



Rochester City Council

Community Development Committee

DRAFT

MEETING MINUTES

James Gray, Chairperson
Elaine Lauterborn, Vice-Chair
Sandra Keans
Jake Collins
Donna Bogan

Meeting Date:	August 28, 2014	
Members Present:	Councilor Gray Councilor Lauterborn Councilor Collins Councilor Keans Councilor Bogan	Members Absent:
Staff:	Elena Engle - Community Development Specialist Karen Pollard . Economic Development Manager Brian Sylvester . Library Director	
Guests:	Mike Provost . Rochester Main Street Newton Kershaw - 1 st Regional Funding LLC	

Councilor Gray called the meeting to order at 6:00PM. **Motion was made to approve the July 24, 2014 Community Development Committee minutes by Councilor Lauterborn and seconded by Councilor Keans, minutes were approved unanimously.**

Public Input	None
RSA 79-E – Community Tax Relief Incentive:	<u>2-6 North Main St (Hayes Opera Block):</u> Karen Pollard presented an application for RSA 79-E Tax Relief for the building at 2-6 North Main Street. She introduced Newton Kershaw of 1 st Regional Funding LLC whose company rehabbed this deteriorating building in the downtown into affordable apartments now being marketed to young professionals and college students. This building used to be the center of negative attention in the city and with these renovations, these issues have been eliminated. Mr. Kershaw explained that when he was mostly through the project he was told by the Fire Department that he needed to add a sprinkler system to the building. The sprinkler cost alone is approx. \$59k without the cost of the hookups and other added expenses. It was at this time that he decided to apply for this tax relief incentive and with the \$59k sprinkler system in addition to the other associated costs and any work that has been completed since April 1 st , Mr. Kershaw would qualify. Ms. Pollard stated that there is an error on the application because when she initially met with Mr. Kershaw and had pulled the value of the property post renovations, the Patriot Properties listed the value at \$386k but when she went back in a few days ago, the value was changed to \$695k. Ms. Pollard stated that in her conversation

with the Tax Assessor that the \$695k is not the official number and that there might be some change and that he will need to sit down with Mr. Kershaw to discuss how the numbers were derived. Ms. Pollard provided the committee with a form that outlines the requirements for the program and how this property would meet the requirements, showing that they would be eligible for up to 15 years of tax relief. Councilor Gray voiced concern over the length of 15 years and suggested looking at just one of the additional categories for which they are eligible. Ms. Pollard stated that it is up to the council what they decide is an appropriate timeframe, she was just demonstrating what they were eligible for. Councilor Keans requested a spreadsheet with a breakdown of the assessment and the tax savings so that it is clear to the council when they review. Ms. Pollard stated that once the Tax Assessor meets with Mr. Kershaw and she receives his final numbers she will create this spreadsheet for the council. Ms. Pollard suggested that in the interest of time that the Public Hearing be set for September 16, 2014 and a City Council vote in October. Councilor Gray asked for input from each committee member. Councilor Keans is in agreement with Karen's statements about the value of projects like this one and providing this incentive. Councilor Lauterborn noted that the City will receive more money if the assessed value is higher. She also inquired as to whether the incentive would carry over if the owners changed hands and Ms. Pollard stated that it would not. Councilor Collins noted the fires in the downtown buildings and the importance of these sprinkler systems but is concerned with the accuracy of the numbers and would like to make sure the business owner has a clear understanding of the impact. Councilor Bogan stated she was new to this information and is taking it all in but has seen programs like this in other communities and would support it. Councilor Gray stated that the committee seemed to support this application for 2-6 North Main, but his biggest concern is around the timeframes and that a recommendation on timeframes cannot be made until more information is provided. Councilor Gray requested that this information be made available for the next CD Committee Meeting at which time the committee can discuss the timeframe in more detail. The Tax Assessor arrived at the meeting and discussed the program and the building briefly and was able to meet with Mr. Kershaw to discuss the assessment further. **Motion was made by Councilor Lauterborn to recommend to the council to hold a public hearing on September 16, 2014 with a vote by the council on October 7, 2014. Motion was seconded by Councilor Collins and carried unanimously.**

Review of RSA 79-E District Boundaries:

Karen Pollard discussed the current boundaries of the RSA 79-E District and noted how there are several blighted neighborhoods that could benefit from this tax relief incentive. These neighborhoods are not within the Historic District Boundaries and would not receive the additional years for that part of the incentive, however they would potentially receive some tax relief if an investor made improvements within those neighborhoods. The neighborhoods she has requested be given

