

A special meeting of the Board of Aldermen was held Monday, September 28, 2020, at 7:00 p.m. via Zoom.

President Lori Wilshire presided; City Clerk Susan Lovering recorded.

Prayer was offered by City Clerk Susan Lovering; Alderman Linda Harriott-Gathright led in the Pledge to the Flag.

President Wilshire

As President of the Board of Aldermen, I find that due to the State of Emergency declared by the Governor as a result of the COVID-19 pandemic and in accordance with the Governor's Emergency Order #12 pursuant to Executive Order 2020-04, this public body is authorized to meet electronically.

Please note that there is no physical location to observe and listen contemporaneously to this meeting, which was authorized pursuant to the Governor's Emergency Order. However, in accordance with the Emergency Order, I am confirming that we are:

Providing public access to the meeting by telephone, with additional access possibilities by video or other electronic means:

To access Zoom, please refer to the agenda or the City's website for the meeting link.

To join by phone dial: 1-929-205-6099 - Meeting ID: 876 8012 6610 - Passcode: 195026

We previously gave notice to the public of the necessary information for accessing the meeting through public postings. Instructions have also been provided on the City of Nashua's website at www.nashuanh.gov and publicly noticed at City Hall, Nashua Public Library and the Nashua Telegraph.

If anybody has a problem accessing the meeting via phone or Channel 16, please call 603-821-2049 and they will help you connect.

In the event the public is unable to access the meeting via the methods mentioned above, the meeting will be adjourned and rescheduled. Please note that **all votes** that are taken during this meeting shall be done by **roll call vote**.

Let's start the meeting by taking a roll call attendance. **When each member states their presence, please also state whether there is anyone in the room with you during this meeting, which is required under the Right-To-Know Law.**

City Clerk Lovering called the roll and asked them to state the reason he or she could not attend, confirmed that they could hear the proceedings, and stated who was present with him or her.

The roll call was taken with 15 members of the Board of Aldermen present: Alderman Michael B. O'Brien, Sr., Alderman Patricia Klee, Alderwoman Shoshanna Kelly, Alderman Richard A. Dowd, Alderman June M. Caron, Alderman Benjamin Clemons, Alderman Lopez, Alderman David C. Tencza, Alderwoman Elizabeth Lu, Alderman Ernest Jette, Alderman Jan Schmidt, Alderman Brandon Michael Laws, Alderman Skip Cleaver, Alderman Linda Harriott-Gathright, Alderman Wilshire.

Mayor James W. Donchess, Deputy Corporation Counsel Celia Leonard were also in attendance.

ROLL CALL

Alderman O'Brien

I am present, I can hear the proceeding and I am alone.

Alderman Klee

I am here, I can hear the proceedings, I am alone in this room.

Alderwoman Kelly

I'm here, I can hear everyone and I am alone.

Alderman Dowd

Yes, I am here, I can hear everyone, I am in the room alone and practicing social distancing in accordance with the Governor's Order.

Alderman Caron

Yes I am here, I am alone, and I can hear everyone.

Alderman Clemons

Yes I am here, I am alone. I am participating via telephone this evening because I am having trouble connecting to the internet. Thank you.

Alderman Lopez

I am here, I am alone, I am practicing social distancing and I can see and hear everybody.

Alderman Tencza

I am present, I can hear everyone and I am alone.

Alderman Jette

I am here, I can hear everyone and I am staying safer at home with my wife.

Alderman Schmidt

I am here, I am alone and I can hear the proceedings.

Alderman Laws

I am here, I am alone, and I too can hear the proceedings.

Alderman Cleaver

I'm here, I am alone, I can hear the proceedings, thank you.

Alderman Harriott-Gathright

I am present, I am in this room alone and I am practicing social distancing and I can hear everyone.

President Wilshire

I am here, I can hear everyone and I am social distancing, and I am home alone.

Susan Lovering, City Clerk

You have 14 in attendance, Madam President.

President Wilshire

Thank you, Madam Clerk. Also joining us this evening, I believe, is the Mayor. I don't know if Corporation Counsel is on.

Celia Leonard, Deputy Corporation Counsel

Deputy Corporation Counsel Celia Leonard is here.

President Wilshire

Thank you Celia. As is customary with these meetings, I will turn this Public Hearing over the Chair of the Budget Review Committee, Alderman Dowd.

Chairman Dowd

Thank you. This evening we are going to be having Public Hearings on a Resolution and an Ordinance. The first item is Resolution R-20-071, Authoring the Mayor and the City Treasurer to issue bonds not to exceed the amount of \$8 million dollars for two construction projects consisting of a publicly accessible ground level parking garage \$2,500,000.00 and additional funding for the proposed Performing Arts Center, \$5,500,000.00. I believe Mayor you were going to start us off?

PUBLIC HEARINGS**R-20-071 - AUTHORIZING THE MAYOR AND CITY TREASURER TO ISSUE BONDS NOT TO EXCEED THE AMOUNT OF EIGHT MILLION DOLLARS (\$8,000,000) FOR TWO CONSTRUCTION PROJECTS, CONSISTING OF A PUBLICLY ACCESSIBLE GROUND LEVEL PARKING GARAGE (\$2,500,000) AND ADDITIONAL FUNDING FOR THE PROPOSED PERFORMING ARTS CENTER (\$5,500,000)**TESTIMONY IN FAVORMayor Donchess

Yes, thank you Mr. Chair; and I will be joined tonight by Tim Cummings, the Economic Development Director as well as Debbie Novotny who is Chair of the Fundraising Committee for the Performing Arts Center. I am speaking in favor of the Resolution because the Performing Arts Center is a project that will benefit everyone, benefit all Nashuans. The reason for that is it will help us build a stronger economy, a stronger tax base from which everyone will benefit. In addition, of course, for those who want to enjoy the Performing Arts Center, it is a quality of life issue as well. Building a stronger tax base, a stronger economy, we are going to help small businesses, which employ hundreds of people in our downtown area.

We are looking for additional money here because the project has changed since it was originally proposed several years ago. It is 750 seats rather than the original 500. The reason for that is experts we have, the

operator, Spectacle Management, who operates Performing Arts Centers throughout New England, has indicated that they can operate this Performing Arts Center on a break-even basis with no subsidy if we have 750 seats. Also it seemed to make much more sense to bring the Performing Arts Center to the ground floor rather than on the second floor and have a balcony.

Now what the Performing Arts Center is already demonstrating is that it will help us build a stronger economy and stronger tax base because it is going to attract private investment. As you stated at the beginning Mr. Chair, one of the purposes of this bond issue is to build a private parking structure. That's ground level parking under what will be the School Street Housing. Now the School Street Housing will be 140 to 150 units of smaller apartments, a little more affordable for many single people or roommate situations who want to live downtown. The tax revenue generated from the School Street Housing will pay, not only for the parking structure underneath, but will also cover the cost of the additional bonding we are seeking for the Performing Arts Center right here.

Tim Cummings is going to report to you how this is going to be arranged in terms of the Tax Increment Financing District. But the point is that the Performing Arts Center is already helping us attract private investment and build a stronger tax base because the developer of the School Street Housing, and his name is Peter Flotz, has told us that the reason he is investing what will be tens of millions of dollars in the downtown, is because of the Performing Arts Center. Without the Performing Arts Center this project probably would not have occurred. And this is exactly what we have been talking about. When the City invests in itself, in this case the Performing Arts Center, it will attract private investment in the downtown. We know that the downtown is the principal area, one of the primary areas in the City where economic growth, where a stronger economy can be based.

The Housing Project will pay for not only the 50-space private parking structure, our city parking structure, but also provide enough funds in terms of its tax revenue to pay for this additional bond. One additional benefit of the way that these projects are being designed and planned, looking to the future is that the public parking garage underneath will give us the parking in the neighborhood we need for the small businesses in the area who have expressed some concern about the loss of parking. As we go forward with this plan, we will also be able to add many street level parking spaces and in the end suffer very small loss in terms of overall parking.

So we are confident that the School Street Housing is just the first project that will be attracted into Nashua as a result of the Performing Arts Center. It's just the first tax money which will be coming as a result. Other projects will follow. When we build this stronger tax base, what it means is additional tax revenue for services that benefit everyone; schools, police, fire, in every neighborhood of our City.

So I think, Mr. Chair, that gives you an overview of the project and what we are going to discuss tonight. And with that I will turn things over to Tim Cummings, who will discuss a few more of the details.

Chairman Dowd

Director Cummings?

Tim Cummings Director of Economic Development

Yes, thank you Mr. Mayor and thank you Chairman Dowd and through you to the Committee Members. I am pleased to be here tonight to provide you an update with the Performing Arts Center project. I am looking forward to tonight's conversation because it's been a long time coming. This has been a project we have all been working on over the last few years and it's been a combination of many efforts leading to this evening. So thank you.

