



Rochester City Council

Community Development Committee

MEETING MINUTES

Chuck Creteau, Chair
Matthew Richardson, Vice Chair
David Herman
Patricia Turner
Rachel Lawrence

Meeting Date:	Thursday March 14, 2024	
Members Present:	Chuck Creteau Matthew Richardson David Herman Patricia Turner	Members Absent: Rachel Lawrence
City Staff Members Present	Kiersten Wright , Community Development Coordinator Todd Marsh , City of Rochester Welfare Director Mark Sullivan , City of Rochester Deputy Finance Director	
Non Staff Present	Bob Arnold , Housing Development & Revitalization Director, Community Action Partnership Sophie Aikman , Annual Giving Manager Community Action Partnership Susan Ford , Executive Director My Friend's Place Kathe Levesque , President of Homeless Center for Strafford County Cora-Lynn Hoppe , Executive Director Rochester Child Care Center Lynda Morgann , Board Member Rochester Child Care Center Roxanne Bienieck , Board Member Rochester Child Care Center Rebecca Harris , Board Member Rochester Child Care Center Mike Guillette , President of Rochester Main Street	

Call to Order: 6:01pm by Councilor

Roll Call: See attached sheet- Councilor Lawrence was excused

PUBLIC INPUT	Councilor Creteau provided questions from a resident to Ms. Wright who stated she would review the questions and email Councilor Creteau back with an update.
Approval of Minutes- February 8, 2024	Councilor Herman motioned to approve the minutes, Councilor Richardson seconded. All were in favor.
CDBG Pickle Ball & Commons Camera	Mark Sullivan, Deputy Finance Director for the City provided an update on the Pickleball Court and Teen Area/Cameras project that the Rec Department had received CDBG funding in FY22. Currently out of the \$109,856.75 in funding that was allocated for the projects, only \$5,484 of

**Change of Funding w/
Deputy Finance Director**

CDBG funding has been expended to provide seating for the teens by the basketball courts. Neither project is set to be completed by the end of FY24. The last quote for the pickleball court was \$125,000 with \$37,950 to be funded by FY23 General Fund CIP award but also had an 8 month lead time for completion once the agreement is signed. As of this meeting date there is no Purchase Order in place for the court. The camera portion of the project has also seen several delays, with IT noting that there are delays in vendor selections as well as long lead times. Both projects are currently affecting the City's Timeliness with the CDBG funds.

The Deputy Finance Director wanted the approval of the Community Development Committee to Deauthorize \$87,050 CDBG funding for the Pickleball Court and \$17,322.75 balance for security cameras at Commons. Return \$104,372.75 to the CDBG pool of funding. These two projects can then be presented to the Finance Committee at the April-24 meeting as a change of funding to General Fund Unassigned Fund balance.

Councilor Creteau inquired about the pros and cons of deauthorizing the project. Mr. Sullivan stated that they could do more, and that they wouldn't be required to report to HUD, as well as help the funds be spent on other projects that are ready to go. Cons would be that the projects would be funded with unassigned funds and that the project would need additional funding due to the increase in prices.

Councilor Richardson inquired if its possible that CDBG Funds could be used at a later time for this project. Mr. Sullivan explained that they would have to reapply for CDBG funding, and that I wouldn't be guaranteed as funds may not be available for the full amount.

Councilor Turner moved to deauthorize the \$104,372.75 left on the two projects. Councilor Richardson seconded. All present were in favor. Mr. Sullivan stated that he will be bringing this to the April Finance Committee to notify them of the changes.

**Job Loan Discussion-
Affect on City's CDBG
Timeliness**

Kiersten Wright, the City's Community Development Coordinator provided an update regarding the Job Loan and the City's Timeliness with their CDBG program. Ms. Wright informed the committee that while they are in charge of reviewing CDBG program and projects that will be funded using CDBG funds, the Job Loan Program is not under their review, and is reviewed by the Job Loan Committee.

Part of the CDBG requirements is that the city is within the timeliness standards which is 1.5 times the current year's grant amount. For FY24 that amount would be \$344,364 (FY24's grant amount is \$229,576). This will be the second year that the city will not hit its timeliness goals set by HUD. This is in part due to the Pickleball Court and Cameras projects but a large portion of it is due to the high amount in the Job Loan funds.

