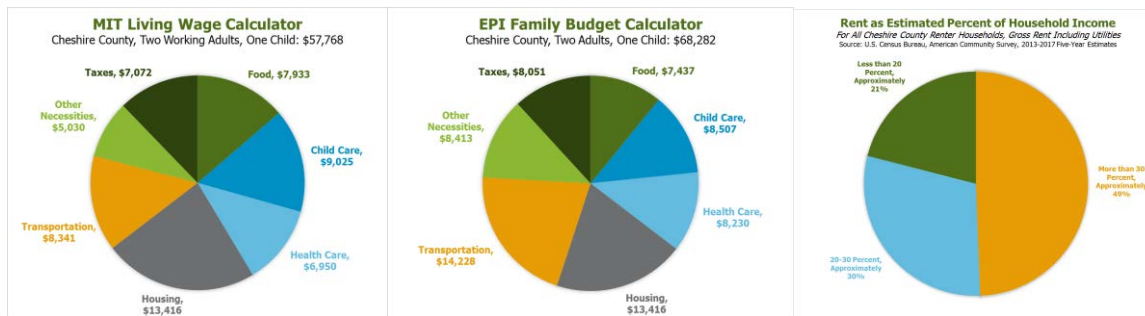
...what has happened to household incomes? This chart shows median household income, with the inflation adjustment shown in blue. You can see here for the median household, with half of households bringing home less than this amount and half of households bringing home more. These figures are not adjusted for household size, so this includes all households. You can see that, after adjusting for inflation, median household income has only returned to pre-Recession highs in the last few years, following economic growth picking up after the long, slow recovery.



Median rents have risen in New Hampshire. Unadjusted for inflation, between 2013 and 2018, rents rose by about 20 percent statewide for two-bedroom apartments. This coincided with a drop in the vacancy rate for two-bedroom apartments statewide. The New Hampshire Housing Finance Authority notes that 5 percent is considered a well-balanced market, and the national vacancy rate is about 7 percent, according to Census Bureau figures. In New Hampshire, the statewide vacancy rates for two-bedroom apartments in New Hampshire has been at or below 2 percent for several years. The vacancy rate has continued to decline in Cheshire County since the recession, although there are more irregularities in the data, likely due to the smaller sample size of the survey. These vacancy rates of less than 2 percent in recent years suggest if the pattern seen throughout the rest of the state holds rents may be pushed upward in Cheshire County. Rents have remained relatively flat in Cheshire County. However, there was a steeper rise in rents in Cheshire County than in the state as a whole between 2000 and 2008. Demographics, particularly demand from college-aged students perhaps being a disproportionate part of the rental market in Cheshire County relative to the state as a whole, may have driven this, as there may have been more college-aged students seeking apartments in Cheshire County earlier relative to demand for apartments more generally statewide.

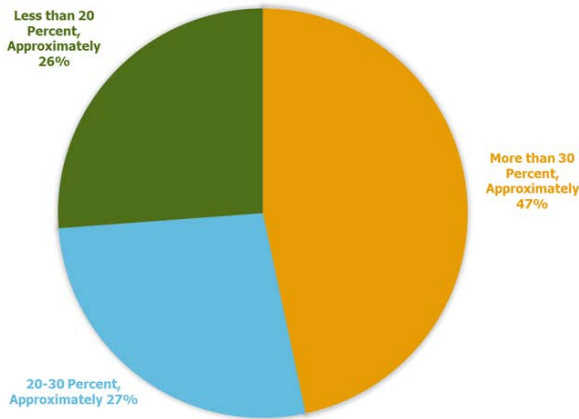


Housing is the largest household expenditure nationally. There are calculators that estimate the cost of living by region, and this plan includes two. These two have different methodologies, but they measure similar categories of expenditures, which helps the comparisons. While the Economic Policy Institute (EPI) estimates higher transportation costs in Cheshire County than MIT, you can see some of the main drivers are similar, particularly Housing and Child Care. The total amounts from MIT and EPI are different as well, both measured here for a household with two adults and one child. MIT estimates a bit under \$58,000 as the living wage, while EPI estimates about \$68,000. These do not account for higher education costs, entertainment costs or vacations, etc.



One of the costs that people may have had a hard time keeping up with during the long, slow recovery is housing. Slightly under half of renter households owe more than 30 percent of their incomes in rent and utilities in New Hampshire. Usually, when we are talking about renters, these individuals have lower incomes, and median household income in a renter-occupied unit is much lower than in an owner-occupied unit.

Rent as Estimated Percent of Household Income
 For All New Hampshire Renter Households, Gross Rent Including Utilities
 Source: U.S. Census Bureau, American Community Survey, 2017 One-Year Estimates



30 Percent of Household Income Indicator of Rental Cost Burden

Source: U.S. Dept. of Housing and Urban Development

Incomes Are Generally Lower for Renters in New Hampshire

- Median Household Income for Owner-Occupied Units, 2017: \$91,456 (+/--\$1,903, 90% CI)
- Median Household Income for Renter-Occupied Units, 2017: \$41,868 (+/--\$2,093, 90% CI)

Source: U.S. Census Bureau, American Community Survey

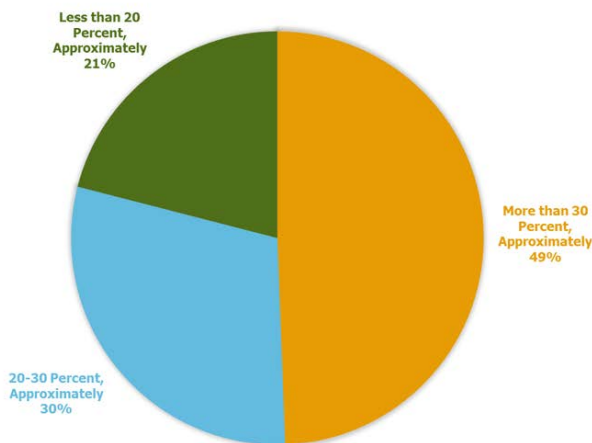
Rents are Higher in the Southeastern Counties

- Two-Bedroom Apartments, Median Rent by County, 2018:
 - Rockingham: \$1,456
 - Hillsborough: \$1,368
 - Cheshire: \$1,068
 - Coos: \$861

Source: New Hampshire Housing Finance Authority, 2018 New Hampshire Residential Rental Cost Survey, June 2018

Looking at data for 2013-2017 for Cheshire County, we can see both owner and renter household **incomes** are shifted down, but renters have considerably **lower income** than the state average (\$41,868 vs. \$33,453). About the same percentage, nearly half, of renter households owe more than 30 percent of their income in rent and utilities. There was also a smaller shift in the percentages of households owing smaller portions of their income in rent, with a smaller estimated percentage owing less than 20 percent of their incomes in rent.