I think the first order of business, if I may Mr. Chair, is I'd like to share my screen and just do a quick status update on where we are at with the project overall. And at a certain point I'd be looking to turn it over to, as

the Mayor indicated, Deb Novotny, but before Deb Novotny, Rich Lannan, so Rich Lannan could say a few words. So if I may, Mr. Chair.

Chairman Dowd

Sure, go ahead.

Director Cummings

So I just shared my screen and the first elements – I am going to keep my comments tonight very high level. A lot of us here on this meeting have been intimately involved with this project. So a lot of what I am doing tonight is I am just going to speak in very high level terms and obviously touch open what I think are the important elements. But I am going to try very hard not to get into the weeds. Over the weekend, I was given some great advice and counsel by a member of the Board of Aldermen who I won't name, Brandon Laws, who made it very clear that I know this project very well and I get, sometimes I get lost in the details. And that's the last thing I want to do in terms of confusing everyone. So I am going to keep my comments at a very high level, but of course, happy to answer any questions.

So with that being said, the design is complete. We've had our architect working on this project for over a year now. This summer we got to 100% construction documents and those documents have been transferred to Harvey. Harvey not only is going to be developing cost estimates, but they've the sent the project out to bid. The bids were due last week and they are formulating the plan to get to us in terms of cost estimates. We are on track for the \$15.8 million figure which we had been originally anticipating.

The total project cost is just under \$25 million; that's something we have discussed from time to time both with status updates here to the Full Board of Aldermen and at the Steering Committee level in terms of the differing elements we have incorporated into the design and how that has progressed the project into the direction that we are now. Relative to program, not a lot has changed. We have secured Peter Lally who is actually on the call this evening as our operator. We are under a Memorandum of Agreement. We are going to need to switch that over to an Operator Services type contract. I have included Spectacle Management's web site in this update for folks, at their leisure, to be able to go to and kind of see and get familiar with them. But they are a very competent and credible operator. As the Mayor alluded to, have operated venues across New England very successfully and more recently we sent around an Op Ed author that was the Union Leader, I believe, or maybe the Nashua Telegraph, I'm not 100% sure. But nonetheless it was a piece that outlined Spectacle Management's commitment to the project and how they are working especially during these times of COVID-19 which I am proud to say they are very well grounded and able to perform and they are doing well despite the challenges in front of them. And they have a plan that will allow us to be successful as this project gets on-line.

So I've given you cost estimates, I've talked to you about design, I've talked to you about the program. Probably the one most important thing you guys don't want to hear about is fund raising. And what I thought would be best on that, is I am going to hand it over to Rich Lannan to talk a little bit about the efforts of the Capital Campaign Committee. Rich and Deb, after you say the update, if you could turn it back over to me I would appreciate it. So Mr. Chair, if I may, I'd like to turn it over to Rich Lannan.

Chairman Dowd

Mr. Lannan?

Rich Lannan, Chairman of the Performing Arts Steering Committee

Yes, Good Evening everybody, thank you Chairman Dowd and Tim. As I think people know, I am the Chair of the Steering Committee. Also, I am President of the Nashua Community Arts which is the 501(c) 3 non-profit for the Capital Campaign and I am on the Capital Campaign Committee as well. I know there's been

a lot of interest, obviously, from Board of Aldermen and the public of where we are at with fundraising. We've talked over and over again, over several months or years, the last year and a half about the 5 phase that was necessary to be in.

We feel that it is very important now and I think we owe it to the Board of Aldermen and the public to announce this evening where we are at and that number where the Capital Campaign Committee has raised to date is \$1,523,500.00. So that is where we are to date, that's before even going to the public phase and a lot of other things. I would like to turn it over to Deb Novotny, as Chair of the Capital Campaign Committee, to probably go into a few more details of where we are going from here, and any other comments that she might have. But I am pleased to let everybody know what that amount is. So I'd like to turn it over to Deb if I could.

Chairman Dowd

Yes, Deb?

(Technical Issues)

Deb Novotny

Hello? Sorry about that, can you hear me?

Chairman Dowd

Deb, if that's you, yes we can hear you.

Ms. Novotny

This is me, sorry. Thank you, Chairman Dowd, I unmuted my phone, I didn't realize I had to anything else. My name is Debbie Novotny I live at 65 McKenna Drive in Nashua, New Hampshire. I am an employee at Enterprise Bank. My expertise is in commercial lending and underwriting which includes a deep understanding and skill in analyzing financial statements and forecasting business goals. My passion is in helping small businesses succeed. We are excited about the progress of the fundraising, but I wanted to first take a second to explain why I decided to join the Capital Campaign Committee. I first looked at the project from the perspective of a Nashua resident that loves the arts and music and was really looking forward to having the opportunity to attend the venue (inaudible) downtown. But at the same time, my professional side also evaluated the project for what it really is; not an expense but an investment in the economic growth of Nashua.

Not many residents know that where the Performing Arts Center will sit at 201 Main Street is a US Census Tract deemed a qualified opportunity zone. It's the single most low-income Census Tract in the State of New Hampshire. That is why we are qualified for the Tax Credit Program. When the New Hampshire CDFA granted us the \$367,500.00 in CDFA Tax Credit, they stated, "The Performing Arts Center is one of the driving forces behind New Hampshire Community's strong resilient and vibrant places. This project renovates a vacant building providing a strong economic benefit to the local community through downtown redevelopment, access to arts and culture and job creation", which goes along right with what Mayor Donchess is saying.

Also, this project is slated to be completed in late 2021/early 2022 and the timing of this project is actually perfect. It will provide construction jobs now and it is going to be ready for the pent-up demand from both performers and audience that is projected by the Live Entertainment Industry for early 2022. I hope this helps you understand why I and so many other people are both personally and professionally passionate about bringing all of the benefits of the Performing Arts Center to Nashua. So what we are doing now is we continue to follow up with a number of large donors who have expressed interest in supporting the project.

We are working on starting the Public Phase. That Public Phase of the campaign, part of it is we plan to sell naming rights for all of the seats. That has the potential of raising over \$700,000.00.

We have had about 176 personal, small business, corporate and foundation donors to date and we have about 855 people who have liked the Facebook page. We are confident that we can meet the \$2.5 million dollar goal of the Capital Campaign. Finally, I want to thank the Board of Aldermen personally, for the support and the confidence and the patience that you had with us, with the entire Committee as we worked with major donors to get through the quiet portion of the campaign successfully. I urge all of the members of the board to join in the passion and positivity we have seen from our donors and we truly believe that this project is going to help to support the investment of the pandemic recovery as well as the future prosperity of Nashua. Thank you.

Chairman Dowd

Ok, Director Cummings, are you going to take it back now?

Director Cummings

I am, yes, thank you Mr. Chair. So I stopped sharing my screen and I am happy to put my document back up if it so the pleasure or I can continue on with just my closing comments. I am not sure what the pleasure of the group may be. I think sharing my screen may be helpful just for another minute or two.

Chairman Dowd

Ok.

Alderwoman Kelly

Alderman Dowd?

Chairman Dowd

Yes, Shoshanna?

Alderwoman Kelly

If I could just request that Director Cummings also send that along for our discussion in the Budget Committee Meeting.

Chairman Dowd

Say that again, you want?

Alderwoman Kelly

I'm asking him to send us the documents so we can have it while we have our discussion after the public hearing.

Chairman Dowd

Oh OK. Director Cummings, can you do that and e-mail it to the Board?

Director Cummings

Yes, of course, happy to send this along. I know it will become a public document and it will be attached to the minutes. I will also make sure that any member who is interested can have a separate copy e-mailed to them. So if I may Mr. Chair, I guess for just one second I want to take a moment and thank and recognize the entire Capital Campaign Committee along with the leadership of Debbie and Rich. They have done a great job and they have done yeoman's work especially during the times that we are under to bring us to a point where we are at 60% of our goal. Our goal is \$2.5 million, they are at about \$1.5 and that is definitely something to be celebrated.

With that being said though, that is only part of the conversation this evening. I'm sure the next question folks want to dive into is the New Market Tax Credits. So I am going to pivot and talk a little bit about our financing plan as I move this presentation forward.

New Market Tax Credit update: So overall, there had been some misinformation reported, I am not exactly sure where that came from. But nonetheless, we are very much working with Mascoma Community Development. They have given us a verbal commitment of approximately \$2.8 million dollars which at the end of the day will translate into about \$2.5 million. So we are well on our way in terms of the New Market Tax Credit. There are some conditions and some details that we are still working out and this has been a conversation we've had in earnest over the last two weeks with Mascoma. I wouldn't have been able to do it without Celia Leonard or Neil Cannon. Both of them have been very helpful to me as we advance this part of the funding plan for this project.

