

REPORT OF THE HUMAN AFFAIRS COMMITTEE

APRIL 21, 2004

A meeting of the Human Affairs Committee was held Wednesday, April 21, 2004 at 7:55 p.m. in the Aldermanic Chamber.

Chairman Lori Cardin presided.

Members of the Committee present: Alderman Marc W. Plamondon, Vice Chair
Alderman-at-Large James R. Tollner
Alderman Kevin E. Gage
Alderman David D. Lozeau

Members not in Attendance:

Also in Attendance: Alderman-at-Large David W. Deane
Alderman Kathryn D. Vitale
Glenn Levesque, Grant Writer, Nashua Police Dept.
Paul Newman, Manager, Urban Programs
Klaas Nijhuis, Deputy Manager, Urban Programs
Kathy Hersh, Division Director, Community Development

COMMUNICATIONS

From: Katherine E. Hersh, Director, Community Development Division
Re: Grant Writer

MOTION BY ALDERMAN GAGE TO ACCEPT AND PLACE ON FILE MOTION CARRIED

From: Katherine E. Hersh, Director, Community Development Division
Paul Newman, Manager, Urban Programs Department
Jay Minkarah, Director, Office of Economic Development
Re: Community Development Block Grant: Follow-Up to March Meeting

MOTION BY ALDERMAN PLAMONDON TO ACCEPT AND PLACE ON FILE MOTION CARRIED

From: Paul Newman, Manager, Urban Programs Department
Re: Community Development Block Grant Resolution: Addition of Nashua Pastoral
Care Center; Re-Programming of Prior-Year Grant Funds; Human Service Activities

MOTION BY ALDERMAN PLAMONDON TO ACCEPT AND PLACE ON FILE MOTION CARRIED

From: Klaas Nijhuis, AIA, Deputy Manager, Urban Programs Department
Re: Casimir Place HOME Project Follow-Up

**MOTION BY ALDERMAN PLAMONDON TO ACCEPT AND PLACE ON FILE
MOTION CARRIED**

**MOTION BY ALDERMAN PLAMONDON THAT THE RULES BE SO FAR SUSPENDED AS
TO ALLOW FOR THE INTRODUCTION OF MATERIALS PROVIDED AFTER THE AGENDA
WAS PREPARED
MOTION CARRIED**

**MOTION BY ALDERMAN PLAMONDON TO ACCEPT AND PLACE ON FILE A
SPREADSHEET FROM GAIL COFFEY ON ESTIMATED TIMELINE OF FEDERAL, STATE
AND FOUNDATION GRANT APPLICATIONS
MOTION CARRIED**

**MOTION BY ALDERMAN LOZEAU TO ACCEPT AND PLACE ON FILE THE CDBG FY2005
POSSIBLE PROJECTS LISTING PROVIDED TO THE COMMITTEE
MOTION CARRIED**

**MOTION BY ALDERMAN PLAMONDON TO ACCEPT AND PLACE ON FILE A FACT SHEET
ON NASHUA'S HOME PROGRAM PROVIDED TO THE COMMITTEE BY KLAAS NIJHUIS
MOTION CARRIED**

**MOTION BY ALDERMAN PLAMONDON TO ACCEPT AND PLACE ON FILE A
COMMUNICATION FROM KATHY HERSH REGARDING CONSOLIDATED PLAN OF THE
CITY OF NASHUA DATED MAY 15, 2000
MOTION CARRIED**

UNFINISHED BUSINESS – None

NEW BUSINESS – RESOLUTIONS

R-04-30

Endorsers: Mayor Bernard A. Streeter
Alderman Lori Cardin
Alderman-at-Large James R. Tollner
Alderman Marc W. Plamondon
Alderman-at-Large David W. Deane

**RELATIVE TO THE ACCEPTANCE AND APPROPRIATION OF FUNDS IN THE
AMOUNT OF \$22,327.78 OBTAINED FROM THE STATE ON NEW HAMPSHIRE,
DEPARTMENT OF SAFETY, INTO SPECIAL REVENUE ACCOUNT 331-6297
“HOMELAND SECURITY I –BOMB UNIT EQUIPMENT”**

MOTION BY ALDERMAN PLAMONDON TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Glenn Levesque

These funds are directly specifically for an equipment purchase to the Nashua Police Department Bomb unit. They will be able to purchase updated and new equipment to support their tasks in the city. There is no local match, and this is past due money for the Department of Safety from Federal Homeland Security Funds.

MOTION CARRIED

R-04-31

Endorsers: Mayor Bernard A. Streeter
Alderman Lori Cardin
Alderman-at-Large James R. Tollner
Alderman Marc W. Plamondon
Alderman-at-Large David W. Deane

RELATIVE TO THE ACCEPTANCE AND APPROPRIATION OF FUNDS IN THE AMOUNT OF \$3,980.76 OBTAINED FROM THE STATE OF NEW HAMPSHIRE, HIGHWAY SAFETY AGENCY, INTO SPECIAL REVENUE ACCOUNT 331-6298 “NH CLIQUE SEATBELT 2004”

MOTION BY ALDERMAN GAGE TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Glenn Levesque

This particular grant is reoccurring. It is put out by the State through the New Hampshire Highway Safety Agency. It is specific for officers to work overtime detail in whatever parts of the city they feel is most necessary and their sole purpose out there is seatbelt enforcement and education. They will be making stops, handing out pamphlets to the public on the use of safety belts in the State of New Hampshire, and the State set the dates that these events are to occur and it will occur in every jurisdiction in the State on these particular weeks that the State has set aside for those participating in the program.