Rent as Estimated Percent of Household Income
 For All Cheshire County Renter Households, Gross Rent Including Utilities
 Source: U.S. Census Bureau, American Community Survey, 2013-2017 Five-Year Estimates



30 Percent of Household Income Indicator of Rental Cost Burden

Source: U.S. Dept. of Housing and Urban Development

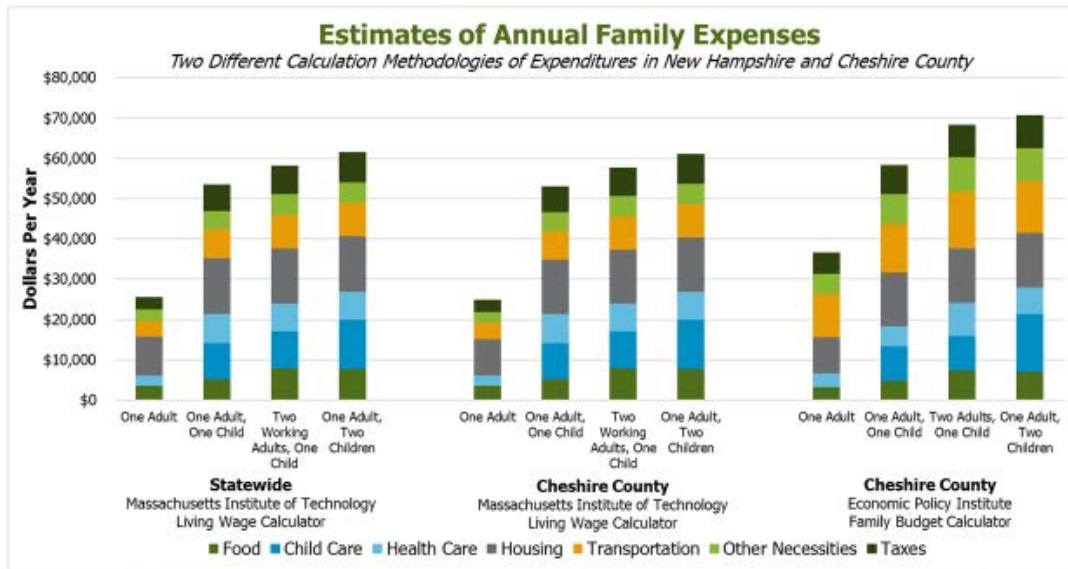
Incomes Are Generally Lower for Renters in Cheshire County

- Median Household Income for Owner-Occupied Units, 2013-2017: \$74,675 (+/--\$3,013, 90% CI)
- Median Household Income for Renter-Occupied Units, 2013-2017: \$33,453 (+/--\$2,744, 90% CI)

Source: U.S. Census Bureau, American Community Survey

This graph shows different calculations for MIT statewide, MIT for Cheshire County, and EPI for Cheshire County (EPI does not offer statewide figures) for different household compositions. There are noteworthy differences between the two methods, but we can see that the Living Wage calculator estimates a living wage at about \$25,000 for an individual and about \$60,000 for a three-person

household. EPI estimates about \$35,000 for an individual and about \$70,000 for a three-person household.



New Hampshire Fiscal Policy Institute

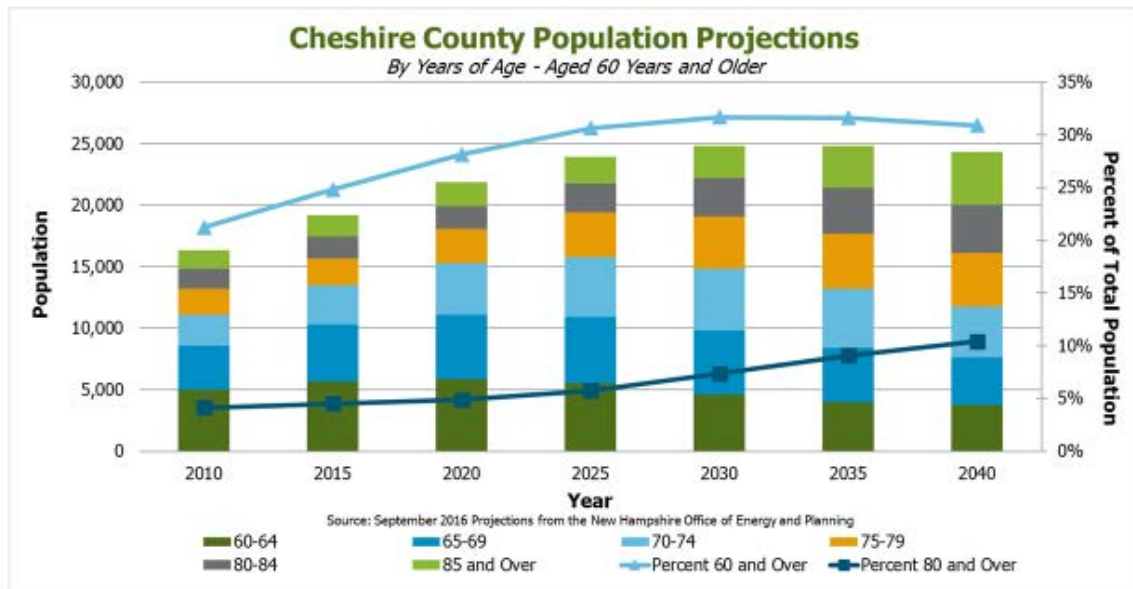
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Wages from work are a part of this picture of income and well-being, and these wages vary by county in the state. This table shows the average wages offered by jobs within each county. The people doing these jobs might live in different counties, but this is where the jobs are located. You can see Rockingham and Grafton are near to the state average, with Hillsborough higher and Merrimack and Strafford somewhat lower. Carroll and Coos counties are substantially lower, while Cheshire is closer to the middle of the group.

Wages by New Hampshire County <i>2017 Average Weekly Wages, Average of Quarterly Averages</i>		
Geography of Workplace		Average Weekly Wage
County	Belknap	\$823
	Carroll	\$699
	Cheshire	\$867
	Coos	\$730
	Grafton	\$1,080
	Hillsborough	\$1,147
	Merrimack	\$980
	Rockingham	\$1,040
	Strafford	\$991
	Sullivan	\$822
State	<i>New Hampshire</i>	<i>\$1,060</i>
Source: New Hampshire Employment Security, Covered Employment and Wages		

Projections produced by the State of New Hampshire and published in 2016 suggest that about one out of every three residents of Cheshire County in 2030 will be aged 60 or older. These projections may be

updated after the 2020 Census, but this again has potential implications for the economy and public services in the region.



New Hampshire Fiscal Policy Institute

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Arts and Culture

Arts and culture in addition to improving the life style of the Citizens of Keene have an effect on the local economy through art sales, artist’s residency as well as travel and tourism. Arts and culture attract people who come for one thing and spend money on another. A recent study shows the arts generating about 16 million dollars in the Monadnock region. Some people come for art and end up staying, the arts continue to be a huge part of developing our workforce and this is not something new for Keene or the region.

Councilor Jacobs said, “He is seeing more and more young people returning to live in Keene. People also come or return to work for companies that value creativity which is a part of the arts and a reason why people stay. The arts are a huge part of developing our workforce and this is not something new for Keene or the region. Creative problem solving has been a part of our culture for hundreds of years.”

Keene, through the Monadnock Economic Development Corporation, is in the very early stages of the development of a corridor in downtown Keene (east west from Gilbo Avenue across Main Street through the railroad land) to promote additional arts and culture. As conceived, this would include the construction of two new buildings, the renovation/repurposing of two buildings, purchases of public art, and the creation of two performance venues. This would be an estimated 25-million-dollar project with the plan to purchase a train. The boxcars would be retail space and the passenger cars would be restaurant space. In addition, there is a planned 15,000 square foot covered pavilion. To assist with these and other downtown development plans the Monadnock Economic Development Corporation has collaborated with the City of Keene to hire a Downtown Coordinator. This person provides some of the

connectivity, calendaring and promotion needs for the Arts Community in addition to business promotion.