So I am hopeful that we will continue to have these positive conversations with Mascoma. They are committed to the project under the condition that we close the transaction this year. If that's the case we will net \$2.5 million again for this project. So how does that translate into our overall financing plan? So with \$15.5 million of already authorized money through a general obligation bond, if the Board so adopts the TIF bond that is before you this evening with hopefully a positive recommendation out of this Committee, you'll be at \$5.5 million or about \$21 million. And then with the local Capital Campaign on target to make \$1.6 million and the New Market Tax Credit at \$2.4 or \$2.5 million, we are well within striking distance of making that \$4 million dollar private sector commitment that was made when we first endeavored a long to making this project happen. Between the local Capital Campaign's efforts, the New Market Tax Credit, we are targeting \$4 million dollars and that will allow us to move forward with that \$25 million dollar project.

Mr. Chair, if I may, I am just going to stop right there and talk a little bit about the Legislation that is before you this evening. I am going to stop sharing my screen now. And I am happy to pull up some other documents as may be necessary but I don't want to necessarily have documents up when I know folks like to see the screen and be able to see people. So I don't want to unnecessarily share my screen.

But essentially my closing comments on this is you have before you now two pieces of Legislation. One is relative to the adoption of the TIF District. The second is the authorization for the \$8 million dollars. I wanted to talk a little bit about how TIF's work. So what a TIF is, is the capturing of the increment above the base taxes or the base valuation that the general coffers or the general fund receive. You take that dedicated increment and you apply it to certain priorities, certain goals, certain objectives. In this case, we'd be looking to capture about a half a million dollars of tax revenue and we would be dedicating it to very specific projects. And this would only come about because of the project that is actually contemplated or being brought to fruition. You oftentimes do this type of municipal financing, this is a tool that is readily available to everyone to help bring about projects such as these that we are talking about this evening; parking, reinvestments in your downtown, a Performing Arts Center, sometimes operational expenses as well.

I have a chart that I could show to everyone exactly what it is that I am talking about, but I don't want to necessarily pull up a document so I am not going to do that unless I start getting questions. This document

I had sent to a previous Board of Aldermen back in 2018. I gave a Memo on how do TIF's work and I'll be happy to send that around again. It gives people just basic information as to who, what, where, when, why TIF's are used in the mechanics of TIF's are put into place.

Relative to this specific TIF we are looking at \$8 million dollars is about just about \$400,000.00 to \$450,000.00 in debt that will be 100% covered by this School Street Project itself. Of course we would also need to include the \$900,000.00 that would be coming from the direct appropriation, as a direct appropriation that would be coming through the Master Developer Agreement and help with some cash flow matters up front. But nonetheless, this is a TIF that would be self-supported and it would not take any additional taxpayer money to effectuate this transaction and to make this happen. That's one of the reasons why we looked at using TIF to help move both projects forward.

How or why did we decide to use TIF? It became abundantly clear as we were continuing with the School Street development project this summer, that there was a lot of neighbors and abutters who were interested in preserving the parking along School Street. We understood that. We also knew that we needed to move the development forward. And so a creative way of doing that was to institute this TIF, it's one of the reasons why we have this type of tool at our disposal. It was at that time that I thought killing two birds with one stone may make sense. So I recommended knowing that the developer was a big supporter of the Performing Arts Center and one of the reasons why he was interested in this project to begin with, is because of the investments we were making in the downtown, that we look to structure the TIF so we could do two projects at the same time.

So I've heard some questions about timing and whether this would be able to be done in time. I think we can make the timing. I've heard questions about the mapping and how we structured the map. I structured the map to be as concise as possible to try to keep it as tight, if you will, of a district and not to make it too expansive. And I think I am going to leave my comments there and happy to answer any questions that may come up, Mr. Chair. But I think ultimately the one thing that I want to just again reemphasize is we are in striking distance and have the \$4 million dollars in hand, predicated on some other additional developments occurring in short order. It looks as though we would be able to start the Performing Arts Center under construction, if it is the pleasure of this Board right after the first of the year. So thank you.

Chairman Dowd

Ok before I open it up to public testimony, are there any Aldermen that have questions for any of the presenters?

Mayor Donchess

Mr. Chair, could I just give a quick conclusion?

Chairman Dowd

Sure, Mayor?

Mayor Donchess

I just wanted to thank everyone who's been involved in this project, especially those who've been raising money, Rich Lannan and Debbie Novotny, who have raised \$1,500,000.00 plus thousand dollars before the public phase. And Tim Cummings and Celia Leonard, Neil Cannon, who have worked hard to secure the New Market Tax Credits. Together the private fundraising, again even before the public phase, and the New Market Tax Credits, total the \$4 million dollars or within \$100,000.00 if they don't reach it. So I am confident we will reach our \$4 million dollar goal. Of course, we can't proceed with the project unless we do. But things obviously are looking very good, so I wanted to thank everyone involved.

Chairman Dowd

Ok thank you Mayor. Are there any members of the Board of Aldermen that have questions for any of the presenters? I don't see anyone.

Alderman Tencza

Alderwoman Lu, Mr. Chairman has her hand up.

Chairman Dowd

Alderman Lu? We can't hear you, you must be on mute.

Alderwoman Lu

Can you hear me now?

Chairman Dowd

We can hear you now, yes.

Alderwoman Lu

Ok. The only question I have is I thought that we would be able to know the tax credits were – I mean the tax credits seem a bit fuzzy. And this \$2.5 or \$5.5 million dollar bond seems to fill an amount that was originally not predicted. So I am concerned about the understanding of the public about this. I am jumping around to different desks so it is really hard for me. I wish I could speak more clearly but I don't know when I log into the meeting where I need to have my paperwork. So I just think we should consider it would be nice to know that the tax credits were definitely received. I am not clear on whether they are.

Chairman Dowd

Why don't we get the answer to that question first?

Alderwoman Lu

OK.

Chairman Dowd

Director Cummings?

Director Cummings

Yes, I can confirm for you that the New Market Tax Credits are imminently in hand and subject to the fact that we close by this year, which is a big condition Mascoma has put on us. We are in receipt of a New Market Tax Credit of what would not be more than \$2.5 million dollars.

Chairman Dowd

Follow up, Alderman Lu.

Alderwoman Lu

Yes, please. I also mentioned in my communications with you, you know, I wish for these situations we could know what questions everyone had asked. So you mentioned there were a lot of questions but I kind of wish there had been a public forum to know the questions that you were asked personally. But I am also concerned about the TIF District because this whole concept came up very late in the process. I had not heard of the TIF District plan until recently and I have some questions about how that works going into like for 30 years after this is established. But that's all.

Chairman Dowd

Alright. Any other questions from any of the Aldermen? Director Cummings.

Director Cummings

Yeah if I may Mr. Chair, I just want to make sure it's understood. I don't have the date in front of me but I am going to suggest it was in the last week in August. I know Alderwoman Klee, Alderwoman Schmidt was on it for a few minutes but I held a New Market Tax Credit Forum actually so members of the Board of Aldermen and the public and anyone else who was interested in this had the opportunity to actually ask questions at that time. So I tried as best I could to create the types of environments to get everyone's questions answered in a public forum as well as I am always available for questions with one-on-one types of conversations.

Chairman Dowd

Alright thank you, I saw Alderman Tencza, then Alderman Lopez, then Alderman Jette. Alderman Tencza?

Alderman Tencza

Thank you, Mr. Cummings and maybe Mr. Fredette as well. The note that we got for the TIF Legislation says that the average annually for this bond is going to be about or little over \$426,000.00 for that, but it is undeterminable whether the TIF would be able to cover that, those payments for the first two years. Am I correct in assuming that then it is the General Fund that has to pay the \$426,000.00 or how does that work?

Director Cummings

If I may, Mr. Chair.

Chairman Dowd

Director Cummings, do you want to answer that or Treasurer Fredette?

Director Cummings

Yes, if I may because it goes and it is upon the Finance Team's recommendation. What we would be looking to do is part of the School Street Development Project calls for the City to get an amount of money of about \$900,000.00. We would take that an appropriate it to the bond for the first couple of years to make sure that we were covering the costs until the value is fully realized on the project.

Chairman Dowd

Does that answer your questions Alderman Tencza? Do you have a follow up?

Alderman Tencza

I do, I guess I have a follow up on the other end of the bond because hopefully at some point the bond exceeds the taxes collected exceed the \$425,000.00, you know, 25 years into the future. I think it's a fairly reasonable assumption. So there's no, and correct me again, there's no plan in this TIF that if the proceeds exceed the amount of the bond, that the excess proceeds go back to the General Fund. They would still go into this TIF District for I guess further investment just into this area, correct?

Chairman Dowd

Director Cummings?