Currently there is a little over \$312,000 in the job loan funds. This is included in the timeliness balance. In order to make the timeliness by May 2nd 2024 the city would have to spend down over \$252,000. Ms.

Wright explained that with the job loan balance being so high, even if the city had spent down on all of the projects currently open, including the pickleball court and cameras, that the city would not make the timeliness as there is still going to be funds received into the Job Loan during the next couple of months as the recipients continue to pay back their loans.

Ms. Wright has met with the City's HUD Rep and Jenn Marsh, the Assistance Director of Economic Development, to discuss the job loan and its affects on the City's Timeliness. Ms. Marsh will be meeting with the Job Loan Committee in the next couple of months to discuss the Job Loan Program. Ms. Marsh has offered to meet with the CD Committee at a later date to provide an update to the committee and inform them of the plans for the Job Loan Program.

Ms. Wright explained to the committee that as the city will not make its timeliness by May 2nd, that she will have to meet with a HUD rep to discuss the goals for FY25 in order to ensure that Rochester is within the timeliness limits. Ms. Wright has already discussed options with the Finance Director with the city as well as others to start making plans prior to the meeting with HUD and will continue to update the coming months as more information comes to light.

Meet with Final Applicants for CDBG & Municipal FY25 Funding

My Friend's Place- Susan Ford- \$30,000- Municipal Funding & \$30,000 for CDBG Public Facilities Funds

Susan Ford from My Friend's Place came to present their program to the committee and requested \$30,000 from municipal funding and \$30,000 in Public Facilities funds from CDBG. The facility had to close last year due to an issue with the sprinkler system. During their closure they updated the kitchen, sprinkles, removed the chimney, added new fire alarms and updated the locks to use key cards. When they had to close they relocated 4 Rochester families to transitional housing. About 1/2 to 3/4 of those that enter the facility are from Rochester, with Dover the next most. They are looking for \$30,000 for operational expenses to keep the facility open. The other \$30,000 is for repairs to their barn at their facility. This barn houses donated items, including furniture as well as residents items that they need to store during their time there. They are primed to open back up April 1st. Todd Marsh from Welfare noted the great relationship that the city has with My Friend's Place and that providing funding to them is cost effective for the city. My Friend's Place also offers placement to Rochester first prior other cities due to this good relationship.

Strafford Community Action Partnership- Sophie Aikman- \$10,000 Municipal Funds

Sophie Aikman from Community Action Partnership (CAP) provided information on CAP and the services that they offer residents, from their home heating fuel program for low to moderate income families and individuals. They have helped about 6,600 Rochester residents which makes up about 41% of the

Stafford Residents helped. They also offer over 60 types of programs. Todd Marsh from Welfare noted that CAP and Welfare have a good relationship with one another and that CAP has worked with the Community Outreach Coordinator for Rochester.

Stafford Community Action Partnership- Bob Arnold- \$75,000 for Weatherization Program- CDBG funds

Bob Arnold introduced himself to the committee and explained the Weatherization Assistance Program. The program helps reduce energy costs, which also helps with health and safety of the residents. They work with elderly, disable and/or children. The program works with a number of different grants in order to fund the program. They are also certified with the Department of Energy. In the last 12 months Rochester CDBG funds have helped over 28 sites in Rochester, all low- and low-moderate income residents. They heavily leverage other funds. Todd Marsh noted the importance of the program and that Welfare sometimes will get emergency calls about down systems like furnaces, and can refer to CAP for assistance. Bob Arnold noted that residents are referred to their program via their fuel assistance program as if they are eligible for the fuel assistance, they'll be eligible for the Weatherization. Ms. Wright pointed out that this program also keeps people in their homes and makes it more affordable for them.

Homeless Center for Strafford County (Home for Now)- Kathe Levesque- \$21,740 for CDBG Public Facilities, \$29,000 for CDBG PSA, \$30,000 for Municipal Funds

Kathe Levesque introduced herself to the committee and provided an update on the Homeless Center for Strafford County. They are requesting a total of \$21,740 for two separate facilities projects at their location. One for \$6,840 is to help build walls in the basement and separate the meeting space with the storage space, which will then help with the second project, installing Mini Splits in the basement (\$14,900) to help heat areas of the basement that are currently are heated with small space heaters. This will allow the board to meet in the basement, as well as allow volunteers to work in the basement in the storage areas. They are also asking for \$29,000 in operational expenses from CDBG and \$30,000 in Municipal funding for operation expenses. They have full time, part time and volunteers who work at the facility. They opened up for full time in late 2023, transitioning from a seasonal shelter. CDBG funded the build of the shelter in previous years. Todd Marsh noted the relationship between Home for Now and the Welfare Department and that in past years Home for Now changed their system resulting in less acceptance of Rochester residents which resulted in the city stopping funding. This is a mid barrier shelter, rather than a low barrier like the Willand Center.

