

Good evening President McCarthy, Vice President Wilshire, members of the Board of Aldermen, School Board, Fire Commission, and BPW, members of our legislative delegation, School Superintendent Mosley, Police Chief Lavoie, Fire Chief Galipeau, city division directors and staff, and community members.

I want to thank my wife Vicki, who is here with me tonight, and our daughter Caroline, son-in-law David and grandson Ajax for all the love and support you give me.

Before we proceed, let's have a moment of silence for the grieving parents, families, students, teachers and community members from Parkland, Florida who suffered a terrible tragedy, another senseless school shooting, this past week.

Thank you.

To all Nashua citizens:

When I became Mayor two years ago, I called on all Nashuans to come together and join in making Nashua a livable city that works for everyone, in every neighborhood – an innovative, energetic, leading 21st century city for young families and for retirees, for children and for parents, for residents of the North End, South Nashua and the inner city.

And you are answering the call. We are strengthening our economy with added jobs, new housing, and a revitalized downtown. We are making smart, strategic investments by rethinking, rebuilding, and enhancing our infrastructure. We are fighting the opioid epidemic with all our might. By focusing on our children from cradle to college and career, we are preparing them for real life. We are getting involved, and we are staying involved.

We have made great progress over the past two years, and the state of the city has never been stronger. But there is still much work to do.

Nashua was recently declared the “Safest City in the US” by WalletHub and just this month the “Best Place to Live in New Hampshire” by Money Magazine. Such recognitions – and the city has received many over the

years – have been earned by the Nashuans of today and of the past, who have worked together to make Nashua a great city.

The Board of Aldermen and I have been successful in working together and in resolving any differences to get real results for the citizens of Nashua.

We now have eight new members of the Board of Aldermen, joining seven returning members. I look forward to continuing to work with President Brian McCarthy and Vice President Lori Wilshire and with all our aldermen and alderwomen to move our city forward.

Growing Nashua's Economy – More Jobs, New Businesses and Downtown Housing

We have made significant progress in growing our economy. We are adding hundreds of new jobs – 750 at BAE, 100 at UPS, 75 at Prudential Overall Supply, 100 at Boston Billiards, 50 at 44 Franklin Street, and more at Gateway Hills.

New companies have been coming to Nashua. Most recently Vybe Software and D & P Bioinnovations have joined the growing group of innovation economy companies that have located here.

We have started working with MIT on a project that will help us develop new strategies to grow jobs and add businesses to our city. A team of graduate students and Economic Development Professor Karl Seidman are currently studying Nashua's economy, the Millyard, and entrepreneurship in Nashua.

Southern New Hampshire University has purchased two buildings at the Nashua Airport and is going to re-establish pilot training there.

Makerspace Makelt Labs on Crown Street is booming with new members and activity.

When I ran for Mayor, I committed to new downtown housing and new energy and vitality in the heart of Nashua.

A reinvigorated downtown – including new housing, a restored Nashua riverfront, a performing arts center, additional stores and restaurants – is

good for all Nashuans, because it will expand our tax base and help pay for infrastructure, for schools, fire and police protection and for other services that benefit Nashuans in all neighborhoods.

This spring, 200 units of housing will open in the mill-to-housing conversion on Franklin Street, and 150 units on Bridge Street are now renting. Hundreds of new residents will bring millions of dollars of spendable income to downtown.

Clocktower Place is moving forward with plans to convert the Picker Building to 60 units of new housing and with plans to construct, from the ground up, 60 more units of new housing in the Millyard.

Through the work of Paul Shea, Ben Ruddock, Cheryl Lindner and others from Great American Downtown – and the active support of the Downtown Improvement Committee – we have new vitality and activity downtown, including summer outdoor music festivals, a summer dance party, new holiday lighting, Main Street pianos, an expanded farmers market and many other activities.

We have seen new and exciting businesses open and succeed in our downtown – including JajaBelle’s, Camaraderie, the Flight Center, Aerial Moon Yoga, and Fuego to name a few. The Tailspinner Brewing Company will soon be opening on Factory Street and Gauchos Brazilian Steakhouse is opening on Elm Street. WineNot has expanded and moved to a larger location on Main Street.

