

Public Hearing – January 21, 2013

Mayor Grenier opened the duly advertised public hearing portion of the meeting at approximately 7:30 p.m. to hear public comments on the following three subject matters:

#1: Resolution 2013-02 Transferring 121 Main Street to BIDPA – No Comments

#2: Resolution 2013-01 Apply/Accept CDBG Funds for Neighborhood Development.

Progress of the Berlin Neighborhood Revitalization Program & Neighborhood Stabilization Project
City of Berlin

Linda White, Housing Coordinator for the City of Berlin presented the following:

In meeting the challenges of its' future, The City of Berlin has experienced a type of "triple threat" to attracting economic growth and new residents to its neighborhoods:

- Aging housing stock - 1939 (average age)
- Excess of abandoned & blighted properties
- Compact neighborhoods

As documented in a study conducted by AHEAD of Littleton in 2006, our neighborhoods were in need of \$10,000,000 in repairs, much of it unseen to the public. In 5 targeted neighborhoods: Granite Street, Notre Dame, Mason Street, Burgess Street, and Forbush Avenue there was an estimated 5.3 million in noted Exterior repairs alone.

The goal has also been 3-fold: to remove blighted housing, de-densify neighborhoods and rehabilitate existing housing. The following programs have made great progress toward those goals.

Public Hearing #1 - Update on the Berlin Neighborhood Revitalization Project:

The Berlin Neighborhood Revitalization Project, through two CDBG grants of \$500,000 each, has assisted 64 homeowners to complete badly needed repairs to their homes, including updated electrical, roofs, new heating systems, windows, and structural. Many homeowners included in this program were on the edge of being included in those properties unable to come back from disrepair, and this program has illuminated how badly we need to continue. The current program has started to make a dent in this need and is especially focused on residents living on low fixed incomes. Through the excellent work of our General Contractor (TCCAP), we have also been able to benefit homeowners through matching funds toward weatherization, window replacement and other energy measures. In just this grant period, TCCAP has been able to provide over \$175,000 in matching funds.

Linda White asked if there were any questions or comments from the Public at this time. There were none.

Public Hearing #4 & #5

Ms. White also addressed the progress of the Neighborhood Stabilization Program which is the purchase and redevelopment of foreclosed upon homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent or redevelop those properties. In addition, the project includes the demolition of blighted structures and redevelopment of demolished or vacant properties. The City has received two grants: NSP1 – \$4.3 million, & NSP3 – \$1million; and was recently awarded an additional \$255,300 from remaining NSP1 funds. To date, under NSP1 & NSP3 – 18 buildings/52 units have been rehabilitated and 16 buildings/59 units have been demolished. (the most recent being 554 Hillsboro St. aka: "Sport About Charlies". Ms. White provided a handout of her presentation.

Ms. White asked if there were any questions or comments from the Public at this time. There were no questions. Mayor Grenier declared that public hearing closed.

#3: Resolution 2013-03 Apply for and Accept CDBG Funds for Notre Dame Project – Pamela Laflamme, Community Development Director.

Mayor Grenier Opened the Public Hearing for the CDBG funding request for the Notre Dame Project.

Community Development Director, Pamela Laflamme had informational packets available for public review regarding the following presentations:

Community Development Block Grant funds are available to municipalities through the NH Community Development Finance Authority. Up to \$500,000 annually is available on a competitive basis for economic development, up to \$500,000 for public facility and housing projects, up to \$500,000 for emergency activities that directly benefit low and moderate income persons and up to \$12,000 is annually available for feasibility study grants.

The purpose of this Community Development Block Grant funding request: This is a proposed application to the Community Development Finance Authority for up to \$500,000 in Community Development Block Grant funds for the proposed Notre Dame Elderly Housing project in Berlin. The majority of the funds, approximately \$480,000, will be sub-granted to AHEAD toward construction costs of renovating the Notre Dame into 33 affordable, senior housing units for low and moderate income persons.

This project conforms to the City of Berlin's Housing and Community Development Plan's Goals of rehabilitating existing buildings when practical and encourage a varied stock of safe, sanitary, decent and affordable housing for persons of all age and income groups.

Mayor Grenier asked for public comments at this time. There were no public comments.

