

City of Keene
New Hampshire

FINANCE, ORGANIZATION AND PERSONNEL COMMITTEE
MEETING MINUTES

Thursday, September 25, 2025

6:00 PM

**Council Chambers,
City Hall**

Members Present:

Thomas F. Powers, Chair
Michael J. Remy, Vice Chair
Bettina A. Chadbourne
Bryan J. Lake
Kris E. Roberts

Staff Present:

Rebecca Landry, Deputy City Manager
Amanda Palmeira, City Attorney
Natalie Darcy, Human Services Manager
Beth Fox, Asst. City Manager/HR Director

Members Not Present:

All Present

Chair Powers called the meeting to order at 6:00 PM.

1) Councilor Remy - Request to Place Social District Question on 2025 Municipal General Election Ballot

Councilor Remy addressed this item. He stated that similar to what was proposed by Councilor Favolise regarding adding Keno on the ballot this is another item that could be added to the ballot referred to as social districts. Social districts are areas in the City that are designated with signs and any state liquor license holders located within the perimeter are allowed to serve alcohol within that area, under the assumption that they will serve alcohol in a special cup, which has to be a recognizable format to the City. On one side of the cup there needs to be the logo of the social district, and the other side would be that of the license holder. License holders have to opt in, purchase the cups and become part of the process. Participants are not permitted to carry a cup from one place to another. For example, participants are not permitted to carry the cup into the next bar. They can carry it on the street but not into another facility.

The Councilor stated the ballot question is not about what the design of such a district should be, what the rules should be, etc. The question puts it out to the constituents whether social districts is something they want in the City. It has to be on the ballot to be approved and if it is not added to the upcoming election, it cannot be voted on until the 2027 municipal election.

City Attorney Palmeira addressed the committee next. She stated as Councilor Remy had stated the question before the committee is a ballot question. She explained social districts are defined in the new statute as an outdoor area where people can drink alcohol. The area expressly does not include any license holders, internal premises or their license areas outside the district. The licensees that participate have to be within that social district. Anybody outside of the area can't

sell beverages inside the area. Under the Statute, there are some logistical requirements on the City. There are also requirements on the licensees that wish to participate, as well as requirements on the customers who will frequent the district.

With respect to the City, the Attorney stated the first step would be once the item is on the ballot, if it is approved, the matter would come back to City Council to develop an ordinance regulating such districts. The City Council would have to map out the boundaries and logistical plans for it. The City is also required to include “management and maintenance plans,” which the Attorney stated is not specifically explained. The City also has to post the plans on its website, which includes a rendering of exactly where the district is located and this map has to be submitted to the Liquor Commission. The days and hours of when the social district is operating must also be provided.

As far as in the licensees, there are clear specifics in the statute about what the cup needs to look like, what it needs to say, etc. Every participant will have their own logo and the district displayed on the cup. Participants can only purchase beverages from places that are contiguous with the social district. You cannot bring alcohol from outside and you cannot leave the social district with anything you have purchased unless you are re-entering the exact place you purchased the alcohol from.

Attorney Palmeira addressed the maintenance and management plans and the City’s concerns regarding liability and risk management. Social districts are going to be on City property, the statute excludes everything that is owned privately, which the Attorney noted is a very different concept than anything the City has seen before. This brings the City’s premises liability into the conversation. Drinking at an establishment or a sidewalk cafe would be under the premises insurance. Once you leave that premises, then the liability falls under the City’s insurance.

The Attorney explained, under state law, there are specific things for which the City has immunity. There are also specific things the City is responsible. One item the City is expressly responsible for is the maintenance of its premises. There are caps per claim which come in at around \$325,000 a person or \$1,000,000 for one event involving multiple people; this is a statutory cap for things like slip and fall events or personal injury on City premises. If there is private insurance, that cap is replaced by whatever the cap on the insurance is.

There are also some specifics items around sidewalks which falls under the sidewalk liability. She added what she wanted to emphasize is that those are well-established causes of action. This new statute creates potentially new liability. Attorney Palmeira stated she did discuss this with Primex, the City’s insurer and they share all her concerns and did make it clear that this unique health, safety, security issue is not something they have seen before.