Two years ago, we began developing a riverfront master plan for the downtown segment of the Nashua River. The plan, which is now complete, includes continuous riverside walkways connected to Mine Falls Park, enhanced access to the waterfront, and new green spaces and landscaping. We are beginning to make long-term investments so that our downtown waterfront can be dramatically improved in its look and feel and so the potential of this gem can be realized.

The plans for a performing arts center on Main Street are also moving ahead. This past November, we asked the voters whether we should undertake this project, and their answer was “yes.” Once the performing arts center is up and running, we will bring tens of thousands of people and millions of dollars to Main Street and downtown.

After all, the arts are a significant part of the country's economy, constituting 4.2 percent of the US gross national product – more than tourism or agriculture. Nashua needs to take greater advantage of the economic benefits we can enjoy from an expanded arts scene.

Nashua is fortunate to have one-of-a-kind arts organizations and music venues. Positive Street Art and the International Sculpture Symposium have brought new beauty to many corners of Nashua. The Riverwalk Café brings premier musicians to Nashua in a cutting-edge downtown venue.

I was proud that the City of Nashua won the State Arts Commission's Creative Community Award for being a hub of the arts in New Hampshire.

Attacking the Opioid Crisis

Two years ago we were facing the worsening national opioid crisis. Firefighters and EMTs were responding to 911 overdose calls, and treatment professionals were working to get and keep people in recovery.

But we had no coordinated citywide strategy to attack this public health crisis.

Now we have taken action and developed a coordinated community response to the epidemic, and we are constantly working to improve our plan of action.

In November, 2016 we started Nashua's Safe Stations program to which over 1,400 people have responded – people seeking to turn hopelessness into recovery. Thank you to NFR and our firefighters, AMR, Harbor Homes, our hospitals and Public Health who have joined together to make this program work. The number of 911 emergency overdose calls is down 24%. We still have tragic overdose fatalities; one death is too many. But we are not seeing rising numbers of fatalities as there have been in some parts of the country stricken by opioids.

Our Safe Stations program is one that is being used as a prototype elsewhere. The Mayor of Providence cited Nashua's successful Safe Stations program as the model for the similar program they launched this year.

The Nashua Police Department is getting drug dealers off our streets. The Police Department is making almost 800 drug arrests per year, and Nashua has gained a reputation of being a place where it is hard to sell heroin or fentanyl.

In early 2016, I launched the multi-disciplinary Mayor's Opioid Task Force, which is working with Jan Valuk and the Nashua Prevention Coalition to strengthen prevention efforts with our young people, and with Greater Nashua Mental Health and others to expand treatment options.

Just last month, we started a pilot program of peer-to-peer recovery coaching with Jessica Parnell and Revive, a new recovery center that opened last summer at 263 Main Street. Peer-to-peer coaching improves success rates for people who are in recovery but still in the grips of the serious brain disease of addiction, which lasts long after sobriety is achieved.

But we cannot be complacent. Harbor Homes is providing medical detox and treatment options, including medication-assisted treatment, for those reporting to Safe Stations. These Safe Stations-related treatment programs cost a lot of money and are currently causing Harbor Homes to suffer a deficit of \$400,000. Dave Mara, the state's Drug Czar, attended our Safe Station's breakfast last week and understands the importance continuing the Safe Stations program.

More support from the State of New Hampshire and from Medicaid would be a huge help.

Involving Our Citizens

Another goal of mine is to include more citizens in our city government. I have appointed dozens of people to city boards and commissions, from the Planning Board to the Cultural Connections Committee.

Last year I announced that we would be offering a new Nashua City Academy, a multi-week course that educates Nashua citizens about city government. I am happy to say that we graduated our first class last June, and we are looking forward to welcoming 50 new citizen-students to our second City Academy next month.

Making Smart Investments in Our Infrastructure

Nashua is making smart and strategic investments in our infrastructure – investments that benefit everyone, in every neighborhood.