Over the recently year they have changed their program and are able to accept more residents than before resulting in a better relationship.

Rochester Child Care Center- Core-Lynn Hoppe- \$200,000 Municipal Funding

Core Hoppe introduced herself and a few members of the Board for Rochester Child Care Center. Rochester Child Care Center is requesting \$200,000 in funding to assist with keeping the child care center on Charles Street open. Currently there is a nation wide child care issue and several facilities have shut down. Honey Tree in Dover had shut down the morning of the CD Committee meeting, resulting in 97 families out of child care in the area. Right now the center has 135 children ages 6 months to 5 years and 245 children ages 5 to 12 years enrolled in their programs they offer in Rochester. 5 Licensed centers have closed in a 50 mile radius since 2021. They have seen a staffing crisis which reduced capacity and hours. With the slow rollout of state funds allocated to supporting childcare they have seen a lose of over \$300k in the last quarter of 2023. They have taken several steps at this time to try to prevent a closure including reduced staffing from 90 to 74, reduced their hours of operations, cancelled maintenance contract, implemented spending freeze and engaged a financial advisor to maximize investment income. The \$200,000 are necessary for the center to not cease operations in 4-6 months, and will help stabilize their program. Ms. Hoppe pointed out that if their center has to close in the next few months that hundreds of families throughout Rochester will be affected, which will also affect local businesses as they find their employees having to take time off while looking for childcare. Todd Marsh noted the importance of childcare and that without childcare people can't work. He also pointed out that early childcare is important for the future.

Rochester Main Street- Mike Guillette -\$35,000- Municipal Funding

Mike Guillette is the President of Rochester Main Street and came to present their program. In previous years the program has received funding through the city's Economic Department in the amount of \$35,000 which is the amount they are looking for this year. Going forward Rochester Main Street will have to request funding through the CD Committee. Mr. Guillette discussed their 4 Point Approach, which include Economic Vitality, Design (which supports a community transformation by enhancing the physical and visual assets that set the commercial district apart), Promotion and Organization. They have various activities that they work on including the flower barrels and baskets, Big Foot cutouts, cleanup and lights added to Wyandotte Alley, bistro tables added to Central

	<p>Sq, Wyandotte Alley and the Riverwalk as well as numerous other activities. They also help with several events such as Porchfest, Trick or Treat, Free Movie Night, Clean up Days, and Festival of Trees. Rochester Main Street is currently the fiscal sponsor for Rochester Farmers Market which they are looking to bring back this summer and Rochester Tank a Cop. In previous years they were also the sponsor for Rochester Fine Arts Museum. Mr. Guillette also gave an update on the new Façade Program that Rochester Main Street is implementing. They are working with downtown businesses to update signage. The awards will be determined by funding level and determination of business needs. The sign work will be contracted with Renaissance Signs. Councilor Creteau asked about their involvement with down town business and keeping communication open with them. Mr. Guillette noted that Rochester Main Street does try to keep the businesses up to date and involved with various projects that they are working on throughout down town and have recently tried to assist with the parking concerns by holding a meeting to discuss the businesses concerns and offered to bring this to the City.</p>
<p>Vote on FY25 Funding</p>	<p>Discussion was had regarding the municipal funding applicants first.</p> <p>The Committee approved Municipal funding for the following programs and organization:</p> <p>COAST- \$256,508 Cornerstone VNA- \$28,826 Easter Seals Rochester- \$10,000 SOS Recovery- \$46,000 Strafford CAP- \$10,000 Rochester Museum of Fine Arts- \$5,000 My Friend's Place- \$20,000 Homeless Center for Strafford County - \$10,000 Rochester Child Care- \$130,000 Rochester Main Street- \$30,000</p> <p>Councilor Creteau and Richardson both felt that East Rochester should not receive funding especially with Nancy Loud being closed and their services only being open two days a week for a few hours, the councilors present all agreed that they did not feel that it benefited the citizens of East Rochester or other areas of Rochester to continue to fund the facility. All present were in favor to cut funding.</p> <p>There was much discussion regarding My Friend's Place, Homeless Center for Strafford County, Rochester Child Care Center and Rochester Main Street. The Committee decided to fund</p>

these programs at less than their ask due to various reasons such as closers, first year requests, etc.