Director Cummings

Thank you. I am going to check and confirm what I am about to tell you. But it is my understanding and one – at any time we could repurpose the funds. You can do that at any point in time. I am pretty sure we structured it in a way that will allow for the excess funds to actually go to the General Fund. Once we cover all debt, principal and interest, the intention is to have all the excess revenue to actually go into the General Fund. And that is common and not atypical when you have a project specific type TIF which this is.

Chairman Dowd

Did that answer your question Alderman Tencza?

Alderman Tencza

It did, thank you very much. Alderman Lopez?

Alderman Lopez

For Director Cummings, I just have a quick question, but I guess a comment too. I notice that you got a New Market Tax Credit which I was extremely skeptical of, so I definitely owe you a congratulations on that. But it will not be the larger amount, I thought we were talking about \$4.6, maybe even 6 came in at one point. My numbers might be completely made up. My question is for the TIF congratulations, that's good. Is there any possibility we can still get, I'm sorry, I am saying "TIF" and I mean New Market Tax Credit. We have a New Market Tax Credit, is there any possibility of getting another donor before that window closes?

Chairman Dowd

Director Cummings?

Director Cummings

Thank you, I know the Capital Campaign Committee is working fast and furious to try to bring in every dollar that they can. We have tentatively scheduled a closing on December 15th. So every dollar we raise between now and then and there could be larger donors that still come in, would be our goal and what we are striving towards. I can't commit to the fact that any new donors are going to appear beforehand. But just because we reached the New Market Tax Credit and just because we have achieved that \$4 million dollar criteria, does that mean that the group of dedicated people working on this are going to take their foot off the gas pedal. I've been so impressed with the leadership of these community volunteers who are really passionate about this project. They've had curveball after curveball thrown at them and they have managed to figure out a way to keep moving this project forward. Even in the times that we are in right now, to even be having this conversation is I think really truly a sign that we are heading in the right

direction and I think we are at the top of the hill now and I think we should really be pleased with how we are doing.

So to answer your question specifically about New Market Tax Credits, you are absolutely correct, we were originally looking at a \$4 million dollar type of New Market Tax Credit. The world was a lot different two years ago. The market has changed substantially. We are, I think, very fortunate to be able to have the New Market Tax Credit in hand that we do have. And so it is my recommendation to proceed. Ultimately costs are going to continue to go up and so if we wait, all we are going to do is see the project cost continue to go up on the other end and we'd be chasing our tail to some degree. This was a comment I made actually months ago to Alderman Ben Clemons, he and I had this kind of exchange. We are talking about 10% and at the end of the day, typically construction costs can increase year over year by something of 10%. So you know, it would really not be wise to do and if we want to do this project, we should do it now.

Alderman Lopez

OK so just to make sure that I'm clear in what your response was, my impression is by people like me being demure and saying there's no way something is going to happen and there's no way you are going to raise the money. Not only did you raise the New Market Tax Credit money, you have the ability and there is the opportunity, this is to further donate to that and (audio cuts in and out) and the New Market Tax Credits. And the strength of the project is also borne out by the part of it where again I was on the "no way" train that said, no way you are going to be able to raise private funding and donations of this amount, but not only are they doing it, they are doing it in spite (audio cuts out). So the private donation fundraiser part which I guess this may be the (inaudible) part, there's the fundraising committee's activities and then the Tax Credit and not only is the fundraising committee knocking it out of the park completely, but they still see the opportunity for the investors to want to be a part of this and get the visibility of being large donors but the benefits of New Market Tax Credit, they can still get in on this. Is there a process for them to contact your office about interest in that?

Chairman Dowd

Director Cummings?

Director Cummings

Thank you. So there are absolutely ways for people to still get involved in the project; they should be contacting the Capital Campaign Committee. Deb Novotny and Rich Lannan are the two key individuals that I would recommend that someone speak to, to be able to get involved if they have an interest in getting involved.

Alderman Lopez

Is there a particular type of business that you would think that should be most aware of what New Market Tax Credits are and that they may already have the ability to apply for this or benefit from this?

Director Cummings

OH Ok, actually so to be clear, yeah, I'm sorry Alderman Lopez. To be clear the way the New Market Tax Credits Program works is once you are given an allocation, you have to go find the investor. So over the last few weeks that's what we have been working on, is finding someone to actually buy the credits from us that Mascoma is giving to us, they have the legal ability to give to us. And so that's what we have been working on. Now we didn't start out on this path, but after many conversations it looks as though and I am pleased to say that actually Mascoma wants to be the investor of the Tax Credit as well, that's how much they believe in this project. So they have not only given their allocation but they are actually going to buy and be in the investor of the tax credit so they can reduce their own business tax liability.

Alderman Lopez

Are they utilizing the full amount of allocation that we have.

Director Cummings

100% and that's the way the project works, that's the way the program works. The investor buys 100% of the allocation.

Chairman Dowd

All set Alderman Lopez?

Alderman Lopez

Yeah, I just wanted to make sure that those differences were clear.

Chairman Dowd

OK, alright. Thank you. Alderman Jette?

Alderman Jette

Thank you, Mr. Chairman. I'm sensitive to the fact that this is a public hearing and I am assuming that there are members of the public that want to speak and ask questions. I am also assuming that Director Cummings and Attorney Leonard and Deb Novotny and Rich Lannan are going to be available to committee after the public hearing is concluded. So if my assumptions are correct, I'll save my questions for the Committee meeting and let the public ask their questions during the public hearing.

Chairman Dowd

Director Cummings, I believe you all are going to be available right?

Director Cummings

I can't speak for Rich Lannan and Deb Novotny.

Chairman Dowd

His head is going in the right direction.

Director Cummings

So yes then, yes.

Chairman Dowd

Alright. And we also have two items that we have the public hearing on so we are going to be going right through them and when we get to the second one, it's related so I am probably not going to have, unless they want to, speak again – the presenters. Alderman Cleaver?

Alderman Cleaver

Yes, thank you Mr. Chairman. I am trying to understand why we are combining financing of the Performing Arts Center with the project associated with School Street. To me, they are very, very different projects, different pros and cons, different concepts entirely and not related except for both are in Nashua. I don't understand why one piece of Legislation is dealing with the financing of both together and it makes no sense.

Chairman Dowd

Who wants to address that? Director Cummings?

Director Cummings

Thank you, so the answer is two-fold. First, when you create TIF's you can do them and have them be project specific. That's one this one sort of is; it's a little bit more of the traditional sense in terms of having it broader than one project. And I really wanted to make it broader than one project so it could support the downtown holistically which is why the Performing Arts Center was included. So it's more of a philosophical idea of using TIF to redevelop the downtown or redevelop a certain portion of your community which this absolutely does. And second to that, but just as important, both projects wouldn't move forward unless the developer was willing to do the project. The developer and I can share with you, you know, provided us with a letter saying that they very much wanted the Performing Arts Center in the City of Nashua. And the reason why he originally got involved with the project was because of the Performing Arts Center coming. So it made sense to just create a structure where we could do both at the same time. And that's what ultimately is happening here, is just allowing us to be able to do both projects, which are both priorities, through the TIF.

Chairman Dowd

Follow up, Alderman Cleaver?

Alderman Cleaver

Follow up. Thank you, the implication being that without School Street, the Performing Arts Center is not going forward and I fail to understand the logic behind that.

Chairman Dowd

Director Cummings?

Director Cummings

Well we wouldn't be able to make the timelines that Mascoma has asked for us to make to get the New Market Tax Credit. We wouldn't be able to have the \$4 million dollars of non-City money available and we wouldn't be able to move the project along. So everything builds on top of one another. I don't know how often I've been saying this to various folks that this is just how, you know, it's each side is working to build towards a certain end goal and that's how this got structured.

Chairman Dowd

I'll take a stab and if I'm wrong someone can clarify. But I think that the person that is involved with building the School Street Apartments believes that if the Performing Arts Center is in place that the City, the downtown will be thriving for many years to come. That increases the probability of his investment being

very successful. So I think that's where they tie together. And to make one successful to make the other successful I think is what they are striving to achieve with this Legislation.

Mayor Donchess

Mr. Chair, could I add to that just a little bit?

Chairman Dowd

Mayor, go ahead.

Mayor Donchess

Yes, so we have said from the beginning that the Performing Arts Center would attract private development and, in fact, it has already done that. The Developer said that the reason he decided to go forward with this is because of the Performing Arts Center being close by. And to demonstrate the point that private investment will ultimately pay for the Performing Arts Center, this one project is going to pay for this additional bonding authority. And that's the connection. This developer decided to go forward with the School Street Housing, based upon the City's investment in the Performing Arts Center.

Chairman Dowd

All set, Alderman Cleaver?