We need and deserve an infrastructure that is efficient, effective and accountable to the people who pay for it. To maintain the quality of life we deserve, let's repair the streets and roads that are crumbling and modernize our sewage treatment plant and sewers. But we must do this in a smart, strategic way so that we get what we pay for.

Potholes have been a serious problem this winter, and not just in Nashua. Some of our streets like Kinsley are in bad shape. The combination of record cold temperatures, repeated freezing and thawing, a lot of rain, and the poor condition of many streets have all contributed.

The Street Department is sending out numerous crews to fill potholes and they have filled over 2,000 potholes so far this winter.

Before I became Mayor, Nashua was only paving about 5 to 6 miles of its 300 miles of streets each year.

In order to help Nashuans from all neighborhoods, we have adopted a \$37.5 million Paving Plan of Action. Over 5 years we will dramatically improve the condition of Nashua's streets. We have rated the condition of all streets using real data and fact-based analysis. In 2017 we paved and crack-sealed 30 miles of streets. In 2018 we will do a lot more.

We have made major improvements to the sewage treatment plant after years of neglect. Also we will be rebuilding the red-listed bridge on Canal Street near BAE.

For the residents in the Broad Street neighborhood and for drivers throughout Nashua, this last July, we improved the intersections at Charron Avenue and Whole Foods/Turnpike Plaza. Enabling left turns eliminates unnecessary waiting time and makes travelling around the city easier for thousands of Nashuans.

In the South End – especially at Exit 1 – we have a problem with traffic congestion. For residents of South Nashua, we have initiated discussions with the State DOT about the possibility of new on and off ramps on the southbound lane of the Everett Turnpike at Gateway Hills. This is a long term project, but we are committed to making it a reality in order to improve travel times for Nashuans in our South End.

Being Careful with Our Tax Dollars

Since I have been Mayor, we have passed two budgets that have maintained and improved the quality of schools and other services while keeping annual tax increases under three percent. And we have done this despite a \$2 million increase in the city’s mandatory contribution to the state pension system and major increases in other fixed costs.

But I want our budgeting to be accountable to the people who pay the bills, so I am announcing tonight that this year I will be proposing the FY 2019 budget in mid-March rather than mid-May, two months earlier than city budgets of a few years ago. This will give the Board of Aldermen and our citizens additional time to examine and comment on our budget.

The budget I will be proposing will be fiscally responsible and will maintain the quality of the services that Nashuans rely upon.

The Challenge of State “Downshifting”

One of the city’s biggest budgetary challenges remains downshifting by the state legislature. It seems that whenever there is a budget problem or wish at the state level, the solution is to impose additional costs on or to reduce revenue to cities and towns. We call this “downshifting.” In order to control property taxes, the state government needs to be a better partner of cities and towns.

There are many examples I could give you, but a big one is the cost of pensions for city employees. The city’s contribution to the state-mandated and run pension fund has increased from \$8 million to \$23 million over 10 years. The main causes for this increase are the state’s mismanagement of and recapitalization of the pension system, and the state’s decision to breach its commitment to pay 35% of the annual pension costs for municipal workers.

There was just a bill in the legislature, HB 413, that would partially make good on the state's obligation by funding 15% – as opposed to the original promise of 35% – of municipal pension costs. This initiative would save Nashua taxpayers \$3.4 million per year. However, the House voted by 6 votes to kill the 15% initiative, and then a reconsideration motion failed by a single vote.

A majority of Nashua legislators voted for HB 413, but I am sorry to say that some of our own representatives voted against the bill. If our own delegation had voted unanimously for HB 413, it would have passed by 10 votes. The defeat of the 15% initiative means higher property taxes for all Nashuans.

Our Schools Are Critical

We cannot talk about the state of our city without recognizing the importance of our schools.

Families must have confidence that their kids will get the education they need to succeed in life. Employers need to know our graduates have the skills to perform in the workplace.

Last fall, we opened full-day kindergarten for 5-year-olds at all twelve elementary schools.