The Committee discussed the CDBG applicants and agreed that CASA of NH, the Homeless Center for Strafford County and Community Partners would **not** receive Public Service Agency funding from CDBG funds. Some of the reasons include duplication of services and funding received from other sources.

The Committee approved the following programs /organizations under the Public Service Agency of the CDBG program:

Waypoint NH- \$5,000

Strafford Nutrition Meals on Wheels- \$5,000

Share Fund- \$10,000

Haven- \$1,000

DALC- \$1,000

Cross Roads- \$8,000

ACT/COAST- \$1,000

Hope on Haven Hill- \$1,000

The Committee agreed that any excess funding over the \$32,000 approved would be split evenly among the following groups: DALC, HAVEN and Hope on Haven Hill who would receive a little more funding over the form two. If the amount is significantly over the \$32,000 once HUD has allocated FY25 funding, Ms. Wright will bring the amount back to the committee to re-evaluate.

Funding under CDBG's Public Facilities and Infrastructure and Housing Rehab portion of funding was approved for the following projects:

Strafford Community Action Partnership – Weatherization Program - \$75,000

My Friend's Place- New Roof and Siding for Barn Storage- \$30,000

Homeless Center for Strafford County- Updates to Basement and Meeting Area- \$6,840

Homeless Center for Strafford County- Mini Splits for Basement- \$14,900

Currently there are \$26,005 in unallocated funding from this current year's funds, that will be used to fund some of these projects, as well as the deauthorized funds from the Pickleball Courts and Camera projects. This will leave additional funding from FY25's CDBG allocation. The Committee will hear any future projects during FY25 that request funding for public facilities, infrastructure or housing rehabilitation projects during the year.

<p>Discussion on Committee's Goals</p>	<p>Due to the time, a motion was made by Councilor Herman to move Discussion of Committee's Goals to the April or May meeting. Councilor Creteau seconded; motion approved by all present.</p>
<p>Other Business</p>	<p>The Homeless Center for Strafford County (Home for Now) and Community Action Partnership provided an update to the committee about their goal to potentially merge later this year. The Home For Now board members agreed in their last meeting to open talks with Community Action Partnership. With the two groups merging it would allow Home for Now to gain access to help staffing the facility. Currently the facility has had a tough time keeping people employed in the Executive Director position. CAP does plan on keeping this a 24hr shelter and is not interested in putting it back to a seasonal. With the merge it would also allow for more funding options for Home for Now, as CAP has access to more grant options and opportunities.</p> <p>Councilor Richardson inquired about why Home for Now and Rochester stopped their relationship. Kathe explained that they had issues with the previous director was cherry picking people in order to provide the best outcome, and they fudged the numbers when they provided an update to the board. It resulted in the board not realizing the extend of the issue and Rochester pulling its funding. Todd Marsh noted that the Welfare department had no knowledge of this and that they had assumed the facility decided to update their program which they had the right to do. The only option Rochester had for the change was to pull funding.</p> <p>CAP and Home for Now said they were confident that the merger would be a good thing and will be keeping the cities up to date on the merger going forward.</p> <p>Councilor Creteau informed the Committee that they will not be able to make the scheduled April Meeting as they will be out of state. Councilor Richardson would be in charge of the April Meeting. Ms. Wright stated she would reach out prior to the meeting date to verify the agenda.</p>

Motion to adjourned made by Councilor Herman, seconded by Councilor Richardson, all in favor. Meeting adjourned at 10:19pm

Next Meeting – Thursday April 11th, 2024, 6:00 p.m., Location: TBD.

Topics: Discussion of Committee Goals

Respectfully Submitted by

Kiersten "Kay" Wright, Community Development Coordinator.