Mayor Grenier Closed this portion of the Public Hearing.

Mayor Grenier then Opened the Public Hearing for the review of the updated Housing and Community Development Plan.

MS Laflamme then presented a review of the updated Housing and Community Development Plan.

Mayor Grenier asked for public comments at this time. There were no public comments.

Mayor Grenier Closed this Public Hearing.

Mayor Grenier then Opened the Public Hearing for the Residential Antidisplacement and Relocation Assistance Plan

Ms. Laflamme stated that although this project does not involve any displacement or relocation of persons (or businesses), if the City were to undertake a CDBG project which involved displacement or relocation they would follow this plan. The plan outlines the measures they would take to find comparable, suitable housing for persons (or businesses) displaced or relocated.

Mayor Grenier asked for Public Comment at this time. There were no public comments.

Mayor Grenier Closed this portion of the Public Hearing

There being no one else wishing to speak for or against the subject matters, Mayor Grenier closed the public hearing portion of the meeting at approximately 7:45 p.m.

CITY COUNCIL MEETING – Monday, January 21, 2013

Mayor Grenier called the Regular City Council Meeting to order at approximately 8:32 p.m. in the City Hall Council Chambers. The pledge of allegiance to the flag preceded roll call. Present: Councilors Remillard, Otis, Benski, Higbee, Rozek, Nelson and Th  berge. Councilor Morgan Allain was absent. Also present: Pat MacQueen, Pamela Laflamme, Senator Woodburn and the press.

Minutes, Previous Meeting

Councilor Remillard moved with a second by Councilor Otis to accept the minutes of the January 7 Regular Meeting/Work Session; January 14 Work Session. So moved, the motion carried.

Disbursements: Disbursement Summary Draft #1682 start date 1/10/2013; end date 1/23/2013 has a total cash disbursement of \$1,721,356.93. Councilor Nelson moved with a second by Councilor Theberge to accept the disbursement summary and pay all bills as recommended by the Committee on Accounts/Claims. So moved, the motion carried.

PUBLIC COMMENTS – No Comments

UNFINISHED BUSINESS

1. Council Committee Reports. No reports
2. Resolution 2013-01 authorizing an application to the Community Development Finance Authority for a Community Development Block Grant for the sum of Five Hundred Thousand Dollars (\$500,000) to continue the Berlin Neighborhood Revitalization Program. (tabled 1/07/13)
NOT REMOVED FROM THE TABLE, NO ACTION.
3. Resolution 2013-02 authorizing the Berlin Industrial Development Park Authority (BIDPA) to act on behalf of the City in all matters with respect to the property at 121 Main Street acquired by the City by tax deed. (tabled 1/7/13) Resolved by the City Council of the City of Berlin as Follows:

Whereas, the City took by tax deed the downtown property at 121 Main Street and must see to its proper management and disposition; and

Whereas, BIDPA is by charter, state law and ordinance, the industrial and business development arm of the City with authority to manage, maintain and develop this type of property; and

Whereas, the Mayor and Council have full confidence that BIDPA is in the best position to manage, develop and appropriately dispose of this important downtown property, both from the standpoint of maximizing the tax base and maximizing its economic development potential.

Now therefore, be it resolved by the City Council of the City of Berlin that it hereby formally turns over to BIDPA for its property portfolio, the property at 121 Main Street with full authority to manage and develop this property while recognizing the Council's continual review and authorization authority over substantive renovation contracts and any future sales agreement for this property. Be it further resolved that BIDPA is hereby authorized to receive and utilize any rental income generated by this property to offset any expenses incurred by BIDPA in managing and/or renovating the property. This Resolution shall be in full force and effect from and after passage.

Councilor Nelson moved with a second by Councilor Theberge to remove the Resolution from the table at this time. So moved, the motion carried.

Councilor Nelson moved with a second by Councilor Remillard to have the Resolution read a second time by title only. So moved, the motion carried.

Councilor Nelson moved with a second by Councilor Theberge to have the Resolution read a third time by title only. So moved, the motion carried.

Councilor Nelson moved with a second by Councilor Theberge to pass the Resolution at this time. So moved, the motion carried and Mayor Grenier declared the resolution now passed.

