

A regular meeting of the Keene City Council was held on Thursday, September 16, 2021. The Honorable Mayor George S. Hansel called the meeting to order at 7:00 PM. Roll called: Stephen L. Hooper, Michael J. Remy, Janis O. Manwaring, Randy L. Filiault, Robert C. Williams, Philip M. Jones, Gladys Johnsen, Andrew M. Madison, Raleigh C. Ormerod, Bettina A. Chadbourne, Catherine I. Workman, Kate M. Bosley, and Thomas F. Powers were present. Mitchell H. Greenwald was absent. Ward Three Council seat vacant. Councilor Ormerod led the Pledge of Allegiance.

ANNOUNCEMENTS

The Mayor announced that the Keene International Festival would be held Saturday, September 18 from 11:00 AM–3:00 PM at Fuller Park (Keene Parks & Recreation Center). This is a family-friendly, multicultural, and multi-generational experience. Mayor Hansel encouraged everyone's participation.

MINUTES

A motion by Councilor Powers to adopt the minutes of the September 2, 2021 meeting was duly seconded by Councilor Bosley and the motion passed with 13 Councilors present and voting in favor. Ward Three Council seat vacant.

PROCLAMATION – SOURCE TO SEA CLEANUP

Mayor Hansel welcomed Councilor Madison forward to accept the proclamation which recognized the 25th anniversary of the Connecticut River Conservancy's Source to Sea Cleanup, which would occur this year on Friday, September 17 and Saturday, September 18. He thanked all volunteers for their valuable contributions and encouraged Councilors and citizens to participate. Councilor Madison said this was his 7th year participating and he said the bulk of the work is conducted by the Cheshire County Conservation District, Moosewood Ecological, and the Harris Center. He thanked the Director of Public Works, Kürt Blomquist, and his crew for hauling trash away at the end of the event.

PRESENTATION – KEENE'S 2021 PROPERTY REVALUATION

Mayor Hansel welcomed Dan Langille, City Assessor, and the representatives of Vision Government Solutions, Sandra Schmucki and Steve Whalen for a presentation and update on the City-wide property revaluation that has occurred throughout this past year. Mr. Langille said the revaluation occurs every five years as required by law. The last City revaluation was in 2016. Since then, the market has been steady, with typical annual value increases of 2%. He added just recently the real estate market had taken-off in ways no one expected. The purpose of this revaluation was to bring figures in the assessment that reflect the 2021 market.

Next, Ms. Schmucki demonstrated a flowchart to demonstrate what happens throughout this revaluation process. First, she meets with Mr. Whalen and Mr. Langille at the beginning of the process to review the contract and discuss specifics of the job and how it would flow. Then, physical data is collected, and sales are analyzed for the prior period of April 1, 2020—April 1, 2021, the latter of which becomes the official valuation date. The sales studied were measured as

accurately as possible by the City. The sales were between willing buyers and willing sellers, meaning things like foreclosure, family transfers, or court proceedings are not considered, The goal is to determine what the market will bear. Information on the Multiple Listing Service is also studied to know interior information of properties and the sale. With all that information in a database, it can be analyzed statistically. They found that the 2016 assessment was much lower than what things are selling for now. Therefore, the values are then adjusted statistically to reflect sales at 100% of market values as of April 1, 2021. Next, all properties in town are evaluated and compared to the sales analysis to ensure that everything is assessed in a fair and consistent manner. The data is then reviewed with the City Assessor to ensure nothing is amiss before commencing informal meetings with taxpayers to field questions about their valuations. Then, the project is further reviewed by the Assessor's Office before the values are delivered to the City. Ms. Schmucki continued by stating that revaluation is important because it adjusts for disproportionate taxation and to reflect market changes. Properties are assessed for their current conditions, meaning that upgrades in the five years since the last valuation are reflected. She said this is also a transparent process with the NH Department of Revenue, which oversees this process. Ms. Schmucki also spoke of commercial properties, which are assessed by sending an income and expense form to businesses that is returned to the City and that information is also included in the database. Commercial sales were then measured for the April 2019—April 2021 period. Recent construction costs and selling costs of vacant lands were also analyzed. At the end of the analysis, everything should be within 10% of the market

