

PLANNING & ECONOMIC DEVELOPMENT COMMITTEE AND  
JOINT MEETING WITH COMMITTEE ON INFRASTRUCTURE

FEBRUARY 18, 2020

Immediately following the Mayor's  
State of the City Address

City Hall Auditorium – 3<sup>rd</sup> Floor

A joint meeting of the Planning and Economic Development Committee and Committee on Infrastructure was held on February 18, 2020 at 7:40 p.m. in the City Hall Auditorium

Alderman David C. Tencza, Chair, presided.

Members of PEDC Committee present: Alderman Jan Schmidt, Vice Chair  
Alderman-at-Large Ben Clemons  
Alderman-at-Large Brandon Michael Laws  
Alderman Thomas Lopez

Members of Infrastructure Committee present: Alderman Tom Lopez, Vice Chair  
Alderman Jan Schmidt  
Alderman Ernest A. Jette  
Alderman-at-Large David C. Tencza

Also in Attendance: Alderman Patricia Klee  
Alderman-at-Large Lori Wilshire  
Tim Cummings, Director of Economic Development

PUBLIC COMMENT - None

COMMUNICATIONS - None

UNFINISHED BUSINESS - None

NEW BUSINESS – RESOLUTIONS

**R-20-002**

Endorsers: Mayor Jim Donchess  
Alderman-at-Large Michael B. O'Brien, Sr.  
Alderman Patricia Klee  
Alderman-at-Large Shoshanna Kelly  
Alderman Richard A. Dowd  
Alderman Thomas Lopez  
Alderman-at-Large David C. Tencza

**RELATIVE TO THE ACCEPTANCE AND APPROPRIATION OF \$294,000 FROM THE  
COMMUNITY DEVELOPMENT FINANCE AUTHORITY INTO CAPITAL PROJECT GRANT  
ACTIVITY "INVESTMENT TAX CREDIT PROGRAM FOR THE PERFORMING ARTS CENTER"**

- Also assigned to Committee on Infrastructure (BOA mtg 1/14/20)

**MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGE**

ON THE QUESTION

Chairman Tencza

We have here with us tonight Director Cummings. Director Cummings if you could just talk a little about where this money is coming from and what it is going towards.

Tim Cummings, Director of Economic Development

Yes absolutely Mr. Chair, for the record Tim Cummings, Director of Economic Development. What is before you is a piece of legislation that is essentially a pretty boiler plate administrative contract that needs to be approved by this body for the Mayor to be able to enter into it. It is with CDFA and it is to actually effectuate the tax credits that were awarded to us last summer. So this is administrative in nature. It is essentially a document where we will be able to accept and receive the tax credits that CDFA has awarded to us. In the aggregate it is just about \$367,000.00 what nets to us, the City of Nashua in cash is \$294,000.00 and this is a pretty standard document that has been reviewed by our Legal Team and is in final form for approval.

Chairman Tencza

Thank you. Are there any questions for Director Cummings?

Alderman Jette

So for those who don't know, what is CDFA?

Mr. Cummings

CDFA is Community Development Finance Authority. It is a private non-profit here in the State of New Hampshire that is authorized and empowered to execute on certain type of programming, particularly economic development and community development type programs on behalf of the State of New Hampshire.

Chairman Tencza

I just have a logistical question, would this money should it pass the Board of Aldermen, does it become available to the City immediately? Where does it go once it is available to the City?

Mr. Cummings

So once it is available it would be transferred to the City but it is only available once the tax credits have been sold. And then, as I understand it, passed on to the city in tranches once a year or something to that effect. It is my understanding that actually the Capital Campaign Committee has already received pledges for all the monies that has been awarded. This was the first project in the State to sell all of its tax credits.

Alderman Lopez

So in terms of internal restrictions we can't use the bond for construction until this fund raising mayhem is figured out. But is this something that you would anticipate, because I know it was an intention of yours to try to break ground in the fall? And I mean other than maybe using current gifts like the Bank of America, this is the only money that I see that you would have to do that.

Mr. Cummings

We wouldn't start construction until we had all the sources of funding lined up.

Alderman Lopez

So you're not going to just build the walls and then hope the roof comes along?

Chairman Tencza

Would you like to respond to that question?

Alderman Lopez

It doesn't merit an answer.

Alderman Jette

So as I understand it, these tax credits are businesses in the State of New Hampshire who have an obligation to pay business profits tax or business enterprise tax or perhaps unemployment compensation tax to the State of New Hampshire. They agree to allocate this money that they would be paying to the State and that they get a credit towards their taxes for the money that they have signed up or pledged to contribute to this project. Is that correct?

Mr. Cummings

Essentially, yes.

Alderman Jette

And I also understand that there is a condition that if this project, we have to complete this project in order to remain eligible for this money. If we don't do the project, we don't get the money or we have to return it? I also understand this is not City of Nashua tax money for which these businesses are getting credit. It is the State of New Hampshire tax liability.

Mr. Cummings

Yes it is the State of New Hampshire's tax liability that one would have.

Chairman Tencza

Further questions?

Alderman O'Brien

Thank you. Mr. Cummings in our acceptance of this and when it goes before the Full Board for the acceptance of this, this will show others, in your opinion of our commitment to this particular project, am I correct in saying that? It will show others around, it could actually enhance more contributions for this that we as Aldermen are taking this project very seriously and moving this forward? And this is just one of the baby steps that we are moving towards as we go to a successful complete-ment of this project that will enhance our City. Am I correct in assuming all of that?