4. Resolution 2013-03 authorizing an application for a Community Development Block Grant in an amount up to Five Hundred Thousand Dollars (\$500,000) to be Sub-Granted to Affordable Housing, Education and Development, Inc. (AHEAD) toward construction costs of renovating the Notre Dame Building into 33 affordable, senior housing units for low and moderate income persons. (tabled 1/7/13) Resolved by the City Council of the City of Berlin as Follows:

Whereas, up to Five Hundred Thousand Dollars (\$500,000.00) is available annually on a competitive basis for housing and public facilities that directly benefit low and moderate income persons; and

Whereas, if awarded, Four Hundred Seventy Five Thousand Dollars (\$480,000.00) of the funds would be sub granted to AHEAD to use towards construction costs of renovating the Notre Dame Building into 33 affordable, senior housing units for low and moderate income persons; and

Whereas, AHEAD already owns a building in Berlin to carry out their mission and programming for residents of Berlin and surrounding communities; and

Whereas, Twenty Thousand Dollars (\$20,000.00) will be used to pay the City's administrative, audit and legal costs. Now Therefore Be It Resolved by the City Council of the City of Berlin as Follows: That, the City Manager is authorized to apply for Community Development Block Grant in an amount up to Five Hundred Thousand Dollars (\$500,000.00) and upon approval of said application, the grant will be sub granted to Affordable Housing, Education and Development Inc. and the City Manager is authorized to execute any documents which may be necessary to effectuate the CDBG contract; Be it further resolved that the City Manager is authorized to receive said grant and the grant proceeds are hereby appropriated for the purpose of the grant; and all grant proceeds shall be deposited with the City Treasurer and any additional use of these funds beyond the scope of work as listed in the application shall require prior approval of the City Council. The City Council adopts the updated Housing and Community Development Plan; and the Residential Anti-displacement and Relocation Assistance Plan. This Resolution shall be in full force and effect from and after passage.

Councilor Higbee moved with a second by Councilor Nelson to remove the Resolution from the table at this time. So moved, the motion carried.

Councilor Higbee moved with a second by Councilor Nelson to amend the resolution by changing the amount in the 2nd paragraph from \$475,000 to the new amount of \$480,000. So moved, the motion carried.

Councilor Higbee moved with a second by Councilor Nelson to have the Resolution, as amended, read a second time by title only. So moved, the motion carried.

Councilor Higbee moved with a second by Councilor Nelson to have the Resolution, as amended, read a third time by title only. So moved, the motion carried.

Councilor Higbee moved with a second by Councilor Nelson to pass the Resolution, as amended, at this time. So moved, the motion carried and Mayor Grenier declared the resolution, as amended, passed.

NEW BUSINESS

5. Resolution 2013-04 authorizing and providing for the incurrence of indebtedness for the purpose of providing a portion of the cost of consultant services to provide best design solutions, competitive bidding, constructing, and/or improving, its water supply system transmission pipe line from Godfrey Dam to the Ammonoosuc Treatment Plant facility to serve an area lawfully within its jurisdiction to serve. (1st read)

Councilor Remillard moved with a second by Councilor Otis to table the resolution and schedule a public hearing on February 4, 2013. So moved, the motion carried.

6. City Manager's Report
Sport-About-Charlie's

With the help of some good weather luck last week, this building is now down. Now the project consists of taking debris to Mt. Carberry and finishing off the site work. Hillsboro Street is still blocked in front of the property and one lane is closed going up Mason Street due to air monitoring stations, trailers, containers and equipment. As with most of these buildings, you look at the sight and can't believe that the building was ever there.

FEMA Non- Answer

Attached is a letter dated January 11, 2013 from FEMA acknowledging the meeting that was held in Gorham with local and FEMA officials on December 5, 2012. The letter is typical federal-speak which doesn't in any way indicated that the concerns raised at that meeting were even considered further by the agency let alone even dealt with in any meaningful way.

EFSEC Hearing for Berlin Station and Jericho Wind

The State Site Evaluation Committee held its hearing in the Berlin City Hall Auditorium on Thursday January 10th at 9am. Its purpose was to consider a motion from Berlin Station which would amend the original SEC stipulations to conform to the actual plans the project is now pursuing. In general, these were changes to their site plan to reflect improvements they have made in their wood chip handling and landscaping as well as to reflect that the fact that the Riverwalk project is no longer being pursued. Councilor Theberge represented the Mayor and the Council at the hearing in support of the proposed amendment which was approved by the Committee.