Alderman Cleaver

Well put another way, I am in full support of the Performing Arts Center, full support. And I believe it's going to be invaluable to Nashua and Nashua residents. I fully support that project. I have very serious questions, however, about School Street and I don't think they should be combined for those reasons. They are very different as I say and they are very different ideas and concept that have nothing to do with each other. I understand what you said as far as financing and public support and private financing and attracting businesses and so and so forth. But to me they are very, very different and should be considered separately.

Chairman Dowd

OK are there any other Aldermen that have any questions for any of the presenters? Hearing none....

President Wilshire

Alderman Clemons.

Alderman Clemons

Mr. Chairman?

Chairman Dowd

OK you've got to jump in fast, Alderman Clemons.

Alderman Clemons

Thank you. My question is related to the bond payments and I wanted to make sure that this was clear and understood. The bond payments for both projects - let me ask this question is a very specific way. How

many existing Nashua taxpayers will be paying for this project? Can anyone answer that question? How many existing Nashua taxpayers will be paying for this bond?

Director Cummings

If I may Mr. Chairman, if I am understanding the question correctly how many existing Nashua taxpayers would be paying for the \$5.5 bond, the TIF bond, the answer is none of the existing Nashua residents will be paying for it. It will be solely supported by the future tax dollars of the School Street Development.

Alderman Clemons

Thank you.

Chairman Dowd

OK, all set Alderman Clemons? Alright, Alderman Lu did you have a follow up or is it something that would wait for the Budget Meeting. We can't hear you. It says your phone is on mute.

(Technical issues)

Alderwoman Lu

Oh, can you hear me now?

Chairman Dowd

I can hear you, yes.

Alderwoman Lu

Well that question, I mean you don't really know. I mean how can you answer that question as "none of them". Because people that will be paying for the bond are people that own the property going forward. They may be the same people, they may not. But how can you say, no one, none of the current owners will. So to me that answer doesn't make sense, so could you help me understand it?

Chairman Dowd

Director Cummings?

Director Cummings

Yeah if I may, Mr. Chairman, I think the question specifically was "existing residents/existing taxpayers" and so that's one. And then two, the whole purpose of a TIF is to be able to isolate the expenses of a certain capital project, typically. And be able to segregate it and then use the revenue stream available, typically a future project, that allows for an increment to be created to then be dedicated to pay for said expense which means that the project itself or the development itself or the property itself that is subject to the TIF would then be able to finance the bond that's authorized.

Alderwoman Lu

Can I follow up?

Chairman Dowd

Follow up, Alderman Lu?

Alderwoman Lu

Well sure but there will be taxpayers that are paying those taxes right? And they are not necessarily going to be different taxpayers than exist today. So I don't understand how you say, how you gave that answer that no current taxpayers will be paying towards the TIF.

Chairman Dowd

I think it's clearer if you look at it as current properties. The properties that are being built will be the ones paying. Yes somebody from Nashua that owns another property could move in there, but those properties don't exist yet to be taxed. And those properties in the School Street Apartments, now when they are taxed will be paying for the TIF, not any other locations in Nashua that are current taxpayers.

Alderwoman Lu

Follow up please?

Chairman Dowd

Follow up.

Alderwoman Lu

Well I know one parking lot is going to be developed. But hypothetically there will be captured value in the other parcels in the TIF District that will also be earmarked for the payment of bonds. So it doesn't seem like we are talking about the same thing. I'm not only talking about School Street; there are other properties in the TIF proposal which any appreciation that happens becomes earmarked for development within that district. So unless there's a change – and those are mostly, many of them are buildings that already exist. There are improvements on the parcels so most of them currently have owners and we don't know that the owners are going to change. So how can you say that none of those owner's tax payments will go towards the bond payments.

Chairman Dowd

Director Cummings?

Director Cummings

Yeah thank you. And I try really hard not to answer hypothetical questions or scenarios because you can kind of go own a rabbit hole. But I want to try to answer the question here. So there's two specific reasons why. One, there's no new value being created in the other properties most of them are built out, the improvements are there so you are not going to really see any incremental change in their properties so that's why I am saying I am segregating it to the School Street side itself. And then in addition to that and we started on this comment earlier, I started making this point earlier, which is any excess funds are going to get reverted back to the General Fund in the TIF. So that's something that we, you know, I want to make clear is what we are trying to do here.

Alderwoman Lu

Follow up?

Chairman Dowd

Certainly.

Alderman Lopez

Mr. Chair can I raise a point of order here, please. We are well down a rabbit hole. This is a public hearing. Can we let the public speak?

Chairman Dowd

Yeah, I think these questions probably ought to be better handled when we get to the Budget meeting where we are actually talking about the legislation. Usually we just let the Aldermen ask questions to clarify something the presenters said. We don't want to get into too much of a debate or get into too much detail. This is a public hearing and we are looking for public testimony. So I'd like to proceed with that, if there are no objections.

Alderman Lopez

Thank you.

Chairman Dowd

So now again the public hearing is on R-20-071, Authoring the Mayor and the City Treasurer to issue bonds not to exceed the amount of \$8 million dollars for two construction projects consisting of a publicly accessible ground level parking garage, \$2,500,000.00 and additional funding for the proposed Performing Arts Center, \$5,500,000.00. I will now take testimony of favor and I ask you to try and limit your comments to three minutes. If it gets over three minutes, when it gets to five minutes, I will definitely move on to someone else because we have 52 people on tonight and we do have to get through two of these public hearings.

So would any member of the public like to speak in favor of R-20-071?

TESTIMONY IN FAVOR

Brian Grip Yes, Mr. Chairman, can you hear me ok? My name is Brian Grip and I am resident with my wife at Ledgewood Hills, (inaudible) We are constituents of Alderman Jette and neighbors and really pleased and proud to be here to speak in favor of this project. We've been residents of Nashua for 4 years; we actually moved here from Bow, New Hampshire where we lived for 25 years and raised our family. I will tell you that I started my career here in downtown Nashua in 1982. It is really exciting and I will speak for my wife, we really are very excited about what we see, the energy going into downtown Nashua right now.

I will tell you that I work for Bank of America and I was really pleased to have an opportunity to meet some of you at a reception that I know the Chamber held to help our company which I am very proud of announce that \$250,000.00 grant to this project. And I will tell you the years that I worked for the company here in New Hampshire that is one of the largest single commitments that the foundation has made here in New Hampshire. So our roots for the company are here in Nashua. Many of you recall Indian Head Bank and our roots date back in New Hampshire to Indian Head Bank. And we have three banking center offices and employees here in Nashua. In fact, one of them is right in the downtown as I think many of you know which is just right down the street from the future Performing Arts Center.

So we are really, really pleased to be part of this. We are proud of it. I also just want to give credit to the Mayor for his leadership and Tim and frankly all the volunteers that are working on this. It has taken a lot of vision. And also, just briefly just mention to all of you as you are working through these issues and

asking all of these appropriate questions. I had the good fortune of serving on the Board of Trustees at the Capital Center for the Arts in Concord, New Hampshire back in 2001 to 2007 period, actually 2 consecutive 3 year terms. I will just say to all of you having been part of that amazing organization, if any of you have had an opportunity to be in Concord recently and seen what has happened to downtown, it is just an amazing story. And I can remember being part of that board and hearing conversations about what needed to happen to the Capitol Center for the Arts.

The investments that were happening a lot of the same questions frankly that I am hearing here with this project and looking today what has become a beautiful story in Concord. So just to assure all of you by the way that it has been an amazing place; center for not just businesses but it is education leaders, non-profits leaders have been part of that board but also part of being able to take advantage of that amazing facility in Concord. So I see a lot of the same energy going into this project in Nashua and I just wanted to be able to take a moment personally on behalf of our family, just to thank all of you that have been working so hard on it. We see a lot of energy. I happened to find and I'll close with this, I happened to find an article that was in Money Magazine this goes back to 2018 I believe but it really speaks very, very powerfully for the decisions that you are being asked to make and why you are making them, right? But this article came out, I think it was in December of '82 that said and I am quoting, Nashua is the best place to live in New Hampshire according to a new survey, Money Magazine said it is selecting the charming Gate City for the top spot due to it's up and coming downtown recreation options and proximity to Boston. So all of that is certainly playing out right now and I am certainly here to speak personally. But I can just say also working for a company that has made what I think is the lead commitment, we are really proud of what is happening here and we support Nashua and we wish you all good luck in making this really important decision. So thank you, Mr. Chairman.

Chairman Dowd

So anyone else that would like to speak in favor? Yes, certainly Mike.