Mr. Whalen said there are three approaches to valuation: 1) the sales approach (i.e., if there are any current sales within the period), 2) the income approach (i.e., only applicable to income producing or commercial properties), and 3) the cost approach. He said that all values set as of April 1, 2021 were reviewed in the field and checked for accuracy and consistency. Compared to the 2016 values, 2021 values for single family homes are up 25%, multifamily homes (2-4 families) are up 24%, residential condominiums are up 33%, manufactured housing is up 50%, apartments with five units or more are up 20%, and commercial industrial in general is up 10%.

Mr. Langille acknowledged that everyone would want to what these increased valuations would do to taxes. He said the ultimate increase in valuation was due in part to new constructions and not just an increase in the market value for properties; for example, the value of manufactured homes increased significantly. Some of that is from all the old units being removed as well as new units being brought into the parks. Mr. Langille said he is told often that the City only revalues so it can bring in more money and spend more money. He said that is not the case. The City Council determines what the City budget is and what it spends. He said the job of revaluation partly determines proportion, or how much each individual taxpayer pays based on the market value of that property. He showed the tax rate formula, which takes the total budget from the City and the schools, with revenue sources subtracted, and divided the total assessed value, allows for visualizing changes to the tax rate. If the budget increases and the assessed value stays the same, then the tax rate would increase. If the assessed value increases and the budget stays the same, the tax rate could drop. He said there were two things to remember from this presentation: 1) it is important to determine whether the assessed value represents the market (the value five years ago does not represent what someone would pay for a property today), and 2) Do not calculate the new

value with the existing tax rate, which would inflate the taxes. A significant increase in taxable valuable was evident and as a result there would be a decrease in the tax rate, which would be determined in the fall by the NH Department of Revenue.

Mr. Whalen added that the next step is the informal hearing process for which notifications of the new proposed assessment would be sent to all taxpayers sometime the week after this meeting. Informal hearings would begin the middle or end of the subsequent week and continue so taxpayers can discuss their property data, followed by a change notice to everyone with a hearing notifying whether it changed. After the hearings and all changes are made, the valuation reports would be finalized, and work products sent to the City for their review before the appraisal report and manuals are delivered to the Department of Revenue. Additionally, Mr. Langille reminded that in spring 2021, presentations were made before the FOP Committee and City Council, with recommendations to increase exemptions and credits in anticipation of values increasing and to help those in the City more vulnerable to tax fluctuations. This concluded the presentations and Mayor Hansel opened the floor to questions.

Councilor Johnsen expressed appreciation for the information and asked how Covid-19 impacted this process, knowing that the real estate market had changed. Ms. Schmucki said they tried to capture Covid-19 reactions in the sales data, but said that she could not say how much was directly related to Covid-19 because data was not analyzed specifically. Ms. Schmucki said there had also been a shortage of available housing, so it comes down to supply and demand, and what people are willing to pay for the houses; some people will say there is a bidding war, and that is probably a reaction there being insufficient available housing. Still, Ms. Schmucki said people will only be able to pay what they think they can afford. So, if the banks are responsible for making sure that people are only allowed to take out a loan for so much money, and if the people able to put a bigger down payment because they are willing to do that, then we show this is what the market will bear. Sometimes people will express that they overpaid but Ms. Schmucki said that is a risk assessment buyers make freely. Ms. Schmucki said her job is to demonstrate what people are paying for houses and ensure everyone's values are fair and consistent to what the market shows now.