A sustainable community is one that is economically, environmentally, and socially healthy and resilient. It meets challenges through integrated solutions rather than through fragmented approaches that meet one of those goals at the expense of the others. And it takes a long-term perspective—one that's focused on both the present and future, well beyond the next budget or election cycle.

Institute for Sustainable Communities

The Department of Public Works is moving forward with a downtown project that will complement and coordinate to some extent with the Arts and Culture Corridor. The first phase of the project is funded in the Capital Budget for \$180,000. This project is planning and preparing for the future of downtown as the continued economic engine in the City of Keene.

The City's Downtown is the economic engine that drives the rest of the community and the region. The City has already completed an initial study on the revitalization of the Downtown. In February 2018, the City wrapped up a six-month effort that solicited initial input from the community on their expectations for the Downtown area and looked ahead for the next 30 years (Downtown Revitalization Study). The Community has initially identified the need to:

- Increase the amount of public space for cultural events to occur;
- Increase the amount of public space for gathering areas to be created;
- Add various types of public art (both permanent and temporary displays);
- Increase green spaces;
- Increase the potential for the occurrence of outdoor dining; and provide safer passage, function and use by bicyclists, pedestrians and automobiles.

The City has other efforts under way to move itself forward for the next century such as the "Building Better Together" Project that is updating its land use regulations to become easier to navigate and be more closely aligned with Keene's Master Plan Goals of prioritizing smart redevelopment while protecting the distinctive character of this community. A component is to develop form based zoning to guide new construction and redevelopment, while maintaining Keene's distinctive character and charm contributing to a more vibrant Downtown.

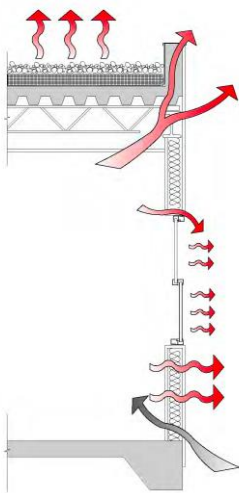
The Downtown Revitalization Project proposed by the Department of Public Works presents the opportunity to take a close look at the current condition of the Downtown area within the City of Keene based upon extensive citizen input. The focus of many discussions and input received from the public was how and where the streetscape could serve to better accommodate its residents, business owners and visitors. This public input resulted in the discovery that there is an overarching desire to increase the level of activity in the Downtown area by residents, businesses, and visitors and to better utilize the space available.

This project will update the Downtown area through traffic calming, improved pedestrian facilities/crossing, bicycle lanes/facilities, and repurposing space to provide streets, sidewalks and public gathering spaces that will create a place where all travel modes, vehicle traffic, pedestrians, bicyclist,

and where all users, young, old, and physically challenged, can safely intermingle and interact. The project will encourage mixed-use activities in this high-density commercial core while accommodating all modes of transportation. Using the City's Complete Street Guidelines, transportation facilities will be reconstructed. In this area, cars, buses and bicycles all share the right-of-way. Improved pedestrian safety and accessibility are primary goals along with providing space for cars to easily pull in and out of curbside parking. This Project will update the infrastructure to provide access to technology and improve the City's overall sustainability. This project will replace utilities and stormwater facilities' dating back to the 1890's and will incorporate green and more sustainable methods of operation and maintenance of these infrastructure components. All these improvement will increase the overall quality of life for residents and visitors, increase the safety of the users, and serve as a platform to support and grow the businesses and encourage people to reside in mix use developments within the Downtown area.

Energy, Use and Supply

The availability and cost of energy are factors for the workforce as well as the businesses that are or



could be located in Keene. Mechanisms to reduce the cost and efforts to increase the supply are of supreme importance to the future of Keene. The main source of energy supply in the Monadnock region are Eversource Energy and Liberty Utilities. Both Liberty Utilities and Eversource have taken, or are planning to take steps to increase supply or reliability. Both suppliers have programs to assist homeowners and businesses increase building and or equipment energy efficiency. However, these programs do not seem to be of great assistance for the average business or homeowner due to the availability of funds, or the program parameters (and limitations). Some property owners have installed solar panels on their properties and have been able to subsidize some of their electric use, but without changes to the Zoning Code and delimiting Net Metering, larger scale generation of electricity will not occur and of course, generation of power this way has limits. Gas supply is being increased and the intention is

to create a natural gas supply system. Recent change due to a rates case has permitted a 20% reduction in Gas rates. Clearly, programs that will increase the effectiveness of the building envelope need to be developed and be available for the majority of the homes and businesses in Keene.

Dillant-Hopkins Airport

Keene Dillant-Hopkins Airport is a key component of the economic prosperity within the Monadnock Region and will play an ever-increasing role in business growth. Already the home for corporate jets, the airport is less than an hour by air from all the major commercial centers in the Northeast. The consolidation down to the major four airlines, the need to get people through the hubs from distant locations to fill their planes is increasingly important. As a hub for transportation and the gateway to the exceptional resources in the region, the airport has professional regional airport services with economical prices. The City has identified developable properties on the airport that could be used for

aviation/non-aviation type activities. This is advantageous to both the City of Keene and the Town of Swanzey.

Workforce Development Training and Education

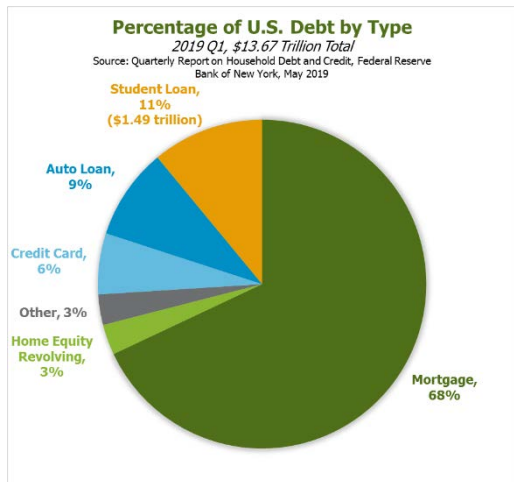
In order to enable a business to grow or to keep business thriving, the business must have access to employees who are skilled or who can become skilled to advance the future of the company. The success of these businesses and the ability of their employees to be productive citizens is the foundation of our community. It has been said that each month, there are more than 10,000 job openings in New Hampshire. Businesses state that they cannot find the skilled workers they need and the anticipated economic growth rate is steadily growing. Job creation is strongest (statewide) in industries with wages below statewide averages and both housing and workforce constraints are likely limiting economic growth. The New Hampshire Fiscal Policy Institute (NHFPI) reports, "Several metrics also indicate income for workers has grown in the last two to three years. This trend is particularly welcome for low- and moderate-income workers, who saw their incomes stagnate during most of the long, slow economic recovery and appear to have only reached pre-Recession income and wage levels recently." Additionally, while thousands of jobs that were lost in the years since the Recession were in manufacturing, which has relatively high average wages, many of the jobs that have been added during the recovery have been in employment sectors with lower average wages. Slower hiring due to workforce constraints is likely impeding growth of the state economy, and aging demographics paired with limited housing availability restrict the state's ability to add to the workforce quickly.

The City of Keene, the Monadnock region, non-profits, the local business wants to develop their workforce and the residents are blessed with an abundance of opportunities for training and education. These efforts include those conducted by Keene State College, Franklin Pierce University, River Valley Community College, Cheshire Career Center, and Keene Community Education provided through SAU 29. Each of these have programs designed to supply training or advanced education to potential employees, some have agreements with local employers, some provide continuing education to workers looking to train for advancement.