Mike Apfelberg Yes, Alderman Dowd, I'd like to speak in favor if that's ok. Hi, Mike Apfelberg, I'm the president of the United Way of Greater Nashua. You know we are not an arts organization so you might think it odd that somebody from the social service, representing a social services agency would speak in favor of an arts project. However, as we did three years ago when the project was first conceptualized, I'd like to reinforce that we are strongly in favor of this project. You know, the study by Americans for the Arts shows that the arts have a 7 to 1 return on investment in any community. Now, 7 to 1 is a big number and of course that's an average and a generalization but what we do know is that arts have a strong positive return on investment. And that return in our community comes in the form of improved property values, increased tax revenues, a downtown that's more vibrant, vitality in the community and just a general improvement of the quality of life for our community.

So you know I am just going to reinforce many of the comments that Brian made previously. We believe that the rising tide really does raise all boats. And in our community, we'd really like to see this arts center come to fruition because it will ultimately benefit all of us and we appreciate that. And thanks again to the Capital Committee in particular. When this project was first conceptualized, we were a little concerned about what it meant to build a \$4 million dollar Capital Campaign in the middle of a number of a number of other very significant projects in the social services. But it does appear that they have been able to do their work without negatively affecting some of the other projects in place and we appreciate that as well. That's all I have to say and thank you so much. We hope you support this.

Chairman Dowd

Thank you. I see Kate Luczko.

Kate Luczko Thank you. Good evening everyone, I'm Kate Luczko, I'm the President and CEO of the Greater Nashua Chamber of Commerce located at 4 Water Street in Nashua. I'm here tonight on behalf of

the Chamber, our Board, and our Membership to speak in support of the Performing Arts Center and the economic impact it will have on the greater Nashua Community. Using methodology from the Americans for the Arts Economic Impact Studies, by year three, the Performing Arts Center will generate over \$3.5 million dollars in annual spending and create jobs. This projected economic activity can be measured and will create 135 direct and 113 indirect jobs.

It will also increase vibrancy in Nashua's downtown by decreasing Main Street vacancy rates by at least 20%; attracting 70,000 audience members to downtown by year three of operations and increasing investment in upgrades by downtown property owners, worth at least \$10 million dollars by year five of operations. In addition it will provide a tool for employee recruitment and retention for regional employers. Having had a previous role running Stay, Work, Play New Hampshire encouraging 20 and 30-year old's to stay in, come to or come back to New Hampshire and working with businesses statewide. And now in my role with the chamber, one of the things I heard then and continue to hear most often is the need to attract and retain talent in our State. And especially when it comes to a younger generation of up and coming leaders, quality of life, culture and community investment all rank very high and all of these are components of the Performing Arts Center.

So the Chamber and our Board on behalf of our membership stand in support of the Performing Arts Center. And thank you for your time and thanks to everyone who has contributed to the project thus far.

Chairman Dowd

Thank you. I have someone named James?

James Rafferty Jim Rafferty from the River Casino and Sports Bar.

Chairman Dowd

Hey Jim, how are you doing?

Mr. Rafferty Good Alderman, thank you very much for the time, I'll be short. I got involved with this project because my concerns over how the School Street Building would harm our current parking allotment down on the street, my concerns were shared with the Lafayette Club and the Polish American Club and Harbor Homes and East Hardware. I'm not speaking for them tonight, but they all shared the concern that taking those 88 spots out would seriously affect the ability to compete. We met with the Mayor several times, Tim Cummings, Aldermen – so many of you were very, very helpful. When we came forward with this proposal to lift the building and change the allocation rather than losing 88 spots that we would have 53 spots underneath the building, which we believe is a serious step forward and we really appreciate the efforts of the City and of the Aldermen to help us. The expansion of the TIF Zone into embracing the Art Center was a natural I think. We are, certainly my business that I can speak for, is in downtown Nashua because we believe in the Arts Center. We believe in the ability of these things to work together to make it a more powerful customer attraction. So we are all in favor of the TIF and I wanted to come here and I appreciate the time to express that. Thank you.

Chairman Dowd

Thank you very much. I do not see anybody else with their hand up, is there any other member of the public who wishes to speak in favor.

Fred Teeboom I would like to speak.

Chairman Dowd

Mr. Teeboom, glad to see you.

Mr. Teeboom I am glad you got control over this public meeting. I thought you had lost it. My name is Fred Teeboom and I reside at 24 Cheyenne Drive. I'd like to speak in favor of R-20-071 especially, specifically the \$5.5 million dollar additional funding for the Performance Arts Center. As many of you know, I was very much against the original Performance Arts Center proposed by the Webb Study for many reasons not the least the deathtrap design of placing the Performance Theater on the second floor of the building. Furthermore, the original estimate for the project included an unsubstantiated low ball building construction cost estimate of \$11.5 million dollars that ignored totally the detailed professional estimate by Fennesy Consulting who was hired specifically to conduct a Webb study cost estimate and that came to \$16.4 million dollars. In other words the PAC, the project was underfunded by \$5 million dollars at the very beginning. Then some wonderful things happened. The City contracted with an outstanding New England Architectural Firm, ICON Architects. ICON immediately dispensed the deathtrap second floor design concept and through many iterations working productively, with the PAC steering committee, I attended a number of those meetings, came up with an exciting and very versatile design.

The City also contracted with Spectacle Management an experienced theater manager who agreed to operate the PAC for \$1.00 a year, thus eliminating the need for \$4 million dollar endowment fund to subsidize operations. There was one condition that the seating capacity of the theater be increased from the 550 seats in the Webb Study to 750 seats to make the PAC economically viable for the operator. The total project as presented tonight now stands at \$25 million dollars. There is \$4 million dollars anticipated from tax credits and private donations and with the City's original \$15.5 million dollar funding this project is still \$5.5 million dollars short., nearly equal the \$5 million dollar deficit of the original budget that I earlier mentioned. Given the current detailed design stage, construction can and should be contracted for guaranteed maximum price that the construction manager, Harvey Construction, a very competent organization.

One final note that I can make, I am now an elderly citizen and speaking for the seniors. We need a comfortable and convenient place to go. We do not go to discos or we don't go to many private parties to meet and mingle, and we pay a lot of taxes. With its roof top terrace and variable configuration from the intimate black box theater to 750 seat grand theater to a 1,000 standing room concerts, to private banquets, with close parking access, this venue now designed and proposed to be constructed is ideal for us seniors. And I intend to purchase a season pass. I therefore urge you to adopt R-20-071. Thank you.

Chairman Dowd

Thank you, Mr. Teeboom. I have Lisa Work? Lisa?

Lisa Bissonnette Thank you. My name is Lisa Bissonnette I work at 30 Temple Street in Nashua, New Hampshire for a real estate development company. I am also the Chair of City Arts Nashua which is an arts non-profit here in Nashua. I wanted to speak in favor of the issue before you this evening. We have been enthusiastic supporters of the project from the very beginning and have followed all of the progress that Mr. Teeboom just outlined with interest and with support. We would love to just commend the City of Nashua, the various vendors and consultants that have partnered with Nashua and most especially the Capital Campaign Committee and all of those volunteers who are working so hard to raise the money and who have had tremendous success in doing so, in pretty difficult circumstances, especially now.

We totally understand how TIF Increment Financing works. We have seen it successfully used many other places and honestly have wondered why it hasn't been more utilized in downtown Nashua. So it's great to see that creativity and that idea come forward. I love to see that, Tim – thank you for suggesting that. And we really would love to see that happen. We are eager to roll up our sleeves and get it done and I am looking forward to buying a season pass as well. Thank you.

Chairman Dowd

Thank you. OK I have Rich Lannan.

Rich Lannan Yes Chair I have a question if it is ok. I received an e-mail just as the meeting started from a Nashua resident that was planning on speaking. It's short if it is OK to read his e-mail into the meeting minutes.

Chairman Dowd

Sure, you want to give his name and address.

Rich Lannan Sure I will do that, that's how he started it, so he made it very clear, he may have e-mailed it to the Board of Aldermen because it does say:

"Dear Board of Aldermen, my name is Philip Scontsas. I live at 14 Ashland Street Nashua and operate Scontsas Fine Jewelry and Home Décor located at 169 to 173 Main Street in Nashua, established in 1912. I am writing this letter regarding your vote for the additional funding and support of this very important project for this City. As I have stated before, the Performing Arts Center will not only help rejuvenate and maintain the vitality of our main corridor, it will help our City as a whole. Careful planning and the successful fundraising efforts are proof that this project is well on its way to being the success we all know it will be. Through the years, numerous consultants have come up with master plans for the City of Nashua, each and every one of them a performing arts center has been strongly recommended as a key component. We are at the cusp and with your vote, you will allow this to happen; be the Founding Fathers who made the project a reality. Nashua and the citizens for generations to come will thank you. Thank you for your time. Sincerely, Philip Scontsas."

Thank you.

Chairman Dowd

Ok thank you. Judy Carlson, I see your hand up, your real hand.