Councilor Filiault stated that once again, everyone would be affected by a tax increase and that the City of Keene is looking at another year where the State of NH is going to shortchange the City of Keene millions of dollars of revenue again and get away with it. The shortfall would include rooms and meals taxes, pensions that the State is supposed to pay, and it includes business profit taxes, and This is an argument that he has been having for a few years and we have sent letters to Congress. He continued stating that Keene is hurting and that this Council and Staff would do everything possible as a team to make Keene a sustainable place to live. He said that Keene and other communities need to seriously get together and demand the State of NH return the revenue that is owed to us by law if we are going to sustain a City where people can come and actually be able to afford to live.

Mayor Hansel asked about manufactured housing, which in a lot of cases the land will be owned by a park that is essentially a business that could sell to various business interests. He asked if there was a mechanism to compensate for that; how the land under a manufactured house effects

this increase. Mr. Langille replied that a manufactured home park is a business and considered as such and each home as a residential unit, so they are completely separate.

Councilor Manwaring asked how they know whether people are working on their homes because she saw a dilemma between improving one's home and taxes increasing. Mr. Langille replied that sometimes you can tell from exterior cues when visiting properties or by aerial photography. There is also data from permitting for certain home improvements. He said it was an imperfect system.

Councilor Chadbourne said it was common knowledge and had been in the news that people are spending on housing in exodus from cities to more rural areas because Covid-19 has changed the way we see life. Just in her neighborhood there had been relocations from CT, MA, CA, OK, and IN, which gave her and neighbors concern for those buyers being able to pay so much more than the people who live and work in Keene already. She said that, in the end, it is great if someone needs the money from sale but not if they cannot afford to buy, which could push them into more rural areas like Sullivan and Winchester. Councilor Chadbourne felt it was unrealistic and unsustainable. She wondered if the people living here would be able to afford these increases and many constituents reported that concern to her. At the same time, the Councilor recalled the efforts to market Keene presented at the last meeting. Still, she had real concern that when taxes increase, that the people born, raised, and who work, live, and play here would no longer be able to afford to live here.

Councilor Jones said he understood the balance of values going up and rates going down, but said it scared him how the commercial/industrial was only looking at a 10% increase compared to residential, whereas he said commercial/industrial should be a big base for taxes, which he said was going away with a lot of empty storefronts in town that need to be used. He thought it was outside the City Assessor's hands but that the City Council needs to be looking into zoning and other factors. Mr. Langille said that Councilor Jones and others were picking-up on some of the flaws in NH's property tax system. He said that assessors' jobs are more as historians, recording what the market does and reporting on that.

Councilor Johnsen echoed Councilor Chadbourne's concerns, stating that she knew young couples unable to buy in Keene because of the out-of-state competition. She appreciated the understanding that assessors are more like historians. Still, Councilor Johnsen was concerned for what would happen in a few years. Mr. Langille said to some extent they looked at causes and effects and determining how they affect the value. Ultimately though, he said these conversations must happen amongst the Council and with the State. He said you cannot assess your way out of taxation, it is just a mathematical equation.

Councilor Madison recalled the housing market in 2008-2009 and the subsequent dramatic increase in the price of homes and the price of properties. He said there is always the possibility that there could then be a significant crash and he wondered how that was accounted for in assessing. Mr. Langille said that if there were a sudden decrease there would be a review. He said it is more about proportion and ensuring that everyone is represented at the same level and paying the same portion of the tax rate.

Mayor Hansel thanked Mr. Langille, Ms. Schmucki, and Mr. Whalen.

ELECTION – WARD THREE COUNCIL VACANCY – BRYAN LAKE

Mayor Hansel announced that one candidate had filed for the vacancy of Ward Three Councilor. He invited the candidate, Bryan Lake, to come forward and offered him five minutes to address the City Council relative to his candidacy. As provided for in Section 37 of the Rules of Order, City Councilors would not be permitted to ask questions of the candidate. In addition, with only one candidate, there would not be the initial “primary” vote of the City Council to narrow the field of candidates. After the address by Candidate Lake, voting would be by roll call vote with each City Councilor stating the name of his or her choice. If a City Councilor did not wish to vote for the candidate, the Councilor would vote "no." If the candidate received eight votes, he would be declared the winner. If the candidate did not receive the “majority vote” of the elected City Council, there were two choices; either Mayor Hansel could establish an additional 14-day period for candidates to file or a Councilor could move to suspend that provision and ask for a 2nd ballot. The candidate elected would be sworn by the City Attorney and would commence their duties immediately. Mayor Hansel, recognized candidate, Bryan Lake, to address the Council relative to his candidacy.