The Hannah Grimes Center for Entrepreneurship is often mentioned in regards to education and training, but their focus is not on training employees; their focus is to provide the space, tools and connections that innovative entrepreneurs need to build strong businesses, thriving local economies, and vibrant communities in the Monadnock region. The Center for Entrepreneurship educates, supports, and assists in the successful development of entrepreneurs who are committed to building a vibrant community.

Each education provider has similar but varying roles and methods to provide a pathway to, or to work with employers. They can only have success if they work with the businesses and non-profits of the City of Keene and the broader Monadnock region. Employers such as BAE Systems, Corning, Moore Nanotech, StingRay, and Omega Optical seek credentials within the Sustainable Product Design and Innovation program. There is a focus on optics and soft skills that employers claim they need. These include writing, communication, creative problem-solving, cross-disciplinary thinking, and teamwork.

The other area of focus in Keene State’s proposal to the Governor is healthcare—specifically programs to help the region address our substance misuse and behavioral health challenges. Keene State College has emerging partnerships with the Community College System and with River Valley Community College; the Nursing Program is fully accredited. River Valley works with employers in Healthcare, who



have a large number of open positions. They create a pipeline for a career trajectory from the Career Center, to the Community College and then into a four-year program through the employer.

Franklin Pierce University’s current efforts center on developing partnerships with Corporate America in this region. They have 4 area agencies, 17 hospitals, 13 municipalities including Keene, and six New Hampshire based corporations that are partners. This will help meet industry demands for a more skilled workforce by providing opportunities for students to receive training, learn skills, and gain experience in all aspects of an industry. If an

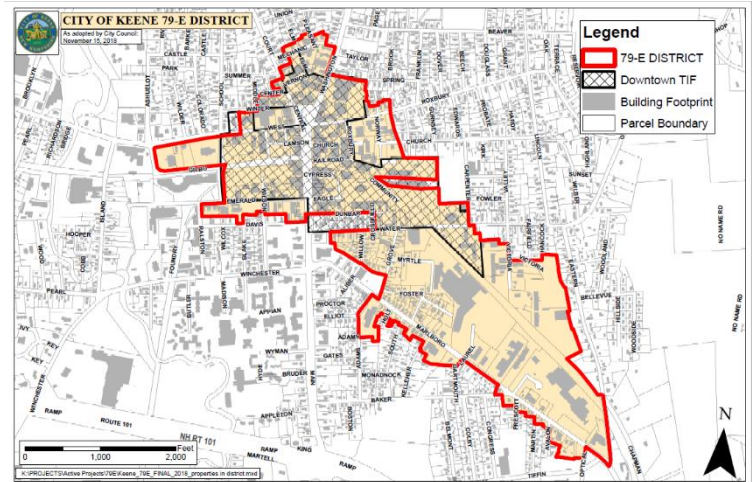
employer/partner needs an employee workshop in a specific area, Franklin Pierce University’s will develop it and deliver it free of charge. Employees of the partners can take courses traditionally or online; over the past four years employees have taken over 1500 courses from Franklin Pierce. This saved employers/employees of over a quarter million dollars. Franklin Pierce University’s provides competency based learning called PLA. Franklin Pierce is almost the pioneer for this type of learning in the state. Franklin Pierce University has a great partnership with C&S Wholesale Grocers; we call it the C&S Scholars Program. Franklin Pierce developed an internship manual that will help employers who want to offer an internship. This is available free of charge and Franklin Pierce University will walk through all the steps with interested parties.

The Cheshire Career Center’s goal is to map academic content to authentic workplace tasks and integrate workplace tasks and classroom instruction. This is based on rigorous academic and employability skill requirements that can include in-depth and hands on work experience.

Available Funding for Small and Large Businesses and Development

There are a number of different funding opportunities or the creation of a funding stack depending on the business and its location. Any business or proposed business can take advantage of the number of different loans, grants and tax incentive programs that can be accessed through entities such as the State or Federal Government, Lending institutions or a specialist entity such as Monadnock Economic Development Corporation. As stated by Mr. Dugan of the Monadnock Economic Development Corporation, “the trick is to figure out what uses to use them for and how to cobble them together. It is not uncommon to have a dozen different funding sources on a joint project.”

Most projects begin their funding search by pursuing a bank loan of which there are different types of loans including Guarantee and the US Small Business Administration (SBA) 504 Loans. Some projects may be able to access “funding” for infrastructure improvements when they are located in a Tax Increment Financing (TIF) district which is a public funding source used for a community to use designated taxes from a Revitalization Zone (TIF District) to build out infrastructure to support economic



growth. Keene has adopted the Community Revitalization Tax Relief Incentive (NH 79-E) which delays the impact of property tax increases resulting from property rehabilitation. In some cases, a project can take advantage of the Federal Historic Tax Credit (HTC) program administered by the National Park Service and the Internal Revenue Services in partnership with State Historic Preservation Offices. The NH Department of Environmental Services (NHDES) provide loans to businesses and developers to help clean up their sites. Along with NHDES, the Capital Regional Development Corporation (CRDC) and Regional Economic Development Corporation (REDC) in New Hampshire also provide Brownfields Revolving Loans to help businesses clean up contaminated sites. In the Keene/Monadnock Region is the Green Gap Fund, private investors that have pooled their funds and have an interest in helping businesses make their buildings and processes greener.

The US Department of Agriculture has a number of programs including Intermediary Relending Program that provide 1% low-interest loans to local intermediaries that re-lend to businesses to improve economic conditions and create jobs in rural communities. The Business and Industry (B&I) Loan Guarantee is similar to the Small Business Administration (SBA) 7(a) Guarantee program but the programs operate independently. The B&I program is specifically targeted to rural businesses. Rural Business Development grant opportunities in the \$30,000 to \$40,000 range for public purpose projects are available. This program is a competitive grant designed to support targeted technical assistance, training and other activities leading to the development or expansion of small and emerging private businesses in rural areas, which will employ 50 or fewer new employees and has less than \$1 million in gross revenue. Programmatic activities are separated into enterprise or opportunity type grant activities.

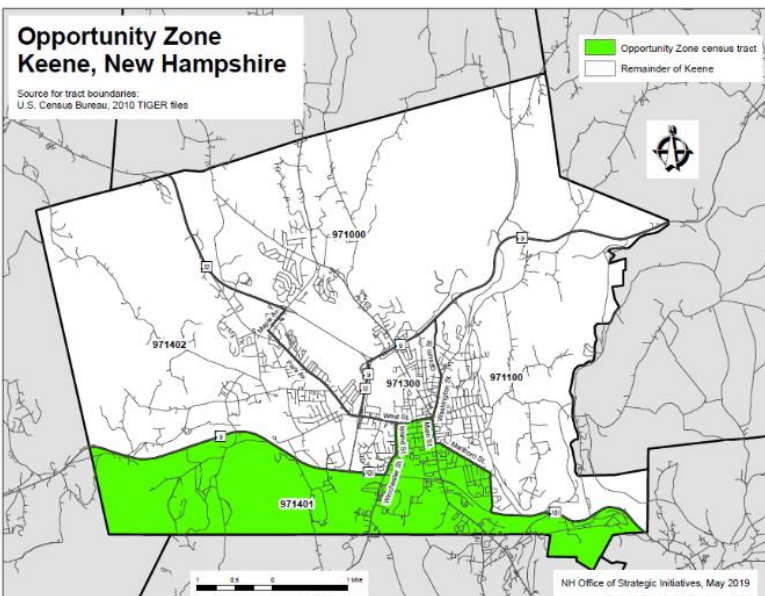
The Foreign-Trade Zones (FTZ) Act of 1934 provides financial incentive to companies, which would have operated offshore, to locate within the United States, to create jobs and stimulate the economy. This is especially important in today’s world of increasing tariffs. Usually called a Free Trade Zone the state’s application for federal approval to expand Foreign Trade Zone #81 includes Cheshire County. Keene’s FTZ can eliminate formal customs procedures and payment of duties on foreign merchandise that does not enter customs territory for domestic consumption. Domestic goods moved into the zone for export

is considered exported for the purpose of excise tax rebates and drawback. Keene businesses can take advantage of this federal incentive.