Judy Carlson Oh I forgot, yeah I was supposed to do my other hand.

Chairman Dowd

Yeah I'm looking at the list for other names, but go ahead.

Ms. Carlson Yeah sorry about that. My name is Judith Carlson and I live at 15 Manchester Street. I've been a resident of Nashua since 1973. I raised my daughter here and I've been very active in the arts for the last 10 years after retiring from working for a large computer company in advertising and public relations. What I'd like to say is I am on the Arts Commission and last year and the year before, in preparation for the Performing Arts Center and had some baseline data, we worked along with some of the other arts associations in the City to do an economic impact study in the America for the Arts both Mike and Kate have mentioned, Americans for the Arts. They do all sorts of data on it and every five years do a survey of the economic impact of the cities that participate. And Nashua has never participated in the past. We got the results back and Nashua's economic impact of total expenditures both by the non-profit arts organizations and its audiences in Nashua came in at just a little over \$11,000,000.00, 11,000,299.00. Now compare that to Concord where they have both the Capitol Center for the Arts and the Red River Theater, they came in at \$31,185,366.00. You can see Portsmouth also has a lot of people who come there because of tourism, they came in at \$58,041,659.00. They also have two Performing Arts Centers there.

So it is really quite evident by data that a performing arts center does make a huge economic impact on the communities where they exist. I'd also like to just read a couple other statistics from American for the Arts on the surveys they do. 87% of Americans believe the arts and culture are important to the quality of life. 82% of Americans believe the arts and culture are important to local businesses and the economy. 73%

say the arts are a positive experience in a troubled world. And 67% of Americans believe the arts unify our communities regardless of age, race, and ethnicity. So I'd just like to say that yes I have been supporting this project from Day 1, I've been on the Steering Committee and I'm on the Capital Campaign Committee as well as Nashua Community Arts and I think all of our efforts are well worth this and we are all passionate about it and we hope that you will vote in favor of this tonight. Thank you.

Chairman Dowd

Thank you. David West, did you...

David West That's me I am here.

Chairman Dowd

Go ahead.

Mr. West Thank you. My name is David West, I'm a lifelong resident of Nashua. I have been involved in the performance and promotion aspect of local music since the 1960's. I'll be speaking in favor of this. Primarily on the ground level of this, I'll be speaking for performers that perform locally as well as schools and other organizations that are really looking forward to having some kind of a place where we can have essential aspect to the performance seen in the Nashua area. Also speaking on behalf of the local theater groups who have struggled over the years with the same things that we have, that there's really never been a place to play in Nashua. And so basically that's the extent of my statements that we do hope that we can be represented in this new venture and that we think that we can bring a lot of life and activity to it. Thank you.

Chairman Dowd

Thank you. Let's see, I have Jeff?

Jeff Bois Hi, how are you, I hope you can hear me ok. I'm Jeff Bois, I live in Nashua, New Hampshire, long-time resident.

Chairman Dowd

Can you give your full name and address?

Mr. Bois Jeff Bois, I live at 16 Harbor Drive in Nashua, New Hampshire.

Chairman Dowd

Ok thank you.

Mr. Bois I'm also the owner of Stella Blu a small business, a restaurant in downtown Nashua. Today I prefer to speak a little bit more as a resident and less as a business owner, I think we covered that. As I mentioned, both my wife and I grew up in Nashua, I've lived in Nashua my whole life with the exception of a few years of college and a few years of San Diego. Both of my children, 11 and 13, go to Elm Street Junior High so they invest in the community and full support of the Performing Arts Center. You know, people have spoken a lot about the increase in quality of life. I agree with that. I also believe that this type of venue increases diversity, both diversity in thought and diversity in culture. I think that surely creates innovation in the City. I think as we've seen now more than ever, people are starting to work closer to home or actually in-home and where they live is becoming more and more important. And I think remaining competitive in that regard is important to Nashua. I don't want Nashua to be defined by Amherst

Street and DW Highway, big box stores and chain restaurants. I want it to be more so I think the question is really important, it's really can we not afford to invest in this type of endeavor. Thanks.

Chairman Dowd

Thank you very much. OK Director Cummings, we know you want to speak in favor of it.

Director Cummings

That's good. Mr. Chairman I just thought maybe if I could I could read the letter that the School Street Developer submitted. I have already forwarded it around to the members of the Board of Aldermen, but I didn't know if maybe you'd want me to read it for the minutes to incorporate into the minutes?

Chairman Dowd

Yes, go ahead.

Director Cummings

Thank you. Peter Flotz, Managing Partner of Lansing Melbourne sent a letter on August 10th, 2020 and he starts out,

"Dear Members of the Board of Aldermen, I first wrote a letter for the Nashua Performing Center in the summer of 2008. I have enclosed it for your review because I believe then, as I do now, that a Performing Arts Center is a good strategic investment that will improve the Greater Nashua Community. As a real estate developer, where I put my own money into a deal and take the associated risk, I look at communities where I see the community investing in itself. I am very selective as to where I will do a project and I am asked all the time by various communities to look at deals and projects. More often than not, I turn them down. One of the reasons I originally chose to work with the City of Nashua is because I heard about the idea of a Performing Arts Center being established in Nashua's downtown.

Fast forward to today, I understand there is a gap in the total project cost for the Performing Arts Center. And relative to the project I am involved with on School Street and a concern has arisen about a loss of parking spaces, I would be happy to pursue a School Street Project without the parking supplied on-site but if Nashua would like to see parking on the first floor, I would be happy to incorporate this concept into the proposal. It would be my request that you pay for these public parking spaces through a TIF and if you are going to do a TIF you should incorporate the Performing Arts Center project into the TIF District, that way this project can move forward as well and the future tax dollars of this project can help close the project gap and can help the project pay the difference. Thank you for your time and I continue to look forward to working with the City of Nashua on improving the downtown for everyone's shared mutual benefit. Signed, Sincerely, Peter Flotz".

Chairman Dowd

Thank you, Director Cummings. Is there anyone else that would like to speak in favor of R-20-071. I don't see anybody with their hands up on the list. Anyone who wants to speak, please speak up.

James Tobin I'd like to speak if I may, Mr. Chair.

Chairman Dowd

Yes, OK, go ahead.

Mr. Tobin If everyone can hear me OK, my name is James Tobin I am the Director of Leasing at Brady Sullivan Properties, large private equity development company headquartered in Manchester, but with a large holding in Nashua and speaking specifically on behalf of Lofts 34 at 44 Franklin Street. The owners of the company, Shane Brady and Arthur Sullivan who are publicly donors and have participated as part of the Capital Campaign Fundraising efforts, wanted me to read a letter on their behalf absolutely in favor of the project itself. So it starts out:

“To the City of Nashua, Board of Aldermen. As many of you know, Brady Sullivan Properties recently rehabbed the Franklin Street Mill Building and converted it into a residential community as has been done with several historic mill buildings throughout New England by our ownership group. Perhaps less known is our continued acquisition of over a quarter of a million square feet of commercial office property into the Gate City. These developments are a clear testament to our confidence and commitment to the community in which the constituents here tonight live, work, play and shop. The decision to seize an opportunity to acquire a sizeable share of both the commercial and residential market in the City came from the belief in the people of Nashua and the sense of community. Today we firmly believe that the addition of a Performing Arts Center in Nashua’s Historic Downtown would be another major step toward neighborhood revitalization and the ever important civic attraction to the areas between Exit 1 and Exit 7 and 8. Nashua undoubtedly has the infrastructure to support the PAC, companies on a local level continue to grow while Massachusetts based businesses have been begun to look more seriously at the benefits of operating in tax free New Hampshire. Even those who work in Massachusetts based cities north of Boston are settling residentially on this side of the border. Between Clocktower Place, Cog Mill, and our new development on Franklin Street, the number of business people, shoppers and diners is increasing exponentially year after year. The ripple effect of strategically implementing this type of attraction is undeniable and would be universally beneficial for what is truly a Great American Downtown. As committed members of the passionate Nashua Community, it is our sincere hope that the Board recognizes this unique opportunity presented here in what is without question a paramount decision in the history of the Gate City for the future of the Gate City.”

Thank you.

Chairman Dowd

Thank you, very much. Is there anyone else that would like to speak in favor of this? Seeing and hearing no one, I will move on to Testimony in Opposition. Is there anyone that would like to speak in Opposition.

TESTIMONY IN OPPOSITION

Laura Colquhoun Laura Colquhoun.

Chairman Dowd

Can you give me your name and address please?

Ms. Colquhoun its Laura Colquhoun, at 30 Greenwood Drive.

Chairman Dowd

Ok.