Mr. Lake stated: “Thank you Mayor Hansel and City Councilors. You may recall that I spoke to you earlier this year about this topic, so I will keep this pretty short tonight. But I do just want to briefly reintroduce myself to the public. My name is Bryan Lake. I am a native of Keene, I’m a new homeowner in Ward Three, but I also grew-up in Ward Three. I also went through the whole Keene school system, culminating in a Bachelor of Science in chemistry, right here at Keene State. I then went on to start a career at CNS wholesale where I am the senior analyst for its input procurement decision science. Since the last time that we spoke, I have also had the privilege of serving on Keene's Energy and Climate Committee, where we have been doing work to move forward on the Keene Sustainable Energy Plan. I have really enjoyed my work there. I have been really active on the Committee and getting some things done. So, I really look forward to the opportunity to continue to serve the City on the City Council. Thank you again Mayor Hansel and City Councilors for your time.”

Mayor Hansel thanked Mr. Lake for his comments.

On a roll call vote, with 13 Councilors present and voting in favor, the City Council unanimously elected Bryan Lake as Ward Three City Councilor. City Attorney, Thomas Mullins, administered the oath of office to Councilor Lake.

Mayor Hansel congratulated Councilor Lake and announced that the Councilor would be joining the Municipal Services, Facilities, and Infrastructure Committee as their new member. Councilor Filiault would be the Vice Chair of the MSFI Committee.

COMMUNICATION – ELM CITY ROTARY CLUB – AMENDMENTS TO CLARENCE DEMARMARATHON LICENSE

A communication was received from Alan Stroshine, Race Director, indicating that the Rotary Club is requesting amendments to their event license that will allow for a safer event with smaller crowds due to the rapidly changing conditions related to Covid-19. Mayor Hansel recognized Director of Public Works, Kürt Blomquist, and Alan Stroshine to speak on the matter.

The Director of Public Works reported that issues arose during the event planning. The Council in the community may be aware that the race is both the half marathon and full marathon, super seniors, and kids race. Keene State College contacted Mr. Stroshine and made him aware that the College could no longer allow the super seniors or kid's races to end at the college as planned due to evolving Covid-19 policies; the rest of the races and support Staff could use the college, but no spectators. The marathon organizers worked with the City on an alternate location. Staff recommended amending the license to allow the senior's race to end instead on a historical property just up Main Street and the children's race would be moved to west Keene, beginning at the YMCA on September 25, the day before the half marathon, and using streets like Skyline Drive and Stonehouse Lane before ending back at the YMCA. The actual race period would also be longer than normal to accommodate non-group start times for Covid-19 safety. The primary amendment is to hold the kid's race on the 25th and to allow the marathon on those streets near the YMCA.

A motion by Councilor Bosley to suspend the Rules of Order to act on this request was duly seconded by Councilor Jones on a roll call vote with 14 Councilors present and voting. Councilor Greenwald was absent.

Councilor Bosley made the following motion, which Councilor Jones duly seconded. On a vote of 14-0 the Keene City Council amended the Elm City Rotary Club license for the Clarence DeMar Marathon to hold the Kids DeMar event on September 25, 2021 at the Keene Family YMCA on Summit Road and grant permission to fully or partially close Summit Road from the entrance of Keene YMCA to Summit Ridge Road, Summit Ridge Road from Summit Road to Skyline Drive, Skyline Drive from Summit Ridge Road to Stonehouse Lane, and Stonehouse Lane from Skyline Drive to the pedestrian entrance of the Keene YMCA. All other license conditions previously approved will remain in effect.