The Northern Border Regional Commission (NRBC) is Federal-State partnership for economic and community development. The NBRC can invest in economic and infrastructure projects in Cheshire County. Depending on criteria, projects may be eligible for up to an 80% matching grant. Prioritized grant projects include those that...

1. Revitalize and modernize essential infrastructure in Northern Border region communities,
2. Increase access, affordability, and use of high speed telecommunications by Northern Border residents and businesses,
3. Stabilize and reduce electric and thermal energy costs,
4. Retain, expand and diversify business enterprise that capitalizes on the region's natural, cultural, and economic assets,
5. Position the Northern Border region as an attractive and supportive place for creative and entrepreneurial people,
6. Support and expand a highly productive workforce with skills suited to existing and future business needs,
7. Foster entrepreneurial leadership and capacity for community Economic Development, and
8. Inform and align local, state, and regional Economic Development decision making with regional data and perspectives.

Another little known funding source for potential small public purpose projects is the Keene Downtown Housing Corporation. In addition, the New Hampshire Community Loan Fund collaborates with a wide range of donors and investors, and with business, nonprofit and government partners to provide the financing and support that people with low and moderate incomes need to have affordable housing, vital community services like childcare, and quality jobs. The NH Community Loan Fund focuses on working with existing businesses with over 12 months of revenue. They have sectoral focus on

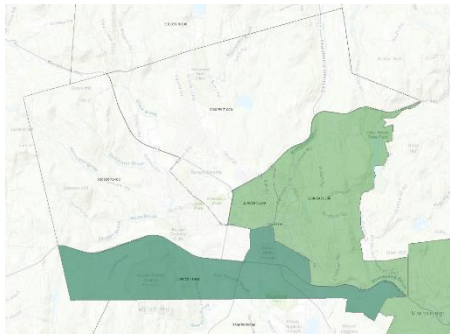


manufacturing and businesses that are part of building a local, regenerative food system (farms, food businesses of all types). They also will do renewable energy and other value added businesses that create better quality jobs for people who do not have a four-year college degree. The size of their loans and investments to businesses are up to \$1M. Typically, it ranges from \$100,000 to \$500,000.

Other Funding Sources that can be accessed include Tax Exempt Bonds; USDA Rural Development which issues Community Facilities Loans, Intermediary Relending Program

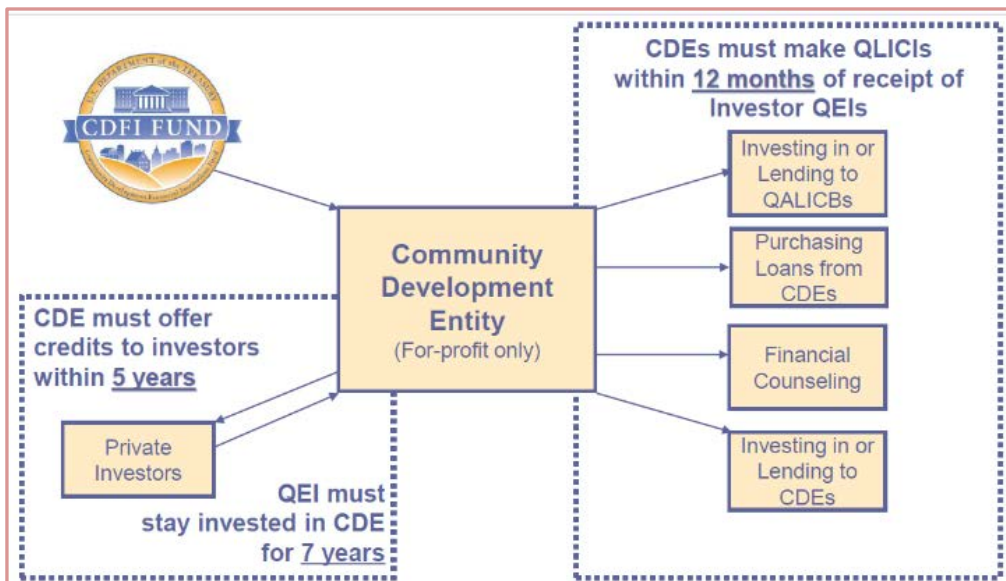
Loans, and Aid to Local Development Organizations Loans. The New Hampshire Community Development Finance Authority loans or grants fund through the Community Development Investment Program, Community Development Block Grant (CDBG), Energy Efficiency Loans, and provides Pre-Development Loans. A new source of funding could be the Opportunity Zone Funds – this is relatively new with only one eligible census tract in the region. If an entity or person has a significant capital gain liability, they can self-certify themselves as an Opportunity Zone Fund. They are permitted to delay the payment of their capital gains tax for seven to 10-years. If the investment is kept for the 10-year term, the capital gains tax is eliminated. In addition, if they stay the 10-year term any gain realized from the new investment is not subject to capital gain.

Both the NH Community Loan Fund and New Markets Tax Credits (NMTC) program have been used to great effects in Keene. Similar to the Opportunity Zone NMTC are available to distressed census tracts.



There are three NMTC census tracts in the City of Keene. The NMTC is a very powerful program that was established in 2000 as part of the Community Renewal Tax Relief Act.

The goal is to spur development and revitalization efforts in low-income communities. NMTC investors provide capital to community development entities (CDEs), and in exchange are awarded credits against their federal tax obligations. The program provides a 39 percent tax credit, spread over seven years to a project investor, based on total project investment or cost. The program is administered by the US Treasury Departments CDFI Fund division and is competitively awarded.

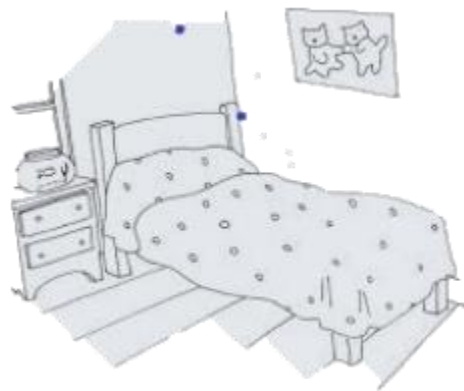


Mascoma Bank (MCD) has additional resources, which are loan pools. The Loan Pools allow MCD to do smaller transactions (\$500,000 up to \$2,000,000). These transactions are interest only loans that have an average rate of three percent that can be fixed for seven years. The Loan Pools allow for higher than standard Loan to Values, and as a result, they are a favorable program. The project would also have to meet all the requirements for a New Markets Tax Credit project.

