

MAYOR JIM DONCHESS

2020 STATE OF THE CITY ADDRESS

Good evening President Wilshire, Vice President O'Brien, members of the Board of Aldermen, Executive Councilor Pignatelli, Senators Rosenwald and Levesque, President Raymond and members of the School Board, Fire Commission, BPW, Police Commission, members of our legislative delegation, School Superintendent Mosley, Police Chief Carignan, Fire Chief Rhodes, City division directors and staff, and community members.

My heart is full of gratitude to the people of Nashua for again giving me the opportunity and privilege of serving the City that I love. And thank you to my wife Vicki for being here tonight and for all of the support and inspiration that you, and Caroline and David, and our two young grandsons give me.

Each time I prepare for a State of the City Address it is an opportunity to reflect on the City and on the progress we have made together.

I can say with confidence that Nashua is a City on the rise.

By working together over the last four years, side by side with the Board of Aldermen and with many other Nashuans – our boards and commissions, our nonprofit sector, and our business community – we have established a meaningful, measurable record of results. And thank you to our 2,800 City employees, because you are crucial to Nashua's success – teachers, police officers, firefighters, DPW workers, City Hall employees, library staff and all others - who work hard every day to serve the people of Nashua.

Richard Florida, who for decades has studied the regeneration, revitalization, and renewal of cities, has written, “[T]he key thing that distinguishes the thriving places of any and all sizes is surprisingly simple. Successful places are intentional.”

Nashua is on the rise, because Nashuans are working hard together to move Nashua ahead. In Nashua we are intentionally building a thriving city.

I say together, because in all that we do my commitment is for more conversation, more cooperation, more collaboration, and more common sense.

City Streets and Infrastructure

Infrastructure is critical, and our streets are a part of our infrastructure that everyone uses. You deserve City streets which are paved and maintained.

Four years ago, many of our streets were crumbling, and after years of neglect, people were skeptical that Nashua’s streets would ever be fixed. One man stopped me walking on Concord Street and asserted, “Concord Street will never be paved.” Many also doubted that Kinsley Street would ever be repaired. Today, we are in the midst of our City-wide, multi-year \$41.5 million Paving Plan of Action. We have repaved 70 miles and crack sealed 46 miles of Nashua’s 300 miles of streets – neighborhood and arterial streets, including Kinsley Street and Concord Street.

Over the past 4 years, we have also invested in repairing and upgrading the wastewater treatment plant. This infrastructure work has included replacement of the headworks, upgrades to the primary tanks, the secondary clarifiers and the aeration tanks, and new dryers for the sludge. We have also replaced or lined over ten miles of sewers. And we have added 2.5 acres of land to the wastewater treatment plant, which will provide the expansion space needed for phosphate treatment if and when it is required.

Commuter rail for Nashua and New Hampshire is critical as a means to a stronger healthier economy, as a tool for our businesses to attract new employees, and as a better alternative for Nashuans to travel to Boston. By working with our legislators we have made long-sought progress on commuter rail for Nashua. Last spring the legislature authorized the final planning phase of the Capitol Corridor Rail Project, and the New Hampshire DOT is now moving forward to begin that analysis.

Thirty-five percent of New Hampshire's state domestic product is generated in the Nashua-Manchester region, and the State needs to realize that linking us to Boston will create a healthier New Hampshire economy.

Living Paycheck to Paycheck

As in the rest of the country, many Nashua families are living paycheck to paycheck. And I get it – it can be hard to come up with the money to pay the property tax bill. So I am committed to effective and efficient City government and to working to limit property tax increases for Nashua homeowners and businesses. Nashua has been recognized for spending our tax dollars wisely. For 2 years running Nashua has earned a spot on WalletHub's list of Best-Run Cities in America for delivering high quality services at an affordable cost.

We must keep in mind that New Hampshire has high property taxes. In New Hampshire two-thirds of the total of state and local taxes are property taxes – the highest percentage in the nation.

Over the past four years in Nashua, we have successfully limited tax increases to an average of 2.6% per year, despite significant financial challenges created by the downshifting of costs by the State of New Hampshire. The biggest single downshift happened when the State of New Hampshire broke the commitment it made when it persuaded Nashua to join the State pension

system. The State's promise was to pay 35% of City pension costs. The State's violation of this pledge several years ago has already cost City taxpayers a cumulative total of almost \$50 million.