Councilor Jones asked if there would be a press release on the change and the Director of Public Works replied in the affirmative. Mr. Stroshine thanked the Council and Staff for the support to keep participants safe.

COMMUNICATION – COUNCILOR FILIAULT – CHARTER AMENDMENT RELATED TO MUNICIPAL PRIMARY

A communication was received from Councilor Randy Filiault, requesting discussion regarding a potential question to voters that would amend the City Charter to eliminate or amend the parameters for holding a Municipal Primary Election. Mayor Hansel referred the communication to the October 14 FOP Committee meeting, which is purposefully to occur after the October 5 Municipal Primary to avoid any confusion for the voters.

MSFI REPORT – JOHN & LOUISE HILOW – FLOODING AT 36 WETMORE STREET

A Municipal Services, Facilities, & Infrastructure Committee report read recommending that the communication regarding flooding on Wetmore Street be accepted as informational. Mayor Hansel filed the report as informational.

MSFI REPORT – RENAMING OF THE NORTH BRIDGE – RECOMMENDATION FROM THE BICYCLE & PEDESTRIAN PATH ADVISORY COMMITTEE

A Municipal Services, Facilities, & Infrastructure Committee report read accepting the recommendation from the Bicycle & Pedestrian Path Advisory Committee on the renaming of North Bridge as informational. Mayor Hansel filed the report as informational.

FOP REPORT – ACCEPTANCE OF FEDERAL FORFEITURE MONIES – POLICE CHIEF

A Finance, Organization, & Personnel Committee report read recommending that the City Manager be authorized to do all things necessary to accept federal forfeiture monies in the amount of \$54,781.26. A motion by Councilor Powers to carry out the intent of the Committee report was duly seconded by Councilor Hooper. The motion passed with 14 Councilors present and voting in favor.

FOP REPORT – NH DOT HIGHWAY SAFETY GRANT; GRANT #22-095 – POLICE CHIEF

A Finance, Organization, & Personnel Committee report read recommending that the City Manager be authorized to do all things necessary to accept the grant from the New Hampshire Highway Safety Agency to fund the Highway Safety Grant- Keene. A motion by Councilor Powers to carry out the intent of the Committee report was duly seconded by Councilor Hooper. The motion passed with 14 Councilors present and voting in favor.

FOP REPORT – ENGINEERING SERVICES – 1.5 MILLION GALLON STORAGE TANK REPAIR PROJECTS – PUBLIC WORKS DIRECTOR

A Finance, Organization, & Personnel Committee report read recommending that the City Manager be authorized to do all things necessary to negotiate and execute a professional services contract with Weston & Sampson to perform engineering and technical services for an amount not to exceed \$85,280 for the 1.5 Million Gallon Storage Tank Repair Project. If a contract cannot be negotiated, the City Manager is authorized to negotiate and execute a contract with the next ranked firm. A motion by Councilor Powers to carry out the intent of the Committee report was duly seconded by Councilor Hooper. The motion passed with 14 Councilors present and voting in favor.

FOP REPORT – ENGINEERING SERVICES – SLUDGE PUMP REPLACEMENT PROJECT – PUBLIC WORKS OPERATIONS MANAGER

A Finance, Organization, & Personnel Committee report read recommending that the City Manager be authorized to do all things necessary to negotiate and execute professional services with Underwood Engineers for engineering and technical services for an amount not to exceed \$58,200 for the Sludge Pump Replacement Project. If a contract cannot be negotiated, the City Manager is authorized to negotiate and execute with the next ranked firm. A motion by Councilor Powers to carry out the intent of the Committee report was duly seconded by Councilor Hooper. The motion passed with 14 Councilors present and voting in favor.