Mr. Cummings

Mr. Chair, if I may? I believe that is a correct and fair assessment Alderman O'Brien. As Ben previously noted by other speakers and the Mayor most recently, recognition by an organization like CDFA gives credibility to the project. I think that cannot be understated. Bank of America, Enterprise, all these wonderful institutions are making serious commitments to this project. Putting the dollar value aside, the willingness that these institutions are trying to get involved in this project, sends a great message to the community and to the City of Nashua.

Alderman Klee

Thank you, it's not so much a question that I have but a comment. I went and picked up the CDFA check at the State House. When I spoke to the people that gave it out, they were quite impressed with our project. They were pleased. And I spoke at our Board of Aldermen meeting and I stated that they said we would have been eligible and received more money if we didn't have the Soup Kitchen. I am glad the Soup Kitchen got every penny that they got. I would love to see them get more.

But the bottom line is they were quite impressed with our project and they fought to make sure that we got what we got and would have loved to have given us more. So I think it has a lot of backing and power.

Alderman Lopez

First I am surprised it was an actual physical check. But second I am appreciative of this just because I want to make it clear that we are accepting money for this project, like we will take money from people who are willing to donate. We are also being resourceful in where we are looking. So I expressed concerns in this very room, very early on that even like the whisper or mention of using CDBG money, but true to form we have not gone there that we have recognized the roll that that plays in other projects and with other needs. But the question still comes, "who is going to pay for this". And a lot of the dialogue we have had so far has been a dialogue where it is either the tax payers through City money or donors through private funding. And there are other resources and there are other alternatives that do fit non-profit /private criteria.

But I am encouraged by seeing the resourcefulness of looking for programs like this. Like Trish I wouldn't mind getting a little bit of slice of the pie in future years, because if this is money that New Hampshire Tax Payers are already paying why not get a slice of it for Nashua for this project which is then going to be helping generate more revenue? I can see why a lot of New Hampshire is excited about purchasing these particular tax credits because maybe they want to come to the Performing Arts Center. So this I am particularly in favor of, I like seeing this kind of funding come forward. So I support it.

**MOTION CARRIED**Chairman Tencza

I should also mention, I apologize, I forgot to mention earlier that President Wilshire is also here in attendance at the meeting.

NEW BUSINESS – ORDINANCES - None

PUBLIC COMMENT – None

REMARKS BY THE ALDERMEN

Alderman Lopez

So at the last Aldermen’s meeting I invited everybody to Noche Mexicana, except that Margaritas is still working on repairing their water main. They will be open soon, to all of those who are fans of Margaritas, but not soon enough for my trip. So my organization “Involved to Impact” we are going to try to have a going away party next Wednesday at Lumbar. So anybody who wanted to come to Noche Mexicana, don’t do it tomorrow because it will be closed, but come to Rhum Bar the following Wednesday.

NON-PUBLIC SESSION

**MOTION BY ALDERMAN LAWS , THAT THE PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE AND THE COMMITTEE ON INFRASTRUCTURE GO INTO NON-PUBLIC SESSION BY ROLL CALL PURSUANT TO RSA 91-A:3, II (d) CONSIDERATION OF THE ACQUISITION, SALE, OR LEASE OF REAL OR PERSONAL PROPERTY WHICH, IF DISCUSSED IN PUBLIC, WOULD LIKELY BENEFIT A PARTY OR PARTIES WHOSE INTERESTS ARE ADVERSE TO THOSE OF THE GENERAL COMMUNITY**

**SECONDED BY ALDERMAN O’BRIEN**

*A Viva Voce Roll Call was taken, which resulted as follows:*

Yea: Alderman Lopez, Alderman Schmidt, Alderman O’Brien  
Alderman Tencza, Alderman Laws, Alderman Jette,  
Alderman Clemons 7

Nay: 0

**MOTION CARRIED**

The Planning and Economic Development Committee and the Committee on Infrastructure went into non-public session at 7:53 p.m.

**MOTION BY ALDERMAN LAWS TO COME OUT OF THE NON-PUBLIC SESSION AND RETURN TO THE JOINT MEETING OF PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE AND COMMITTEE ON INFRASTRUCTURE  
MOTION CARRIED**

**MOTION BY ALDERMAN LAWS THAT THE PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE AND COMMITTEE ON INFRASTRUCTURE SEAL THE MINUTES OF THE NON-PUBLIC SESSION BY ROLL CALL UNTIL SUCH TIME AS THE MAJORITY OF THE COMMITTEE VOTES THAT THE PURPOSE OF THE CONFIDENTIALITY WOULD NO LONGER BE SERVED**

*A Viva Voce Roll Call was taken, which resulted as follows:*

Yea: Alderman Tencza, Alderman Schmidt, Alderman Lopez,  
Alderman Clemons, Alderman Laws, Alderman O’Brien,  
Alderman Jette 7

Nay: 0

**MOTION CARRIED**

ADJOURNMENT

**MOTION BY ALDERMAN O'BRIEN TO ADJOURN AT 8:54 PM**

**MOTION CARRIED**

*The Planning and Economic Development Committee jointly with the Committee on Infrastructure was adjourned at 8:54 p.m.*

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Alderman-at-Large Brandon Michael Laws  
Committee Clerk