Housing Programs and the Availability of Housing

The committee has an interest in the supply of housing as a component of workforce retention and recruitment. There are, of course, many differing potential supply markets for housing in Keene and the Monadnock Region, and differentiated on location and cost. Higher end housing on larger lots or acreage is available, but usually at the cost of service availability and the requirement to commute. There is, however, large amounts of housing available within walking/biking distance of Main Street, major employers and Keene State College. New housing construction especially of single-family homes is low with few houses constructed because of lingering fear of what happened during the 2008 recession and it is hard to find construction companies to build on spec. Additionally, there is very little land available, especially land served with services (Police, Fire, Sewer, Water, Internet). It has been a long time since there has been new single-family house development in Keene and the market is seeing a lot of recycled real estate, but they are not seeing a lot of new development. It is difficult to make a profit on new construction and in the past, properties sold at an extreme discount, as it is so expensive to build a new house. Much of the recent new housing development has been apartments usually for senior housing or assisted housing. Recently two projects that target a demographic other than seniors or assisted housing are nearing completion (Washington Park and the Colony Mill Apartments). There are three manufactured homes parks in Keene with no new ones planned or being constructed. Most of the housing stock considered for workforce use is existing stock either for sale or for rent. Much of that supply is very old, not updated especially related to energy efficiency and safety, and usually in need of work.

The present real estate market for house sales is robust; the market in Keene currently is very “thirsty,” and people are gasping for inventory and properties to buy. The absorption rate is the amount of months it would take to sell the existing inventory that is on the market currently, assuming that no



other houses are listed in that time. For example, if there are 100 houses on the market and 35 houses sold in one month, the absorption rate is about 3 months to sell the remaining inventory. The absorption rate in Keene is incredibly low because the market cannot resupply that market. The present market is well out of the recovery period of the great recession and 2014 marked the beginning of the real estate stabilization period with a more stable and robust housing economy. Prices have also increased but appraisers keep those increases in check so that there are not wild swings in pricing. Year to year

sales shows an increase of 73% and an increase of 71% of homes under agreement.

Recently completed senior housing has not had an influence on the market. Homes above \$300K are high-end homes with a more limited market. The main market is for homes in the \$180-200K range and homes in the \$170K-260K without many functional deficiencies are the listings that are flying off the shelves.

Quite a bit of funding source is available for business development (see above), but funding targeted to housing is more limited. Keene Housing avails itself of Federal funding and grants, private developers have to fund projects using some grants and loans. Thanks to 657 investors (mainly individuals, churches, banks and foundations); New Hampshire Community Loan Fund is a private nonprofit with \$145 Million in flexible capital. Sixty percent is currently deployed to affordable housing. For multi-family housing, they collaborate with local housing authorities and nonprofit developers and fill capital gaps to make developments (renovation, new construction) feasible. Often they are early first money into a project or the last money that gets project into the finish line. They focus on a range of needs, including multifamily housing with supportive services. Combined they have helped to preserve 9,000 units of affordable housing. Through their ROC (Resident Owned Communities), the Community Loan Fund also focuses on normalizing home ownership for people that are low income. Manufactured housing enables people who can only afford \$50-100K to buy a home. Unfortunately, many of the 6% of people in NH who live in manufactured homes live in parks where an outside investor rents the land. The trend is that these “mom and pop” investors are selling to private equity fueled, big portfolio buyers. Tanglewood, as an example, was slated to be sold to a large such buyer based in Michigan, but under the NH law that gives residents the chance to intervene and make a comparable offer. The residents have recently formed a cooperative and the Community Loan Fund hopes to help finance them in in the next month or two so they can complete their purchase to gain the security and pride of ownership (of the land). There are 128 other successful ROCs throughout the state.

Keene Housing is one of the largest suppliers of housing in Keene. A relatively small number of the 1500 individuals they serve are work-able adults, and the individuals they house in that demographic have extremely low incomes. As an example, a family of three making \$22K per year has profound needs beyond just having a place to live. Most working families living in Keene Housing units participate in the Resident Self-Reliance (RSR) program, an intensive economic independence program for families. A surprising number of the mini grants available to RSR families are used for mufflers and tires due to the lack of transportation infrastructure in the region. The demand data shows a demand for new units, however, there will never be an affordable supply to meet that demand, but there are deeper infrastructural, mental health and education issues at the root of the problems many low-income families face. Keene Housing, as the public housing authority of the City of Keene, as well as a developer and manager of affordable housing does not target what would be considered workforce housing. Most of Keene Housing’s real estate portfolio as well as the housing choice voucher program target extremely low-income households (those earning less than 30% of the area median income). They are, essentially, a federal contractor that makes affordable housing and opportunities for working families to increase their income and for elderly people to grow old safely, and where they can, they provide resident services to both of those groups to help them achieve those two things. Keene Housing owns and manages about 550 units of affordable housing in Keene and 2 properties in Swanzey. They house about

1500 people in 870 households. The majority of individuals they serve are single, and almost half of them have a disability. Keene Housing typically serves the demographic of an elder living alone or a disabled person with a child. Over 60% of the people they serve are either disabled or elderly, and only about 24% of the people they serve are between the ages of 18-62 and not disabled.

Washington Park Development is a recent and soon to be open apartment complex. This new apartment building has 135 units. The building is four stories and consists of all apartments, not condominiums. Each unit has a washer and dryer, central air conditioning and heat pumps. All units have granite countertops, stainless steel appliances and track lighting. The two-bedrooms unit have a second bathroom and there is on-site parking, seating areas, meeting and lounge areas. The former middle school will be available for tenants and there will eventually be a workout area, too, so people can play and shop. The rent structure was set up so that each floor goes up slightly in price and they found that typically people want to be on fourth floor and the first floor and the back of the units have sliders. There are 71 one-bedroom units that range from 620-640 square feet in size and the rents on the first floor are \$1030-1400. The average rent for one-bedroom is \$1080 and those same units on the fourth floor would range from \$1200-1350 (average rent \$1250). There are 64 two-bedroom apartments, the typical rents on the first floor for two-bedroom units are \$1400-1570 most units and most units are on average \$1500-1550, and those same units on the fourth floor are on average \$1600-1700. In the former middle school, there is a wide variety of sizes from 1300 square feet for two-bedrooms. The tenants would pay for electricity, heat and air conditioning. The expected market for these units are people who want a nice place to live there is a lack of nice housing. The Clubhouse will have space where people can work, or workout in the free gym. Every unit has one on-site parking space assigned.



City of Keene, N.H.
Transmittal Form

September 24, 2019

TO: Finance, Organization and Personnel Committee

FROM: Bicycle Pedestrian Path Advisory Committee

ITEM: 5.

SUBJECT: Request to Purchase City Property - 160 Emerald Street/Ashuelot Rail Trail

RECOMMENDATION:

The Bicycle Pedestrian Path Advisory Committee recommend to City Council that the City not sell the property associated with the Ashuelot Rail Trail at 160 Emerald Street.

ATTACHMENTS:

Description

August 2019 Aerial Imagery, Parcels and Ground Features

April 2015 Aerial Imagery, Parcels and Ground Features

BACKGROUND:

At it's regular monthly meeting on September 11, 2019, the Bicycle Pedestrian Path Advisory Committee discussed this referral from City Council the minutes of that discussion are below:

3) Council Referral (FOP) Request to Purchase City Property: 160 Emerald Street

Mr. Schoefmann said the State and City were exploring who owned the property near the Rail Trail. Mr. Schoefmann stated that the minutes from 2011 mentioned that the Shaldu property had come up as well. He said after careful analysis they now they have documentation that the City owns the property. Mr. Schoefmann said that Mr. Tousley has made a current request to purchase the property. He said there is a 2015 aerial photo that shows the property unpaved and another in 2019 which shows its present day state.