CITY MANAGER COMMENTS

The Assistant City Manager/IT Director, Rebecca Landry, shared the City's condolences with the Chertok family for the loss of Kathleen Chertok. Kathleen was a regular at the Library both as a patron and as a Board member for the Friends. She was very helpful with the book sales and with other Friends activities. She passed away earlier this week and we share our condolences with Kathleen's family, with sympathy.

The Assistant City Manager also announced a new process for accepting donations before the full Council once monthly to raise the profile for donors and recognize them more formally in an official process. This is also hoped to be more efficient for Staff and Council.

REPORT – ACCEPTANCE OF DONATIONS – SEVERAL DEPARTMENTS

Mayor Hansel welcomed the Assistant City Manager, Rebecca Landry, to announce the following donations:

From Tim Finnegan (\$250), and Ann-Siegle-Drege & Marsh Drege (\$100) to the Keene Downtown Memorial Tree Fund in memory of Mr. James P. Finnegan, a longtime resident of the area and active member of the community.

From Mary & Brian Gray (\$25) and Carolyn Burson (\$25) to the Keene Fire Department in memory of Larry Lanata, with acknowledgement to his widow Miriam Lanata.

From Walter & Mary Anair (\$100), Sharon Helie (\$100), and Patricia Sederstrom (\$50) to the Keene Fire Department in memory of Dan Snow.

From Rolling Thunder NH Chapter 2 (\$300) to the Keene Recreation Center for the cleaning of the monument at the War Memorial.

From Ann Henderson Interiors (\$500 & \$1,500) and Ray & Anne Anderson (\$800 & \$700) to the Library Renovation Project from the City of Keene Library Renovation Restricted Trust from March 3, 2021 to August 2, 2021.

From Gallup Fund (\$3,000) to the Human Rights Committee for collaboration with the Keene International Festival for event logistics.

A motion by Councilor Powers to suspend the Rules of Order to act upon these donations was duly seconded by Councilor Bosley and the motion passed on a roll call vote with 14 Councilors present and voting in favor.

A motion by Councilor Powers to accept the donations with gratitude and appreciation was duly seconded by Councilor Bosley and the motion passed with 14 Councilors present and voting.

JOINT COMMITTEE RECOMMENDATION ON ORDINANCE O-2021-12A – RELATED TO AMENDMENTS TO THE CITY OF KEENE LAND DEVELOPMENT Code

A memorandum read from Senior Planner, Tara Kessler, recommending that the Mayor set a public hearing date for Ordinance O-2021-12A. Mayor Hansel scheduled a public hearing for Thursday, October 7, 2021 at 7:00 PM.

09/16/2021

FOP REPORT - RELATING TO FY22 FISCAL POLICIES – RESOLUTION R-2021-37

A Finance, Organization, & Personnel Committee report read, recommending the adoption of Resolution R-2021-37. Mayor Hansel filed the report as informational. A motion by Councilor Powers to adopt Resolution R-2021-37 was duly seconded by Councilor Hooper.

Mayor Hansel added that along with going to the Cambridge Boston CPI we also made it a three-year rolling average to even-out some of the volatility in the Index, and hopefully gives us a more conservative goal.

The motion passed on a unanimous show of hands with 14 Councilors present and voting in favor.


RELATING TO THE APPROPRIATION OF FUNDS FROM THE SOLID WASTE FUND
UNASSIGNED FUND BALANCE FOR THE REPAIR OF THE TRANSFER STATION FROM
FIRE DAMAGE AND UPGRADED FIRE PROTECTION – RESOLUTION R-2021-39

A Finance, Organization, & Personnel Committee report read recommending the adoption of Resolution R-2021-39. A motion by Councilor Powers to carry out the intent of the Committee report was duly seconded by Councilor Hooper. The motion passed with 14 Councilors present and voting in favor.

ADJOURNMENT FOR LEGAL ADVICE

There being no further business, Mayor Hansel adjourned the meeting at 8:10 PM for legal advice.

A true record, attest:



City Clerk