And our students are excelling. In Nashua we have more students acing Advanced Placement courses than in any other community in New Hampshire.

Elm Street Middle School teams dominated the recent New Hampshire robotics tournament. The Nashua South Math Team has been New Hampshire SMASH math champs for 9 years in a row. Main Dunstable's Destination Imagination Team – an afterschool activity that builds STEM skills – advanced to the global finals. Nashua South won Public TV's quiz show the Granite State Challenge two years in a row.

We also have new direction, stability and purpose in our schools. Two years ago, our top three professional school leaders departed, leaving those vital positions vacant. We now have Dr. Jahmal Mosley in place for

at least the next four years. Dr. Mosley is bringing strong leadership and direction to our schools, and I am confident that he will take our schools to new heights.

We have the chance to take another critical step in ensuring excellent education for every student in every school – a four-year teachers contract that makes significant progress toward fairly paying our teachers for the critical work they do in our classrooms. This contract will help stem the ongoing out-migration of trained, seasoned teachers to neighboring districts, like Hollis-Brookline, Amherst and even Manchester for the higher pay those districts offer to mid-career teachers.

We're improving our school infrastructure, too

We have invested in school safety.

We completed extensive renovations at Sunset Heights.

In September, we cut the ribbon for the new playground at Dr. Crisp.

Our youth soccer and lacrosse leagues continue to grow, and we are actively working to meet that demand. For our young athletes we completed two new fields near Charlotte Elementary. We will finish a third field later this year.

A New Summer Jobs Program

For our young people, one goal is to create opportunities and expand horizons. A summer job can be a transformative experience.

I am announcing tonight that this coming summer we are beginning a new city youth jobs program for Nashua high school students.

Students will work in a variety of city departments – from Economic Development to Public Works. These young people will learn skills and gain experience that will help prepare them for college, careers and adulthood.

Our First Family Day at Holman Stadium

I am also announcing tonight that for our kids and families we will be holding the first Family Day at Holman Stadium this coming May 12. Varsity baseball players from Nashua North and Nashua South will hold a clinic on the fields at Coach's Corner for all the kids who may want to play baseball. Combined with a family picnic, this should be a wonderful day at Holman.

Empowering Our Neighborhoods

Improving educational results for our kids, strengthening families and empowering our neighborhoods will not only improve the quality of life for many Nashuans, but will also help make Nashua more resistant to the scourge of opioids and more able to meet the needs of our businesses for well-educated, well-prepared new employees.

In my last State of the City address, I told you that we were going to form a partnership to meet a growing need – hungry kids who go home without knowing if they will have enough to eat. Fact-based research shows that feeding hungry kids gets results; hungry kids cannot learn effectively.

So in our Crown Hill neighborhood, home of the Dr. Crisp Elementary School, we formed a partnership including the Nashua Soup Kitchen and Shelter, Southern New Hampshire Services, Dr. Crisp, the Salvation Army, End 68 Hours of Hunger, and others.

We called our program Nashua Meals for Kids. In July, we began providing meals at different sites in Crown Hill. By the end of the summer, we had served over 7,000 meals to neighborhood children. Meals for Kids is ongoing and is now helping with evening and weekend meals.

Last fall, we opened our Arlington Street Community Center at the freshly painted, carpeted, and furnished Crown Hill Fire Station building located next to Dr. Crisp School. The idea behind the center is to bring services that exist in Greater Nashua into the neighborhood and closer to the children and families.

The community center was developed under the direction of the MBK board, which includes representatives from many organizations: the Nashua School District, YMCA, Boys and Girls Club, the Adult Learning Center, Lamprey Health, United Way, Nashua PD, Nashua PAL, Maverick Technical

Institute and various city divisions. Our Building and Risk Management Departments also dedicated many hours to this project.

The community center is already alive with activity: an Early Learning Readiness program, teen leadership groups, yoga, story time and puppet shows, ESL classes and more. Our aim is to bring about a healthier, better connected, more striving and thriving Crown Hill neighborhood with stronger families and improved student learning.