We now face the financial challenge of rapidly rising health care costs. Nashua is not alone. Health care costs across the nation are unstable and rising. This year City health care costs rose 11% or \$3.3 million, and they will rise another \$3 million next year. Our health care experts tell us that this trend will continue.

We are taking aggressive steps to bend the curve on rising health care costs, by encouraging employees to elect high deductible plans, promoting the use of Smart Shopper, and working on a new plan design for City health care benefits.

By itself this 2-year \$6 million increase in health care costs equates to a 3% increase in the tax rate. So while City health care costs are rising \$3 million per year, the City's financial team and I have been recommending to the Board of Aldermen that they limit their approval of wage increases, especially in longer-term contracts, to the cost of living. If we don't do this while the costs of health care are increasing so rapidly, then we will build non-sustainable budgets which mean tax increases or service cuts.

Other Costs Savings

For a more effective and efficient City government, I will be making a new cost-saving proposal to the Board of Aldermen as well as to our School and Police Departments. There are currently three Information Technology departments – at City Hall, at the School Department, and at the Police Department. All together the three IT budgets total over \$6 million per year, and there is duplication. At the next meeting of the Board Aldermen I will be proposing that we form a study group to recommend ways to consolidate the three IT functions and save tax

dollars. This will require that our departments be willing to cooperate, collaborate, and relinquish a little control in order improve efficiency and save money.

We are making an investment in brine technology, which will produce savings in our annual salt budget and will keep our major streets free of ice and snow in the winter months. We have fitted out Public Works plow trucks with brining equipment. When the temperature is above 20 degrees, Public Works can now apply brine to arterial streets within 24 hours before a blizzard starts rather than spreading rock salt after the storm begins. Brining has already improved the condition of major streets during snow storms, and Public Works estimates that we will save 20% on our salt budget every year.

I am also excited about a new initiative we are working on – the opportunity to save Nashua families \$20 to \$25 million – or save about \$600 per family – in lower electric bills over the next four years through Community Choice Power.

Community Choice Power was authorized by the New Hampshire legislature last year. This legislation enables the City to purchase power in bulk for all Eversource customers –both residents and small businesses. Eversource will continue to distribute electricity using their poles and lines, and Eversource will continue to bill customers. But Nashua customers will see savings in their electric bills. The analysis done by the City’s Energy Manager Doria Brown suggests that we can buy power for 16 cents per kilowatt hour, 2 cents less on average than Nashua consumers are paying now.

The City will also benefit by earning a tenth of a cent per kilowatt hour, funds which are to be invested in green and energy efficiency projects.

Schools

Four years ago, Nashua had not yet completed the job we began in 1988 when we opened half-day public kindergarten for the first time. Today, all of Nashua's 5 year-olds are able to attend full-day public kindergarten at all 12 of our elementary schools.

In Nashua we have over 11,000 students. We will continue our commitment to provide an excellent education for every student at every school every day. Over the next four years we will focus keenly on our middle schools by replacing the aging Elm Street Middle School with a new school and campus and by renovating and reconfiguring the Pennichuck and Fairgrounds Middle Schools.

Students in our schools speak over 60 languages. This year we added 5 English Language Learner teachers to help those students become fluent in English. We need to keep a close watch on our ELL program and ensure that we have enough teachers to meet the challenge of students who come to our schools speaking Spanish, Chinese, Portuguese, Swahili, Hindi, Telagu, and many other languages.

Downtown and the Arts

A thriving downtown is critical to building a healthier economy. This truth applies in every city. When I attend annual U.S. Conference of Mayors meetings, it is clear that all successful mayors are intently focused on their downtowns.

When I was elected Mayor, I committed to adding 500 new units of downtown housing and 1,000 new downtown residents within four years. And we have achieved results. We have reached and exceeded the 500-unit commitment with the Lofts 34 mill conversion on Franklin Street, Riverfront Landing on Bridge Street, the affordable workforce housing complex on Marshall Street, and other smaller projects. This new housing has added tens of millions of dollars to the downtown tax base and 1,000 new downtown residents to patronize Main Street businesses.

Four years ago, the banks of the Nashua River downtown were overgrown with weeds and entangled with invasive species, and we had no plan to change this sorry situation. Today, we have developed a Nashua Riverfront Master Plan, and we are starting the work of revitalizing and rejuvenating the beauty of our riverfront with lighting, suspended walkways, landscaping, and docks.

Four years ago, Pennichuck, the water company which the City owns, had its headquarters out of town, and we asked why is this? And four years ago, the Courthouse Oval in the center of downtown was sitting vacant. Today, Pennichuck has committed to coming back home, and the company will be bringing 60 people to work at an expanded HQ in the Courthouse Oval.