Mr. Tousley stated that there has been investment interest for development in that area for a while. He said most of the interests are aimed at increasing parking capacity and since then he was able to extend the Gilbo Avenue connection of the bike path and that strip of the bike path took 8-9 feet away from Emerald street parking. He said the focus has been so much on Main Street instead of Emerald Street and took away 20 parking spaces which exacerbated the problem. Mr. Tousley said there are seven retail businesses in his building and parking is a problem. Numerous offices, hairdressers, all affordable, local businesses. He stated that this is a very important piece of the local economy and it will benefit him as a landowner as well as the local businesses. Mr. Tousley stated that Mr. Redfern has emphasized the importance of having a trailhead; however, he does not think there is any reason to have a trailhead in Keene.

Mr. Redfern stated that the retail businesses are not the ones experiencing a need for more parking and the tenant users are the ones in need of parking. He asked Mr. Tousley when he took ownership of the facility and Mr. Toby replied in 2007. Mr. Redfern noted that the prior owner used the area in question for parking and Mr. Tousley has had the benefit of not paying the State for the use of those lots. He further stated that Mr. Tousley

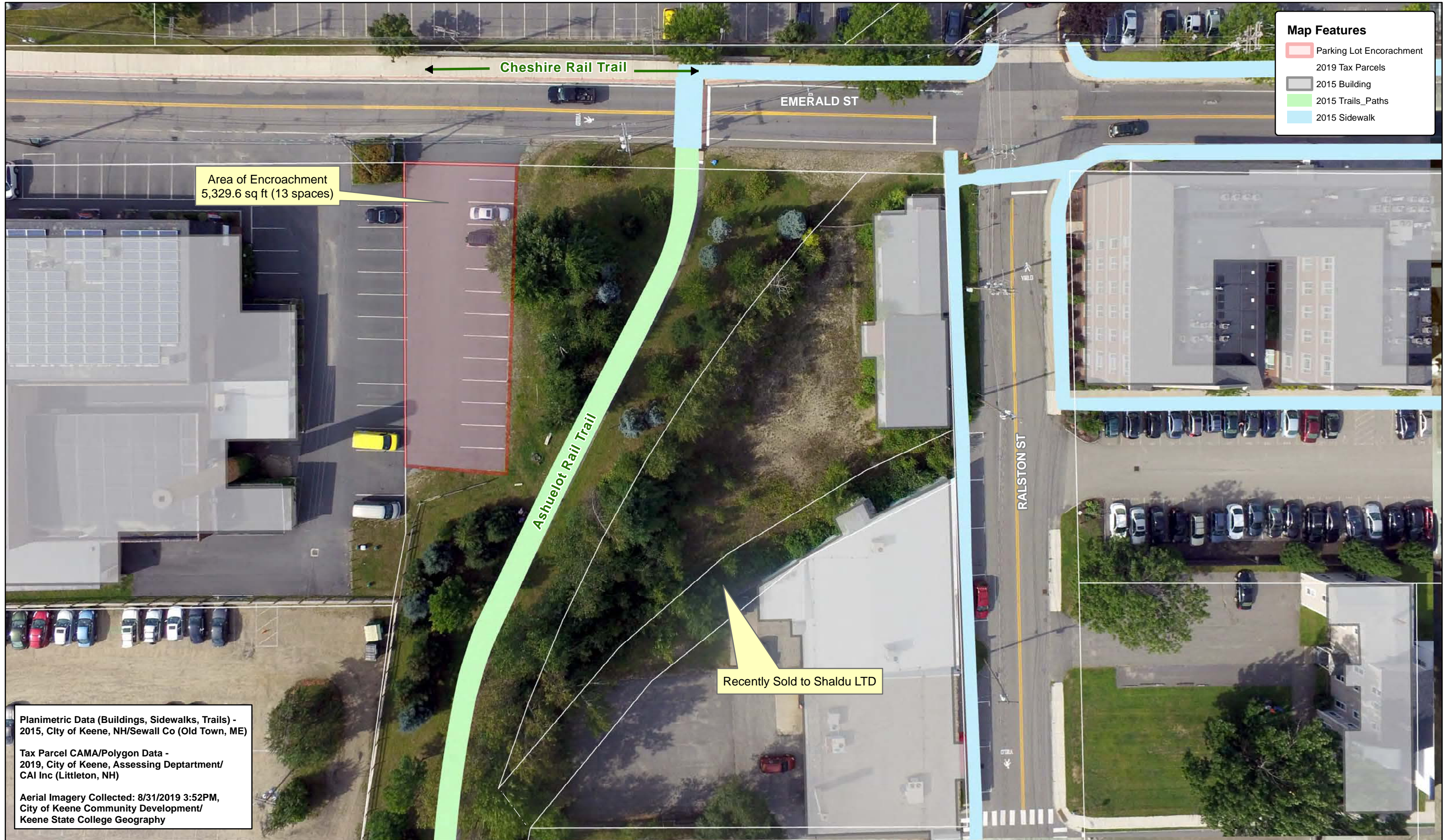
invested in placing putting asphalt down for around \$100K. Mr. Lamb stated that the City did not do any research on ownership of the property until a couple of months ago. Mr. Benik asked if Mr. Tousley is requesting to buy from this southerly border. Mr. Tousley said they have already lost 15 spaces and the parking lot is primarily for employees of those businesses. Mr. Redfern stated that the City code's charge items include that they make reports and recommendations to City Council and City Staff about the management and infrastructure of bike trails and paths. He stated that he envisions the possibility of a trailhead, or a pocket park in that location, therefore, there are a number of reasons for the City maintaining control of that area. He noted that, however, there may be a way to accommodate Mr. Tousley's desire to acquire additional parking spots. Mr. Redfern proposed that the City lease the parking spaces to Mr. Tousley, taking into consideration the improvements Mr. Tousley has made in the parking capacity. He stated that he believes this decision would generate better returns for the City than an outright sale and allow the City to retain control of City infrastructure (bicycle and paths).

Chair Benik stated that BPPAC are advocates for the bike paths and pedestrians and there may be something to Mr. Redfern's plan, however, he does not see an upside to the City selling Mr. Tousley the proposed land. Mr. Lamb noted that the City could make the point that the space is an important decision point for going east or west, and as a stopping point that can be developed into a park or a food truck location along Emerald Street. He said while the City is sympathetic to Mr. Tousley's parking situation, he recommends that the City retain the property for a period of time before deciding if they want to develop it for some future use. Mr. Bohannon noted to keep in mind that this is the intersection between the Cheshire Rail Trail and Ashuelot Rail Trail and there are potential improvements for that space between the City of Keene and Swanzey. Mr. Dufresne asked if there could be a financial gain from a sale with a provision towards maintaining it as green space. Mr. Redfern stated that the City does not like to sell property and keep revenue for specific purposes as they keep it in a general revenue pot. Mr. Bohannon added that when they sold the land to Eversource behind Wheelock Park they put the money back into Wheelock Park. Mr. Schoefmann stated that in the project update table that is updated monthly, BPPAC has prioritized the Emerald Star concept, which would translate into a single spot for information as in a hub of trail information.

