

City of Keene
New Hampshire

COLLEGE/CITY COMMISSION
MEETING MINUTES

Monday, November 9, 2015

4:00 PM

2nd Floor Conference Room

Members Present:

Bart Sapeta, Co-Chair
Emily Hague, Councilor/Co-Chair
Philip Jones, Councilor
Dick Berry
Margaret Rice
Paula Jessup
Chris Cusack
Dottie Morris
Kelly Ricaurte

Staff Present:

Andy Robinson, KSC Liaison
Tara Germond, Planner

Others Present:

Members Not Present:

Caitlin Licence
Cynthia Georgina
Chris Hrynowski
Marcia Kayser
Ted McGreer

1) Call to order-

Co-Chair Hague called the meeting to order at 4:07 PM. Roll call was conducted.

2) Review Minutes – October 26, 2015

Mr. Berry made a motion to adopt the minutes of October 26, 2015 as submitted. Ms. Morris seconded the motion which carried unanimously.

3) Discussion on Tax Base –

Co-Chair Hague noted Ms. Germond had prepared several slides on the tax base as it relates to the City and College, and the Municipal Services Agreement, based on discussion at the October 26, 2015 meeting.

Ms. Germond began by noting there were questions raised at the last meeting regarding the tax base and the amount of potentially taxable property owned by Keene State College (KSC). Continuing, she explained that she collected some basic data about Keene's tax base and KSC. In addition, she provided information on the details of the Municipal Services Agreement between KSC and the City. Ms. Germond indicated that some of the data was taken from

Keene's Operating Budget for the current and previous fiscal years. She also obtained data from the City Assessing Department. Ms. Germond began with Keene's demographics noting the City's population, acreage, number of parcels and residential units, etc. Continuing, she provided information about Keene's tax base. She noted that the total assessed value of taxable property in Keene is approximately \$1.8 billion. The City nets approximately \$23 million in revenue from local taxes.

Ms. Germond provided a breakdown of the current tax rate which is \$33.68 per thousand for Fiscal Year 2014-2015 and noted that the tax rate for Fiscal Year 2013-2014 was \$32.75 per thousand. Ms. Germond pointed out that of this amount \$12.93 goes to the City. She also noted that \$15.04 goes to local education.

The next slide was a breakdown of the Fiscal Year 2016 anticipated revenue by category. She reported 61.61% of the City's revenue is from local property taxes. Ms. Germond displayed a slide depicting the breakdown of properties exempt from taxes. The total valuation of tax exempt properties in the Fiscal Year 2014-2015 was \$542,242,800. Ms. Germond also provided more recent data on KSC noting that the College, which owns approximately 214 acres, has a total assessed value of approximately \$186.5 million (as of October 2015). If the College were obligated to pay local taxes, they would contribute approximately \$6.2 million per year; however, nearly half of this amount would go to the local school district. Ms. Germond also shared data from the City Assessing Department on the Gilbo Ave property gifted to KSC. She noted that KSC is currently paying full taxable value on this property, which is currently \$13,000 per year. The total assessed value of the lot is \$380,000.

Noting the importance of sharing data on what the College contributes back to the community, Ms. Germond shared the following data from the KSC Economic Impact on the City of Keene and Cheshire County Report, which was based on Fiscal Year 2012 data. This Report estimates that KSC, which has approximately 5,600 students enrolled and provides employment for 870 individuals, has a direct economic impact on the City and Region of \$89 million annually. This amount includes the following estimated direct economic impacts of the College:

- \$32 Million spent by employees on goods and services
- \$5.6 Million in benefits to NH medical and dental care providers
- \$32 Million spent by students in the City of Keene
- \$1.5+ Million spent by visitors to the College in the area
- \$7.3 Million of goods and services purchased from NH vendors
- \$10.6 Million of services from NH businesses on capital projects

This amount does not include \$1.4 million the College is estimated to contribute through donated volunteer/service time from students, faculty and staff.

Ms. Germond moved onto the Municipal Services Agreement (MSA) between the City and the College noting the categories and amounts. She pointed out that the funding for fire protection and police services will be adjusted annually. The term of this MSA is March 2015 to June 2019. In Fiscal Year 2015, KSC will contribute \$435,000 for fire protection services, \$107,841 to support one full-time police officer (this amount includes base salary, benefits, and typical required personnel costs), and \$10,000 to offset judicial and investigative costs.

Ms. Germond concluded her presentation and noted she would be willing to do more research if the Commission requested it. Ms. Germond will make her PowerPoint presentation available on the Commission's webpage on the City website. Ms. Germond also agreed to email her presentation to Commission members.