Today, our City has more life with the NuMuse and the New England Roots music festivals, with VeoRide scooters and bikes, with a reactivated Central Fire Station, with a Main Street Farmers Market, with Dancing in the Street, and with our Pride Parades.

For more than three decades we have been working toward a downtown performing arts center. I want to thank the Bank of America for recently committing to a leading gift of \$250,000 as well as Enterprise Bank with an important gift of \$100,000. Soon we will see a new marquee on Main Street, and annually 70,000 people will be coming downtown to attend a performance at the new performing arts center and to spend money dining and shopping.

We have a plan to restore and renew the inactive green space between the Nashua Public Library and our Court Street building. The design for this new park includes a great lawn, café seating, trees and landscaping, and a small playground and basketball court. I am really excited about this project. If you haven't seen the plan yet, you should check it out on line.

Based upon the vision of one of our Millennial citizens Amber Logue, we are working toward a downtown dog park near the Millyard entrance to Mine Falls Park. This will be an important amenity for all dog owners in our City.

We are moving forward to provide the protection of fire-suppression sprinklers throughout the Court Street Central Fire Station, including in the Janice Streeter theater. This will make our community theater safer for the Peacock Players, the Nashua Theater Guild, and the kids and families who use the theater.

Our arts community and a thriving arts scene are critical to a successful downtown and a successful City. The Picker Artists group on the Pine Street Extension, our annual International Sculpture Symposium, the new artist studios in the Central Fire Station, the engaging murals around our downtown by Manny Ramirez and Positive Street Art, the annual arts show at Greeley Park all are important contributors to our thriving arts scene. This coming fall we will be working in partnership with the Currier Museum of Art on the first of an annual arts project in Nashua.

Housing

As I have said, over the past four years we have added a lot of new downtown housing, but we need more. Housing is a critical need for our residents, for our business community, and for a healthier economy. The vacancy rate for apartments is at a record low of 0.6%, and rents rose 19% over the past 4 years.

We need to add more housing of all types – market rate and affordable apartments as well as single family homes.

In our emerging Railyard District east of Main Street, we have approved plans for more than 200 units of new housing. And we are beginning work on a new plan for properties – some

of them City-owned – at the western end of the Millyard bordering Mine Falls Park. This is a promising site for homes for new downtown residents.

We are working with Neighborworks and Habitat for Humanity to create more affordable apartments and home ownership opportunities on Kinsley Street, on Pine Street, and on Paxton Terrace.

The Elm Street Middle School property may present another housing opportunity. We will be proposing a feasibility study, but once the new middle school is completed, the 200,000 square foot Elm Street Middle School could be added to the tax rolls and potentially provide hundreds of housing units for our people. However, we need to first develop a step-by-step plan regarding the future use of Elm Street.

The Opioid Crisis

From day one we have tackled the opioid crisis and achieved meaningful results. In February, 2016, we convened the Mayor’s Opioid Task Force, and in November, 2016, we launched the City’s Safe Stations program. Anyone who is seeking help can report to any fire station in Nashua any time and get help with an addiction. So far over 3,000 people have reported and have received treatment and help. The opioid crisis is still with us – and one tragic death is too many. But in 2019 fatal overdoses were down about 20% from the peak years of 2015 and 2016.

Accountability and Inclusion

My personal commitment is to the City government that you deserve – a City government that is more accountable and inclusive.

In order to be accountable to you, we have held town hall style meetings every year in every ward. We have Coffee-with-the-Mayor gatherings every month with a growing number of

participants, the most recent just last week. These public forums are a great opportunity to discuss ideas and concerns with you.

In Nashua we believe in mutual respect, and we value and include all Nashuans. We do not divide people between us and them, we have just us, all Nashuans.

We have officially become a Welcoming City. Our Cultural Connections Committee under the leadership of Deepa Mangalat and Sylvia Gale is reaching out to all of Nashua's communities. We have resumed holding an annual fall event, which we began when I was Mayor before, Nashua's Multi-Cultural Festival.

We have held two Pride Parades, and we are looking forward to our third – which I predict will be bigger than our first two – on June 27.

And this coming August we are planning a celebration of the 100th anniversary of women's suffrage, the passage of the 19th Amendment which granted women the right to vote. If you would like to get involved, please talk with Cheryl Lindner.