Mr. Brehme asked what would happen to the property if they do not sell it to Mr. Tousley. Mr. Lamb replied that there is no specific CIP project but there have been some early concepts. He said a leaseback seems appropriate but that would be up to City Council. Mr. Redfern stated that the recommendation is not to sell the property and let City Council weigh in and understand Mr. Tousley's side of the problem and they can come up with some remedy. It is between balancing control of the property and accommodating Mr. Tousley's situation. He said the only upside would be to accommodate businesses, but they are still not sure about how the Arts Corridor will affect the needs of cyclists.

Chair Benik moved that they recommend to City Council to not sell the property to Mr. Tousley, Mr. Redfern seconded and the motion passed 5-1, with Mr. Dufresne voting against the recommendation.

Mr. Horner stated that it is in the best interest of the City to retain the status quo and evaluate the situation before making a final decision.



Map Features

- Parking Lot Encroachment
- 2019 Tax Parcels
- 2015 Building
- 2015 Trails_Paths
- 2015 Sidewalk

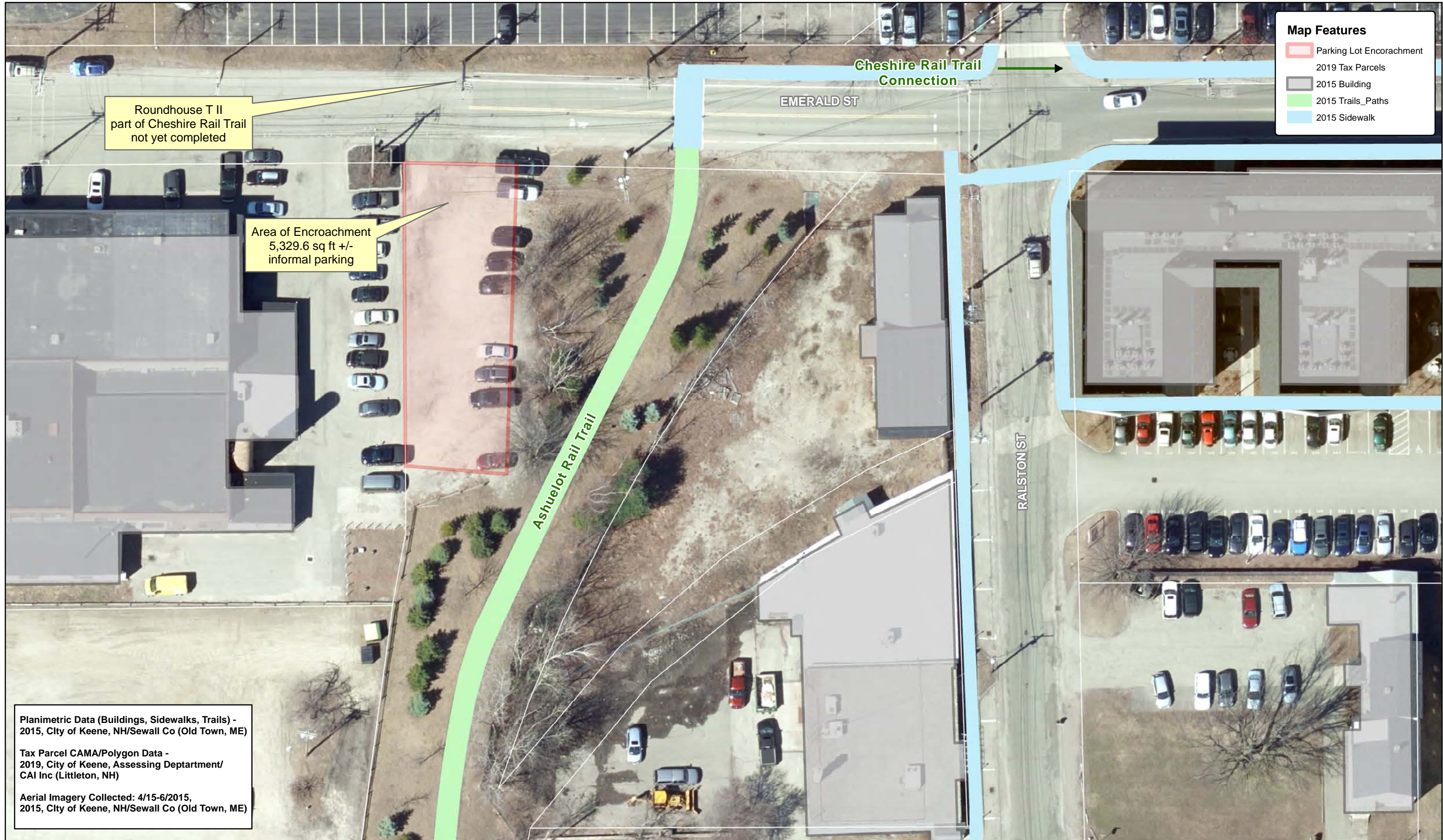
Area of Encroachment
 5,329.6 sq ft (13 spaces)

Recently Sold to Shaldu LTD

Planimetric Data (Buildings, Sidewalks, Trails) -
 2015, City of Keene, NH/Sewall Co (Old Town, ME)

Tax Parcel CAMA/Polygon Data -
 2019, City of Keene, Assessing Department/
 CAI Inc (Littleton, NH)

Aerial Imagery Collected: 8/31/2019 3:52PM,
 City of Keene Community Development/
 Keene State College Geography



Map Features

- ▭ Parking Lot Encroachment
- ▭ 2019 Tax Parcels
- ▭ 2015 Building
- ▭ 2015 Trails_Paths
- ▭ 2015 Sidewalk

Roundhouse T II
 part of Cheshire Rail Trail
 not yet completed

Area of Encroachment
 5,329.6 sq ft +/-
 informal parking

Planimetric Data (Buildings, Sidewalks, Trails) -
 2015, City of Keene, NH/Sewall Co (Old Town, ME)

Tax Parcel CAMA/Polygon Data -
 2019, City of Keene, Assessing Department/
 CAI Inc (Littleton, NH)

Aerial Imagery Collected: 4/15-6/2015,
 2015, City of Keene, NH/Sewall Co (Old Town, ME)



City of Keene, N.H.
Transmittal Form

September 13, 2019

TO: Finance, Organization and Personnel Committee

FROM: Natalie Darcy, Human Services Manager

THROUGH: Merri Howe, Director of Finance, Elizabeth A. Dragon, City Manager

ITEM: 6.

SUBJECT: Acceptance of Donations - Holiday Sponsorship Program

RECOMMENDATION:

Move that the Finance Organization and Personnel Committee recommend the City Manager be authorized to accept donations associated with the City's 2019 Holiday Sponsorship Program.

BACKGROUND:

Annually, the Division of Human Services contacts sponsors who will provide gifts and holiday items for families or older adults. The sponsored families and older adults are clients who have received assistance from Human Services within the past year. Families who have children with special needs and persons who have been struggling to make ends meet are considered for sponsorship. The goal of the program is to provide holiday gifts, food and items for those in need who will then use their own resources to maintain housing, utilities and essentials of daily living.

This request is typically made in September, as most of the work for this program begins in October and runs through the end of the year. Most of our sponsors enjoy the ability to shop early, and clients have reduced stress knowing that their holiday gift giving has been donated to them.

Human Services staff appreciates the support of the Council for this annual project that provides happy holidays for those we serve. Families are so appreciative and humbled by the generosity of the community.