Councilor Remy stated he agrees there are things the City would need to figure out as to how this would work and what the liability would be, but stressed that if this is not done now, the City cannot change its mind until 2027.

The Councilor questioned during a licensed event, for example, Food Fest where the event already carries \$1,000,000 policy for coverage of liability to the City for use of the space,

whether that liability would transfer over to the event holder. Attorney Palmeira stated it is very likely, but as she had mentioned earlier this is a new statute. It does indicate that participants who want to serve alcohol downtown in the social district would potentially have an argument that they don't have to agree to things like that, but the statute just creates a right for them to participate, no matter what kind of distribution of liability there is. She added she did not know how that would work out. Maybe if it was participation in an event the City controls, it could be limited to that and added this does open it up to people who want to participate potentially by right.

Councilor Roberts clarified even if the voters voted for this, if the Council obtains more information and subsequently determines it is too risky for the City, the Council does not have to follow through on establishing social districts in the City. Attorney Palmeira agreed it would not be in existence until the Council adopted an ordinance to create the social district.

Councilor Favolise stated he wanted to lend his support to this proposal and felt it made sense to pose this question to the voters. If the voters vote in favor, it could then be discussed further.

Mr. Bradford Hutchinson of Keene addressed the Committee and started out by saying that he is a candidate for mayor in the 2025 municipal election. He stated he has not had time to read in detail about what this ordinance is and does understand the general concept of it; it will create a space for public consumption of alcohol in the City. He noted the City has an open container ordinance and this would allow some freedom for the downtown bars and restaurants in certain areas. He felt the item should be placed on the ballot. Mr. Hutchinson stated the wording on the ballot needs to be simple (yes or no) question. He felt this is something that has the potential to increase revenue downtown and increase activity downtown.

Councilor Chadbourne stated she has the same questions Councilor Roberts had but does agree it needs to be the decision of the voters and stated she would support this.

City Clerk Terri Hood addressed the committee next and stated she wanted to speak on the procedural side of this item. She stated similar to Keno the City has a window of opportunity where if the Council doesn't make a decision by the meeting of October 2, there won't be enough time to set the required public hearing. The hearing has to be held between 15 and 30 days prior to the election where the question will be voted on and there is a seven-day requirement for public notice. She reiterated October 2, 2025 is the last opportunity to make a decision. A hearing would need to be scheduled for October 16, 2025. The public hearing is an opportunity for the community to learn more about this issue prior to voting on the question at the election. Ms. Hood ended that with reference to the wording of the question as indicated by Mr. Hutchinson, the statute lays out the wording very specifically and the City is required to stay within what the statute requires.

The following motion by Councilor Chadbourne was duly seconded by Councilor Lake.

On a vote of 5 to 0, the Finance, Organization and Personnel Committee recommends the question of whether to allow social districts in the City of Keene be placed on the 2025 Municipal General Election Ballot, and that a public hearing be scheduled for October 16, 2025.

2) Human Services Manager, Natalie Darcy -Acceptance of Donations - Holiday Sponsorship Program

Human Services Manager Natalie Darcy addressed the committee next. Ms. Darcy stated annually the department contacts sponsors who provide gifts and holiday items for families and older adults. The sponsored individuals are clients who have received assistance from Human Services in the past year. Families who have children with special needs and people who have been struggling to make ends meet are considered for sponsorship. The goal of the program is to provide holiday gifts, food, gift cards to those in need so they use their own resources to pay their basic needs in January.

Ms. Darcy stated staff appreciates the support of the Council to this annual project. She indicated that families are so appreciative and humbled by the generosity of the community.

Councilor Chadbourne commended the program.

The following motion by Councilor Lake was duly seconded by Vice Chair Remy.

On a vote of 5 to 0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept donations associated with the City's 2025 Holiday Sponsorship Program.

3) Human Services Manager, Natalie Darcy - Overview of Outside Agency Funding Process

Deputy City Manager Rebecca Landry addressed this item and stated during the budget process there was a request to review the outside agency funding process before the next budget process.