The Committee also heard the matter of Jericho Wind which is proposing to install three wind turbines on Jericho Mountain on the land where Christian L'oranger originally installed some turbines which failed. David Brooks then purchased this land and project and now Palmer Capital, LLC has purchased it and has approval from the Planning Board to complete the project with its proposed three 500foot 2.5MW turbines. The 7.5 MW project is sell below the 30MW where EFSEC is required to approve it. However, EFSEC can choose to regulate smaller projects if it so chooses. At this hearing, EFSEC chose not take jurisdiction over this project.

28-a Litigation

Attached is a letter from Judy Silva at NHMA which indicates that the lawsuit brought by Berlin and about 300 municipalities failed to convince the court that the State's dramatic reduced share of the funding from 35% to 30% in FY10 and 30% to 25% in FY11 for local teacher, police and fire retirement costs was a violation of the State Constitution, Part I, Article 28-a. The court ruled that this funding on the part of the state was not a new "substantive" obligation on the part of the State and therefore not in violation of the State Constitution. The Court was asked to reconsider and refused to do so. Accordingly, the case is closed and can go no further. The legal costs were \$156,386.25 and municipalities had put aside \$305,276.59 for the purpose. Therefore, the balance remaining is \$148,890.34 and Berlin has received back \$1,133.97 on a proportional basis to the \$2,325 it contributed.

PWD SOP on Arterial Traffic Closings

Attached for your information is the Standard Operating Procedure developed and adopted by the Public Works Department with respect to the closing of main arterial streets for street work.

Legislative Matters

Two bills of interest and that we will want to follow have entered the legislative hopper in Concord. The first HB 191 would authorize the local governing body or Planning Board or ZBA a binding decision over development proposals from governmental entities – e.g. the state, school district, university system propose developments within municipalities. Currently those decisions are only advisory and can be ignored by those governmental entities if they so choose. A hearing on this bill is scheduled for Tuesday Jan. 22nd at 11am in LOB Room 301.

The second SB 36 provides a 100% property tax exemption for veterans who are totally and permanently disabled. A hearing on this bill is scheduled for Wed. January 23rd at 9:30am in LOB Room 102.

Mayor Grenier asked about HB 191 if the board can stop the state or add additional requirements. The City Manager was not sure since he did not read the bill. The Mayor said he can't support that and would ask Council to send letter to the Chairperson of that committee voicing their opposition to this bill. Councilor Nelson moved with a second by Councilor Otis to send letter in opposition of HB191 signed by the City Manager on behalf of the Council. So moved, the motion carried.

Councilor Rozek asked for an update in reference to the burned structures on Rt 110 and would like a status of when they will be raised. It is an eyesore when people are coming into Berlin.

Councilor Remillard added she would like an update on all burned buildings discussed a couple of weeks ago.

Councilor Theberge asked what the root cause was for the main line water break near the Sport about Charlie building last week. The City Manager will send an email to Council with those details.

Councilor Rozek, regarding the wind project, wants to go on record having a big concern for fire in wind turbines in a forested area. It should be taken in serious consideration. Fire is a paramount concern.

Councilor Rozek moved with a second by Councilor Nelson to accept the City Manager's Report and place it on file. So moved, the motion carried.

7. Mayor's Report - State of the City Address, January 21, 2013:

I first want to thank all of the members of the Berlin City Council for your dedicated service. The time you spend in your roles as community servants is enormous and actually cost most of you money out of pocket even after your \$750 annual salary. I honor each and every one of you for the different viewpoints you bring to our body. Without your patience and understanding, we would not have the respect of the community. For all of Berlin's citizens who serve on all of our boards and commissions, whether elected or appointed, I humbly thank you as well. There is no way that a group of nine people could have a handle on the affairs of our city, even if state law or the city charter allowed it. And lastly, to City Manager Pat MacQueen and the rest of our municipal employees, we would not be where we are at today without your attention to detail and your aggressiveness to the challenges we face as a city.