COMMUNITY DEVELOPMENT COMMITTEE

Agenda Item

Agenda Item Name: Deauthorize CDBG Funding-Pickleball Court & Security Cameras

Date Submitted: 3-11-24

Name of Person Submitting Item: Mark Sullivan-Director of Finance

E-mail Address: mark.sullivan@rochesternh.gov

Meeting Date Requested: 3-14-24

Issue Summary Statement: In FY22 the Community Development Committee awarded CDBG funding for two City project initiatives. Hanson Pines Pickleball Court (\$87,050), and Hanson Pines Teen Area (\$22,806.75).

These projects have proven to be more complicated than anticipated to implement. Community input for the pickleball courts influenced changes in location and design. Regarding the Hanson Pines Teen Area project \$5,484 of CDBG funding has been expended, but the funding also included an allocation for security cameras at the Commons.

Although both of these projects were determined to be eligible for CDBG funding they were better suited for General Fund Capital Improvement cash funding. Awarding CDBG funding to a City project should be made on the basis that the project is ready for implementation, and will be completed within the fiscal year of award.

Neither of these projects will be completed by the end of FY24. The latest quotation on the pickleball court projects was \$125,000, \$37,950 to be funded by FY23 General Fund CIP award, with an eight month lead time for completion once agreement is signed. To date there is no Purchase Order in place for the pickleball courts. The cameras for the Commons is pending IT Services vendor selection and long lead times as well.

Recommended Action: Deauthorize \$87,050 CDBG funding for the Pickleball Court and \$17,322.75 balance for security cameras at Commons. Return \$104,372.75 to the CDBG pool of funding. These two projects can then be presented to the Finance Committee at the April-24 meeting as a change of funding to General Fund Unassigned Fund balance.

Rochester Child Care Center Inc.

UNSTABLE TIME FOR THE INDUSTRY

Cora-Lynn Hoppe, MBA

Executive Director

March 14, 2024

The child care industry is in market failure...

Boston Federal Reserve 2023

The business model for childcare places 90% of the cost burden on families (tuition). For families, tuition is often as costly or more costly than housing¹.

The cost of care is further subsidized by the educators (many with college degrees) who are willing to work for poverty level wages.

According to a report by Ready Nation Council for a Strong America², the economic impact of insufficient childcare totals \$122B annually.

\$78B lost earnings by parents

\$23B reduced revenue and increased hiring costs by businesses

\$21B reduced income tax and sales tax revenue

¹Savage, S. A., Mattingly, M. J., Tonsberg, C., & Carson, J. (2021, November 23). The solution is no secret, we can fix child care - Federal Reserve Bank of Boston (bostonfed.org). The solution is no secret, we can fix child care. <https://www.bostonfed.org/news-and-events/news/2021/11/we-can-fix-child-care-boston-fed-opinion-piece>

²Council for a Strong America. (2023, February 2). \$122 Billion: The Growing, Annual Cost of the Infant-Toddler Child Care Crisis.

ReadyNation. \$122 Billion: The Growing, Annual Cost of the Infant-Toddler Child Care Crisis • Council for a Strong America (strongnation.org)

ROCHESTER CHILD CARE NUMBERS

Enrollment:

135 children ages 6 months-5 years

245 children ages 5 – 12 years

Budget:

\$3M annual budget

Personnel costs are 78% (\$2.3M) of the budget

Cost increases:

70% cost increase in wages

75% increase in cost of liability insurance

40% cost increase for all expenses

Tuition rates:

Infant \$330

Toddler \$300

Early PK \$285

Preschool \$255

School-Age \$180

Cost of care:

Infant \$551

Toddler \$428

Preschool \$329

THE BLEED / THE CLIFF

- 5 Licensed centers have closed in a 50-mile radius since 2021
 - Staffing crisis/reduced capacity & hours
 - Slow rollout of state funds allocated to supporting childcare
 - RCCC lost over \$300K in the last quarter of 2023
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STEPS WE'VE TAKEN

- Reduced staff (74 from 90)
 - Reduced hours of operation
 - Cancelled maintenance contract
 - Implemented spending freeze
 - Engaged financial advisor to maximize investment income
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THE AGENCY ASK

Rochester Child Care Center respectfully requests \$200,000 to stabilize operations and recoup losses incurred over the last several months.

These funds are necessary for the center not to cease operations in 4-6 months, a stepping stone to stabilization.

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Thank you!

TIME FOR Q&A

Cora-Lynn Hoppe, MBA

Executive Director

March 14, 2024