	<p>consideration for extension of the boundaries include the neighborhood over by the Fairgrounds and the neighborhood behind Signal Street. Councilor Gray stated that the consideration should be made for all blighted neighborhoods to be included and asked to put this item back on the next agenda for further review. Mr. Kershaw also noted that he is on a similar Board in Manchester that deals with these projects and suggested looking at any areas where there are condemned buildings.</p>
Poet Laureate Program	<p>Karen Pollard gave a history of the Poet Laureate Program stating that it was created through the Community Development Committee many years back when she was the staff person on the committee. Somehow, over the years the program ended up with the Library at some point before there was the presence of an Arts and Culture Commission. Brian Sylvester from the Library stated that the current Poet Laureate's appointment ended in July and there needs to be a new appointment. Mr. Sylvester also indicated that he would still like to be part of the involvement in this program, however, it might be better if managed somewhere more appropriately. There was discussion around moving the management of the position to the Arts and Culture Commission but leaving the funds for the position with the Library since Arts and Culture does not have a budget they manage. Councilor Keans mentioned that there is an ordinance for Arts and Culture (Chapter 3; Section 3.15 of the General Ordinances) and that the committee should review this ordinance as it may need more information added to it. The review of this ordinance will be added to the next meeting agenda and Councilor Gray asked Mr. Sylvester to contact the current Poet Laureate to remain in the position until this is reviewed Further.</p>
Rochester Main Street	<p>Mike Provost from Rochester Main Street provided an update on the City's Branding Project. Mr. Provost noted that the goal is to hire a consultant, costing \$40k. Currently they have raised \$15k and have a commitment from the Economic Development Committee to add \$10k once the remaining \$15k is raised. The \$10k from Economic Development was approved in the last budget, however, the remaining funds are not raised by the end of the fiscal year, the \$10k will have to be requested again in the next budget. Mr. Provost also noted that the Chair of the Steering Committee has resigned so the committee has not met all summer and there are no active projects at this time. They are currently searching for a Committee Chair.</p>
Community Development	<p><u>Community Development Project Status</u> Ms. Engle gave the committee updates on current Community Development projects, grant updates and JOB Loan updates and current CDBG balances (see Community Development, August, 2014 Attachment). Ms. Engle stated she has developed a resource book for her replacement that will assist with getting caught up to speed and assist with training. Ms. Engle stated that the main priority of the person in this position through the end of May will need to be the 5 year Consolidated Plan and the 2015-2016 CDBG Application Process and</p>

Action Plan. She noted that there are already two projects in the pipeline for discussion for next year's Action Plan including the bike rack project that she has already begun work on with this committee and DPW and Planning as well as a request from the Library regarding automatic/handicap accessible doors. Councilor Keans inquired about the Library Doors stating they already had automatic doors. Ms. Engle stated that the Library Director, Brian Sylvester will come to one of the next meetings to discuss what doors are needed.

5 Year Plan. Ms. Engle provided a proposed timeline for completing the 5 year Consolidated Plan and stated that she has finally received access from HUD to the online template and has downloaded it and filled in the information that she completed in the most recent Action Plan and Performance Report. She also noted that the Rochester Housing Authority also just completed their 5 year plan to HUD and will be sharing the report to assist with some of the public housing areas that need to be completed. In addition, Ms. Engle noted that she has gathered some documents that will be helpful in completing this plan and solicited some input from funded public services during her annual monitoring and has noted this information as well. Ms. Engle suggested the CD Coordinator work with Portsmouth and Dover over the winter as previously discussed to collaborate with all shared public services in the area and to hold neighborhood listening sessions at the Ward meetings to get public input into the plan. Councilor Keans voiced concern with the level of participation from the Ward meetings. Ms. Engle stated that the meetings will need to be well publicized for this purpose.

Carney Medical Building: Karen Pollard explained to the committee that due to Mr. Keefe's declining health, the business is in bankruptcy and there is a balance on the JOB Loan to the City of 31,042.70. She explained that the City is in 2nd place on the mortgage of \$157k and that the building would have to sell for more than \$200k to recover funds (currently listed \$219k). There have been 3 potential interests in the property, none of which have worked out. There is some equipment in the building and the possibility of maybe recover \$5k or less. After meeting with the City Manager, Finance Director and City Attorney, the consensus is that it is not wise to hold out on the hope of recovering funds and that the City should release the lien on the property to HRCU so that they can continue to try to market and sell the building. This would allow the bank to drop the price, helping them through the winter. The City has tried to assist with marketing the building and was looking into a possible Business Resource Center, however, that project is no longer viable. The City will continue to assist the HRCU with marketing this building. At this time, the JOB Loan Committee has been made aware of the situation and once a consensus has been reached as to whether or not to release the lien, their decision will be forwarded to the City Manager. Ms. Pollard stated that she welcomes any ideas from the committee or council on this matter. Councilor Collins suggested cleaning up the storefront window and using it to put displays or advertisements until it is sold to improve the look. Mike Provost from Rochester Main Street stated they would like to do something like that but it is private property and would need permission.

Nuisance Ordinance	The Committee recommended this item be brought back to the Ward 2 meeting to be discussed with the PD. In addition, the Committee would like to know what the feedback is from the Recreation Commission.
Other	Mike Provost from Rochester Main Street distributed a pamphlet on the Historic Highlights of Downtown and states it will be available in the Chamber and will also be available at the Library. He also distributed the Restaurant Promotion Card.
NEXT MEETING	September 25, 2014 at 6pm in the Conference Room at City Hall. <ul style="list-style-type: none"> - Automatic Doors at the Library . Brian Sylvester - Review of Arts and Culture Ordinance - Discussion about the timeframe for the RSA 79-E (2-6 N. Main) - Review of RSA 79-E District Boundaries

Motion to adjourn made by Councilor Collins and seconded by Councilor Lauterborn. The meeting was adjourned at 8:20 pm.