Ms. Darcy stated the Human Services Department is tasked with taking the lead on the outside agency funding and have put together a committee, which consists of employees from various departments, including Human Services; there is also a City Councilor on this committee. The role of the committee is to make sure that all nonprofit organizations that wish to apply for funding have the opportunity to do so.

Applications for funding are sent out by mid-December to those wishing to apply for funding. A notice is printed in the Keene Sentinel offering the opportunity to anybody who wants to apply to contact the office. Organizations applying are invited to meet with the committee. Ms. Darcy stated that the committee meets sometime in February of the budget year. The committee then makes recommendations for funding to the City Manager, based in part on each agency's response under the established criteria. Ms. Darcy stated the reason for this item before the committee today is to discuss as to whether the Council wants to keep the criteria that exists now or whether it wants to add some new criteria.

Ms. Darcy explained the agencies that receive funding have to demonstrate a service with a direct financial impact on expenditures of City departments. In addition, applicants must provide the number and percentage of Keene residents served by the agency, a list of the other local

service agencies providing similar services and the financial impact of prevention and intervention services that potentially saves future City spending.

The City receives about 12 to 13 requests annually. Shelters are not included in the requests because they are their own line item in the City budget and included in the general assistance budget. The Manager's request through staff is whether the Council wants to change anything in this process or retain it the way it currently exists.

Councilor Remy stated his concerns in the past are around the impact of an agency in terms of prevention and intervention services that potentially saves future City spending; if this organization did not exist, would it cost our taxpayers money. He felt shelters and the Community Kitchen falls under this category. He stated there are a number of organizations that have fallen off of funding for that reason. He stated this is the criteria he is looking for – a dollar amount that could be shown by an organization's existence that could save the City money.

Councilor Chadbourne asked why Hundred Nights and Southwestern Community Services (SCS) are under the general assistance budget. Ms. Darcy stated Hundred Nights used to be under outside agency funding, but SCS has a Memorandum of Understanding. Hundred Nights now has a Memorandum of Understanding as well. Councilor Powers noted the Memorandum of Understanding would have been authorized by the City Council at some point in time.

Councilor Lake felt the process works well. He stated he shares the same concerns as Councilor Remy with respect to impact. He however, felt some of this impact could have a tertiary effect that might not be an immediate dollar impact to the City, but might be something that is preventative down the line. He suggested moving away from the financial impact and just the impact on the City and felt the first bullet point covers that topic well.

The following motion by Councilor Remy was duly seconded by Councilor Roberts.

On a vote of 5 to 0, the Finance, Organization and Personnel Committee recommends the overview of the outside agency funding process be accepted as informational.

4) Elizabeth Fox, Human Resources Director - Relating to Class Allocation Ordinance O-2025-31

Asst. City Manager/HR Director Beth Fox was the next to address the committee. She stated she was before the committee regarding a proposal to make an amendment to an ordinance to add a job title – she stressed this does not add a position, just a title.

She stated the City is in the process of restructuring and rebuilding the Community Development department; building and housing inspection and code enforcement services. There is one individual who has been providing oversight for both departments. This proposed position - Building Construction Manager is the start of the process to rebuild within the division itself and the supervisory responsibility.

The Building Construction Manager would supervise the building inspectors and permit technician, who staff that side of the function, and he would serve as the Deputy Building Official providing building official duties when the primary building official who is the Fire Marshall is absent. Ms. Fox stated at the present time Rick Wood is serving as the City's Building Official and Health Official. That position is currently vacant on the salary schedule, and this will begin to rebuild the department. The proposed position is an S19 on the scale.

The following motion by Councilor Roberts was duly seconded by Chair Chadbourne.

On a vote of 5 to 0, the Finance, Organization and Personnel Committee recommends adoption of Ordinance O-2025-31.

5) Adjournment

There being no further business, Chair Powers adjourned the meeting at 6:35 PM.

Respectfully submitted by,
Krishni Pahl, Minute Taker

Edits submitted by,
Terri Hood, City Clerk and Kathleen Richards, Deputy City Clerk