Our Age-Friendly City

In our inclusive city, one of the most pressing concerns for our seniors is property taxes.

I am proud to say that Nashua is New Hampshire's most age-friendly community. We offer the largest senior property tax credit of all the cities and towns of our state.

The city also provides strong support to our Senior Activity Center. Alderwoman June Caron and City Treasurer David Fredette are active on the board of the center.

I am looking forward to our first senior cookout, which the city and the Senior Activity Center will be holding at Holman Stadium this summer.

More Affordable Homes for Young People and Families

For the young people and young families who are building the Nashua of the future, we need additional housing options. Certainly many in the millennial generation will find the hundreds of new apartments in the downtown mill conversions an attractive choice. However, we also need more choices for those young families who want to own a home but cannot afford the \$400,000 or \$500,000 price tag carried by many of Nashua's new single family homes.

We need to encourage the development of smaller homes of 1,000 to 1,200 square feet on smaller lots that our young families can afford. Right now, such houses are being built under density bonuses that are awarded to senior-only housing.

Tonight, I am announcing that I will propose to the Board of Aldermen, and to the Planning and Economic Development Committee, chaired by Alderwoman Melizzi-Golja, a change in our zoning to allow people of all ages, including young families, to buy in density-bonused developments of smaller homes.

Commuter Rail for Nashua

We are also working to bring commuter rail to Nashua. Our preferred approach has been the proposed Capitol Corridor Project, which would have established another transportation link to Boston, the engine of New England's economy. Amazon's requirement of accessible commuter rail in its search for a second headquarters shows how important rail is to 21st century businesses and employees.

In 2016, the legislature stopped the Capitol Corridor project. But in Nashua we didn't give up.

So, we began working with the Boston Surface Rail Company to try to establish a privately-funded and privately-run commuter rail service to Lowell and Boston. There are a number of obstacles to overcome, but we are optimistic that this P3 could bring rail service to Nashua.

The Nashua-Manchester region generates 35.1 percent of New Hampshire's gross state product. Investing in Nashua's infrastructure will help build the state's economy, make New Hampshire more attractive to employers, and grow state tax revenues. Our message to the legislature should be – paraphrasing Jerry Maguire – “Help us help you!”

Building a Greener Nashua

I also want to focus on our green initiatives.

Last year, the city completed the buyout of the lease of the Mine Falls Dam, a three-megawatt source of renewable energy. We also own the one-megawatt Jackson Falls Dam. Together these dams will generate \$5 million dollars in profit for the city over the next 10 years.

We have completed the conversion of street lights to LED bulbs, which will save 2.5 million dollars in energy costs over 10 years.

Just a few months back, we put eight new Compressed Natural Gas buses on the road. These CNG buses will transport over 500,000 riders per year, and they produce twenty to thirty percent less greenhouse gas emissions than our old diesel buses.

We have formed an Environment and Energy Committee whose engaged and committed members are working to develop green initiatives for the city. We expect to bring forward some exciting opportunities during this coming year.

Thank You to Nashua's Involved Citizenry

The progress we have made is ultimately because you, the citizens of Nashua, have been active and involved.

Thank you for joining boards and commissions, for participating in town hall meetings and coffee hours, for sharing your dreams and ambitions for our community, for attending downtown music festivals and other events and patronizing downtown restaurants and businesses, for pitching in during clean up days in Mine Falls Park and along the rail trail and the riverwalk, for putting on Santa in the Park, for attending the City Academy, for volunteering or contributing to local non-profits.

Thank you to all for your dedication to Nashua and for believing in the power of Nashua's potential.

And thank you to the 2,800 city employees who work every day to make Nashua a great city – our firefighters, police officers and teachers, the employees who fix, patch and plow our streets, collect the trash and recycling, care for our parks, playgrounds and green spaces, and the staff who work in public health, in the public library, and in City Hall.

I look forward to working with all of you – with thousands of Nashua residents and employees – to continue building a city that is welcoming and warm-hearted, inclusive and innovative, compassionate and confident.

Thank you to the great city of Nashua. And God Bless.