Ms. Colquhoun I want the Mayor and the City Officials to know that this PAC is going to go down as the biggest pink elephant in Nashua. And a lot of Nashua taxpayers do not want this project. I feel sorry for all residents, especially the young couples because they will not be able to live in Nashua, because the residential tax will go up so high that they will not be able their property tax. But apparently the Mayor and the City Officials don’t care. As far as the garage, I think the builder is only coming to Nashua because

they found that our Mayor would build a garage for them on the Nashua taxpayer's dime. This clearly shows that the Mayor and the City Officials don't care what Nashua taxpayers actually want. \$31 million dollars for a PAC and \$2,500,000.00 for a garage is not what we want. I oppose both projects. Thank you.

Chairman Dowd

Thank you. Is there anyone else that would like to speak in opposition. I don't see any one on the list that has their hand up electronically. Is there anyone that would like to speak in opposition? Seeing and hearing no one.

Bob Keating I did, I rose my hand sorry Mr. – Alderman Dowd. I had my hand up, I'm not sure why it didn't appear.

Chairman Dowd

Because your picture

Bob Keating I've got raised hand up, so I'm not sure.

Chairman Dowd

We can't see you. Go ahead, state your name and address for the record.

Bob Keating Alright, thank you. The name is Bob Keating and I am a member of Granite State Organizing Project. And in a way I am actually speaking in support but the Aldermen should have received a petition that was signed by 28 residents of Bronstein and we are very specifically linking the Bronstein project with the School Street Project which is outlined in the petition. And specifically that we are not speaking of the Performance Arts Funding and I certainly agree with what Alderman Cleaver said about separating out the two functions. The \$2.5 million dollars was not in any original proposal. It only came at a time when abutters said, "Geez, we are concerned about the loss of the parking spaces".

So we believe that the \$2.5 million dollars would be better spent not to assist the private development but in a variety of other ways including within affordable housing. It doesn't make sense to be spending money for people who can afford market rate housing when we have many people who cannot afford market rate housing. If a development is built on the School Street Flats, it should be built so that families from Bronstein could live there, which means there should be apartments at 3, 4 and 5 bedrooms in development and the building should be done in terms of timing that it should be built first so that Bronstein families could move directly from their homes. They could stay in their neighborhoods. There will be a speaker, Faustin Chartley, who is a resident who went door to door to get signatures about this proposal and I think he will speak eloquently about well what I think all of the Aldermen and I think anybody could imagine what it's like needing to move when it is not your choice. And for many people in Bronstein, that has been a factor of life many times for them.

We think this is a wonderful opportunity for the City since they own the property to work with Nashua Housing & Redevelopment Authority in a way that will make the easiest transition as possible for the residents of Bronstein. We just think overall the City has spoken many, many times over many, many years about the need for affordable housing and here's an opportunity for us to do something. It's ironic we are speaking about parking because for Bronstein as many of you are aware, under the new proposed 216 unit one, there will be 100 less parking spaces there then would have normally been allocated and that was a variance. And here we have the difference here that there was sufficient political voices to get an influence to make some changes. But we just think that \$2.5 million dollars is not a good idea and at least from what I understand here and there actually is upfront costs because the property is going to be sold for \$900,000.00 and that's the revenue that is going to be used initially to pay for the bond or the interest on the bond. So we just think this is an opportunity for the Boards to get together with the residents and try to

do something to make things easier for the people who are making the greatest sacrifices for other people to have houses. So that's my remarks. Thank you.

Chairman Dowd

Thank you. Is there anyone else that would like to speak in opposition to R-20-071?

Mr. Keating Faustin was going to speak.

Chairman Dowd

Yes I see he has his hand up, name and complete address please?

Faustin Greetings everybody, my name is Faustin. I'm a resident here at Bronstein and I am here to speak about the plan about destroying the Bronstein Building. I am originally from Rwanda and a refugee camp. My parents they are from Congo. There was a genocide and everything and they had to move a lot, too much and everything. So they heard that there's a plan to destroy the building, that they are going to (inaudible) everywhere and they are really concerned, they didn't know what to do until one of the members from GSOP whose name is Bob Keating, came and give us an opportunity to petition. And I went on to help him go door to door asking everybody about the idea of the School Street Flats, that they are going to build the five buildings, which probably would be a good idea to build it first so we can move there and they would be close and there wouldn't be a lot of changes. The kids would stay in the same schools, but everybody I told that idea was a good idea and everybody was so excited about it. And accordingly to when we talked to everybody, it seemed like they were all concerned about moving everywhere, moving all kinds of places. So this is why everyone, almost everybody signed the petition to have if the Aldermen agrees which is we are here to ask you, they can the School Streets built first and we stay there as they destroy this place and then rebuild it so whoever wants to come back shall return. Bob told me about this opportunity to come and speak about it and see if we can ask, because we have to try something and we finally get an opportunity that we can have a voice. We can have choice to come and ask that perhaps somebody can agree with us and help us to move to the School Street. So pretty much that's all I have to say and thank you very much.

Chairman Dowd

Thank you Faustin for your input. Anyone else who would like to speak in opposition? Seeing and hearing no one, I will move again to testimony in favor. Is there anyone that would like to speak in favor?

TESTIMONY IN FAVOR - None

TESTIMONY IN OPPOSITION – None

Chairman Dowd

Seeing and hearing no one, I will close the Public Hearing on R-20-071 and I'll open the Testimony for O-20-030, Adopting a Tax Increment Financing (TIF) Development District under RSA 162 K and NRO 295-11, the School Street and a Tax Increment Financing Development Program and Financing Plan for the new TIF. I believe that we've already testimony from the City on exactly what that covers. Unless there's an Aldermen that would like to get any more information on that particular subject rather than waiting for the Budget Meeting in a couple minutes? Seeing none, I will look for testimony in favor of O-20-030.

O-20-030 - ADOPTING A TAX INCREMENT FINANCING (TIF) DEVELOPMENT DISTRICT UNDER RSA 162-K AND NRO 295-11, THE "SCHOOL STREET TIF" AND A TAX INCREMENT FINANCING DEVELOPMENT PROGRAM AND FINANCING PLAN FOR THE NEW TIF

Testimony in Favor - None

Testimony in Opposition - None

Testimony in Favor - None

Testimony in Opposition - None

President Wilshire closed the public hearings on R-20-071 and O-20-030 at 8:47 p.m.

ADJOURNMENT

MOTION BY ALDERMAN O'BRIEN TO ADJOURN, BY ROLL CALL

A viva voce roll call was taken which resulted as follows:

Yea: Alderman O'Brien, Alderman Klee, Alderwoman Kelly, Alderman Dowd,
Alderman Caron, Alderman Clemons, Alderman Lopez, Alderman Tencza,
Alderwoman Lu, Alderman Jette, Alderman Schmidt, Alderman Cleaver,
Alderman Laws, Alderwoman Harriott-Gathright, Alderman Wilshire 15

Nay: 0

MOTION CARRIED

The special meeting was declared adjourned at 8:49 p.m.

Attest: Susan K. Lovering, City Clerk

PERFORMING ARTS CENTER OVERALL PROJECT STATUS UPDATE

September 28, 2020

Design

- The design is complete!
Over summer, the design was finished and 100% of Construction Documents were transmitted to Harvey for cost estimates.

Cost Estimates

- Harvey has not just estimated, but has secured bids
Bids were due just last week and they are currently being evaluated and refined.
- Total Project Cost is just under \$25.0 million
- We are on track to make our target budget of \$15.8 million

Program

- A detailed op/ed was circulated by Pete Lally where he outlined his commitment and wherewithal to continue to be the operator of the Performing Arts Center. (Spectacle Management: <https://www.spectacleshows.com/>)
- Over the coming as we proceed with this project we will need to focus on transitioning the current MOA into an operator's agreement along with other miscellaneous action steps.

Relative to the Fundraising.

Report by: Rich Lannan

Fundraising Update

- The Capital Campaign Committee has been working diligently despite the tough times we are in they are able to report:
- Raised to Date: \$1,523,00 64% of the goal raised!
- Ready to Go Public Now! (to get to \$2.5 million)

NMTC Update

- Mascoma Community Development has given us a verbal commitment of approximately \$2.8 million, which translates into approximately \$2.5 million
- This commitment is conditioned upon closing the transaction this year.

Overall Financing Plan

Sources

Nashua Bond Proceeds	\$15.50	
TIF Bond Proceeds	\$ 5.50	
Local Capital Campaign	\$ 1.60	← \$4.0 million
New Market Tax Credit	<u>\$ 2.40</u>	
	\$25.0 million	

Sources

There are four main sources for financing this project at this time. City's General Obligation Bond at \$15.5 million, a proposed TIF with a bond authorized at \$5.5 million. A New Market Tax Credit at \$2.4 million, and Local Private Fundraising at \$1.6 million. This will total \$25.0 million.