Discussion/Questions/Suggestions/Comments-

1. Reference was made to the fire protection category of the MSA and a question was asked about what the College gets in return the money? The response was that funding will go to support the capacity of the Keene Fire Department to provide services to KSC such as response to campus emergencies, including EMT services.
2. The land that KSC occupies is technically owned by the University System of New Hampshire, not KSC.
3. The previous MSAs with the College have been much less. It was noted that the current MSA does demonstrate the spirit of cooperation between the two entities.
4. Reference was made to slide #5 "Valuation of Exempt Properties". The question was did the Educational category include Antioch and River Valley? Ms. Germond will double check this information and include it when she emails the presentation out to Commission members.
5. During negotiations a KSC representative asked why the hospital doesn't pay taxes. As a point of information it was noted the hospital is now making payments in lieu of taxes (PILOT), which is similar to the MSA.
6. If the KSC property was privately owned what would the economic impact be? Discussion ensued and it was suggested this is outside the charge of the Commission. It was noted the economic benefits coming from KSC are steady versus a private corporation or business. Does the Commission want to have the discussion and look at the economic impact of private (for profit) institutions operating in Keene, as well as KSC and other tax exempt institutions? Discussion continued with Commission members agreeing it would be good to have the data on what other institutions such as Durham/Plymouth State have negotiated in their MSAs. In 2014 UNH paid Durham a little over \$2 million dollars. Ms. Germond will research more current figures, and provide the comparisons (MSA services) for Durham/Plymouth/Hanover at the next meeting, if this information is available.
7. Are KSC students considered in the census? Ms. Germond will verify yes or no with the Census Bureau and report back.
8. It was noted that the College has been compensating the City in some fashion since 1964.
9. A suggestion was made that the cultural value and importance of the College as an educational institution is not fully measureable. The question was raised about what would it mean for the City if there was no College? This should be mentioned in the Commission's report.
10. Reference was made to the number of volunteer hours (\$1.4 million contributed in donated services by KSC students, faculty, and staff). Is this something the Commission would like more information on? Is this something we can ask the City if there are instances where more help could be utilized from students/faculty?

There being no further questions and the Commission agreeing that this discussion would continue at the next meeting, Co-Chair Hague noted Ms. Germond would also provide an update

on enforcement. This information was requested at the last meeting (comparison to last year with all the changes that have happened).

Ms. Germond reported (as noted by Police Chief Costa) that noise complaints were down 16% from last year, there was a 40% increase in self-initiated noise complaint investigations, and a 67% decrease in Liquor Law violations. Ms. Germond will obtain an explanation from Police Chief Costa regarding self-initiated noise complaint investigations. Ms. Germond explained that both Code Enforcement and KPD have emphasized that communication with KSC has never been stronger. Ms. Germond also indicated she would provide an update on the position that Alison Riley has previously occupied at the College at the next meeting. Co-Chair Hague commented that we are all ambassadors to the community and should share information on the progress made between the City and College and the work of the Commission.

4) Next Steps – Not discussed at this time.

5) Other or New Business-

1. Co-Chair Hague reported the Commission has two upcoming meetings scheduled. There will be a meeting with the Mayor and President Huot on November 17th to discuss the future structure of the Commission going into 2016. Co-Chair Sapeta will report back after the meeting takes place. Co-Chair Sapeta also recommended using the next two meetings to work on an outline for preparing a report similar to the first one prepared by the Commission.

Co-Chair Hague reported she will be speaking on the Commission's Initial Report and Recommendations, which was released in September, at the City's Planning Licenses and Development (PLD) Committee meeting on November 10, 2015 at 6:30 p.m. Her focus will be on sharing highlights of the report and the projects and programs that are already underway. Co-Chair Hague noted this is an opportunity for public input. Co-Chair Hague reported she would be asking the PLD Committee to accept the report as informational.

2. Mr. Cusack reported on a recent Southeast Keene Neighborhood Group meeting. He noted the presence of President Huot, Police Chief Costa, and Fire Chief Howard among others. Mr. Cusack pointed out that there appears to be consensus among the three of that the relationship between the City and College has never been better. He also observed that there is hope among the residents that things are improving in the neighborhoods. Mr. Cusack qualified this observation by noting that one of the properties in his neighborhood that had traditionally been rented to students was recently sold to a single family. Additionally, some of the properties that have been rented to students in the past are currently vacant. Ms. Rice commented on the cultural change taking place this year, noting that students are complaining there are no parties. Ms. Rice commented that the consequences of last year's events came swift and fast. She indicated that students are no longer willing to take the same risks. Discussion continued and Co-Chair Sapeta asked if the Commission should think about recommending activities or opportunities for students and others in the communities to have fun. Co-Chair Hague also made note of the recent attempt to change the Noise Ordinance.

6) Public Comment – None at this time.

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7) **Adjourn** – The next meeting is scheduled for November 23, 2015 at 4:00 p.m., and December 7, 2015. Chair Sapeta noted there is a meeting already scheduled for January 4, 2016. Co-Chair Hague adjourned the meeting at 5:20 PM.

Respectfully submitted,
Mary Lou Sheats-Hall, Minute-taker
November 10, 2015

Edited by,
Tara Germond, Planner
November 24, 2015