Stronger Neighborhoods

We are also working to build stronger neighborhoods.

For the second year we will be running our Your Voice, Your Choice project in the Tree Streets. This past year with the help of Shaun Nelson and Nashua PAL, and working with neighborhood residents, we developed ideas for about a dozen possible projects. Then neighborhood residents voted to determine which project should go ahead. Tree Streets residents voted for a project we never thought of – a futsal court, which is an enclosed soccer court, on Ash Street right across from PAL. Now that the court is complete, it is a great place for kids to learn and strengthen their soccer skills right in the neighborhood. We are looking forward to working with Tree Streets residents again this spring on our second Your Voice, Your Choice project.

At the Arlington Street Community Center in the Crown Hill neighborhood, Director Megan Caron along with volunteers are increasing opportunity for Nashua's kids. Volunteer retired teachers under the leadership of Trish Stansfield and Donna Dye are lifting up 1st, 2nd and 3rd graders from the Dr. Crisp School with the Skill Builders program. The volunteers with Skill Builders work with students after school to ensure that the kids' reading and math skills are at grade level. Also, volunteer future teachers from Rivier University are running a pre-K program for 4 year olds.

A Greener Nashua

Four years ago, we had no specific goals for reducing our carbon footprint, and we lacked an urgent plan for a greener Nashua. Today, we have moved our green plan of action to the front burner. From talking with our young people, I can tell you that they are committed to making a difference on climate change right here in Nashua, because they know that their lives will be affected.

We have ambitious energy-reduction goals – a 25% reduction in our carbon footprint by 2025 and carbon neutrality by 2050.

We have converted all of our street lights to LEDs, we have secured ownership over our two hydroelectric dams, we have hired the City's first energy manager to jump start green projects, we have fought and will keep fighting in Concord for expanded net metering legislation, we have our first hybrid electric buses, working with Revision Energy we have installed solar arrays on the Lake Street Fire Station, the Transit Garage, and the Conway arena, we have more charging stations for electric vehicles, and for more walkability, we are working on the extension of our rail trail to the new Railyard District east of Main Street.

Over the next four years we will work with our schools, and our fire and police departments, and Public Works to reduce our carbon footprint. Right now we are working with Sean Smith and Dan Donovan of the Nashua School Department on a comprehensive plan to reduce energy use by 30% – and save energy costs by at least \$500,000 per year – at Nashua North and Nashua South High Schools. This project includes LED lighting, upgraded temperature controls, new transformers, and other energy efficiency measures. At our two high schools we will reduce carbon emissions by over 3 million pounds per year.

And there is good news from last night! The School Board authorized going forward with a solar array on Dr. Crisp School, I hope the first of many solar projects at our schools.

Imagine Nashua 2040

The City will soon undertake a project vital to the future of Nashua, and we want to enlist the entire community in this important collaborative effort. Imagine Nashua 2040 will update the City's Master Plan and create a 21st century urban vision for Nashua aimed at providing guidance and direction for the future development of downtown, our unique neighborhoods, our green spaces, our transit system and multi-modal transportation options, the zoning maps and land use codes. Together we will consider how to address the housing shortage at all levels of affordability. We will recommend how to bolster and strengthen the revitalizing arts, cultural, and residential neighborhoods in our center city. We will consider the future of our parks and playgrounds, our playing fields and trail system, our conservation lands. All of our work and recommended initiatives will be in coordination with the net zero by 2050 goals which the City has recently adopted to fight the climate crisis. I hope that many of you will get involved with Imagine Nashua 2040 and help us create the vision for the future of our City.

The Local Media

Before I conclude I want to mention something else that is important to any City – the local media. Newspapers and community radio stations across the nation have been struggling for a long time. The internet, Facebook, Google Twitter – together they have had a major impact. But our local newspapers and our radio station help to inform our residents about City government and to hold City officials accountable. Our local media is helping to build a stronger community.

So I would like to give a shout out to the staff at The Telegraph, WSMN, and the Union Leader from Manchester for fighting the good fight to keep Nashua informed and to keep Nashua together. I urge you to support our local news sources, because in the long run effective local media benefit everyone.

We Can Realize Our Vision

We've done a lot over the last 4 years, but I know that Nashua's best is yet to come. As we look ahead to the next 4 years, I am ready to serve Nashua with energy, creativity, and hard work. I am personally committed to real solutions and real results. By continuing to work together, by valuing and supporting each other, we can realize our vision of making Nashua the best middle-sized City in America. Thank you and God bless.