In a word, Berlin's economy continues to be somewhat fragile. We have had some enormous economic victories this year. Gorham Paper and Tissue has started up No.6 tissue machine which represents a long term commitment to paper production here in our valley. The Bureau of Prisons facility in Berlin has over two hundred new employees now, most from our area. The new families who have relocated to our city have made a huge difference to our quality of life. These folks are the best of the best, and as Mayor of Berlin, I welcome you to our city as family. Burgess Biopower is going full steam ahead. B&W has spent millions in the Berlin/Gorham area in purchases of both goods and services from our local business community. AVRDD is now shipping methane gas from Mt. Carberry Landfill to GPT, representing an investment of about \$5M.

For all the victories, however, we have also had some very painful setbacks. Isaacson Structural Steel was liquidated at auction, with close to 130 people losing employment. Car Freshner Corp. ceased operations here in Berlin after nearly 3 decades, affecting over 50 employees. Tri-County CAP, one of the largest employers in Berlin, is in reorganization. Tri-County CAP could be forced to liquidate positions and properties that are not a core function of their 501-c3 status. The economic footprint of CAP is enormous, and Tri-County CAP is important to Berlin. Even though they serve people's needs in the northern three counties, the bulk of support staff reside here in Berlin. Berlin needs to continue its long standing collaboration with CAP. If we are to preserve the valuable services that are provided by Tri-County CAP and the jobs that go with the services, Berlin may need to be an even stronger partner. As difficult as these setbacks are, David Presby and Cate Street Capital are both bullish on Berlin's future and are working to maximize their holdings here in Berlin. We are fortunate that Berlin has these two able and capable investors who see Berlin as huge economic opportunity to both create jobs here and revitalize manufacturing. I pledge to do whatever possible to aid in their success.

Coos County also has a golden opportunity to reinvent itself. It is time for all of us here in this county to put on our big boy clothes and have a productive discussion with PSNH and the Northern Pass developers. This project proposes to bring Canadian hydro power to Southern New England, through New Hampshire. Of the 182 miles of powerlines, 140 miles will go through existing utility rights of way. That leaves 42 miles that are needed in either easement or outright land purchase. The fact is that of the 42 miles left, Northern Pass either has easement or purchase options negotiated. Simply put, this project will more than likely happen whether we have input or not. What's in it for all of us? Nothing so far, because some are too busy "laying in the middle of the road". We need jobs here in Berlin and Coos County, and it's time we hold our hand out for a serious economic development initiative, paid for by Northern Pass. As part of a settlement, why not force PSNH to bury the lines in the most sensitive of areas? There has to be common ground, let's at least try to find it before decisions are made for us in Washington that all of us dislike.

I am very happy with the makeup of Berlin's delegation members to the New Hampshire House of Representatives. Reps. Gary Coulombe, Yvonne Thomas, and Coos County Chair Robert Theberge are well respected in Concord, understand Berlin's issues, and are vocal advocates of our city. Senator Jeff Woodburn hit the ground running as our senator. He completely grasps the difficult issues we face here in Berlin and Coos County. We are very fortunate a person as knowledgeable and passionate as Jeff Woodburn serves as our District One Senator.

In closing, Berlin has a very bright future. This present council makeup has played a pivotal role in our turnaround. Even though we face some serious challenges in the near term, we must stay vigilant. Remember it's about jobs, about Berlin's continue facelift, about all of us working together to make our beautiful city, the City of Berlin, a better place to call home. It's time to recognize our glasses are really over half full!! God Bless.

Councilor Rozek moved with a second by Councilor Theberge to accept the Mayor's Report and place it on file. So moved, the motion carried.

8. Public Comments: No comments

9. Council Comments:
Councilor Remillard reiterated how happy she is to finally see the Sport-About-Charlie's down.

Councilor Rozek thanked the delegation for coming tonight and to Senator Woodburn for staying for the duration of the Council meeting.

10. Adjournment:
There being no further business before the Mayor and Council at this time, Councilor Rozek moved with a second by Councilor Nelson to adjourn the regular meeting. So moved, the motion carried and Mayor Grenier declared the regular meeting closed at approximately 9:01 p.m.

A True Record, Attest:
Debra A. Patrick, CMC
City Clerk