MOTION CARRIED

R-04-32

Endorsers: Mayor Bernard A. Streeter
Alderman Lori Cardin
Alderman-at-Large James R. Tollner
Alderman Marc W. Plamondon

RELATIVE TO THE ACCEPTANCE AND APPROPRIATION OF FUNDS IN THE AMOUNT OF \$30,000 OBTAINED FROM THE STATE ON NEW HAMPSHIRE, DEPARTMENT OF SAFETY INTO SPECIAL REVENUE ACCOUNT 331-6296 “HOMELAND SECURITY I – WMD (WEAPONS OF MASS DESTRUCTION)”

MOTION BY ALDERMAN GAGE TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Glenn Levesque

This money must be used for a training exercise involving a weapons of mass destruction scenario that the Nashua Police Department will create. It is a rather extensive grant that will cover basically absolutely everything involved with this exercise; if we have to hire officers on overtime to participate, if we need to use expendable equipment we can purchase that to use during this exercise, if we are using our special reaction team and we need to pull some of the officers off the street to participate in this the grant will pay for the officers overtime to fill those positions on the street. There are no matching funds from the city, and again this is through Homeland Security.

MOTION CARRIED

R-04-33

Endorsers: Mayor Bernard A. Streeter
Alderman Lori Cardin
Alderman-at-Large James R. Tollner
Alderman Marc W. Plamondon

**RELATIVE TO THE ACCEPTANCE AND APPROPRIATION OF FUNDS IN THE
AMOUNT OF \$20,833.33 OBTAINED FROM THE STATE ON NEW HAMPSHIRE,
DEPARTMENT OF SAFETY INTO SPECIAL REVENUE ACCOUNT 331-6295
“HOMELAND SECURITY II – SPECIAL OPERATIONS”**

MOTION BY ALDERMAN GAGE TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Glenn Levesque

This is another equipment grant specifically for the Nashua Police Department's Special Reaction Team, the SRT Team. Again they will use it to update and purchase specialized equipment that is not supported in the local budget for the team. Once again it is from the New Hampshire Department of Safety with pass through funds from the Department of Homeland Security. So far it has been the character of Homeland Security there are no local funds involved in this.

Alderman Plamondon

Officer Levesque could you elaborate any more on what types of materials would be purchased with this?

Glenn Levesque

On this particular one no sir. It is still in the planning stages. They have different ideas that they have been kicking around, and now they are trying to decide what would be best for this unit at this time. I can't give specifics.

Alderman Lozeau

I would just like to say that this is over \$75,000 of funding coming to the city for better equipping and training our police. I think the officer ought to be commended for his work on getting these grants.

Glenn Levesque

I appreciate that.

MOTION CARRIED

R-04-35

Endorsers: Mayor Bernard A. Streeter
Alderman Lori Cardin
Alderman-at-Large David W. Deane
Alderman-at-Large James R. Tollner
Alderman David D. Lozeau
Alderman Kevin E. Gage
Alderman-at-Large Marc W. Plamondon

**AUTHORIZING THE MAYOR TO APPLY FOR THE COMMUNITY DEVELOPMENT
BLOCK GRANT AND HOME INVESTMENT PARTNERSHIPS GRANT, FISCAL
YEAR 2005**

MOTION BY ALDERMAN TOLLNER TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Chairman Cardin

We do have a revised resolution before us.

Alderman Tollner

It is revised based upon the work that we did at our previous Human Affairs meeting?

Chairman Cardin

It is revised based on that and also there was some money on item number 7 that was left out on the one that was initially brought up before the committee and there are some housekeeping measures to bring some older grants to closure and move them forward. I believe that is the only difference from what we worked on at our last meeting of March 17th.

Paul Newman

I apologize certainly in the case of the Nashua Pastoral Care Center it is all covered in one of the communications that you got on your agenda – it was in the project descriptions, but didn't get into the spreadsheet and added in. Nevertheless that was in an amount of \$34,500 that Maurice spoke to for the third year funding relative to the Norwell Home where multi-year projects have been taken as a commitment in the past. Fortuitously actually since this process started we had about \$70,000 some in contingency program revenue did come in this current

fiscal year due to repayments of housing improvement program loans. Since then there has been an additional approximately \$38,000 that in a timely fashion acts to more than offset that differential.

This suggestion resolution with the yellow highlights has the changes. On the second paragraph we have reprogrammed funds in the amount of \$58,000 and that is specified on the third page toward the bottom where it is listed in contingency, which did not appear in the current resolution and brings \$38,000. Of course that also adds \$38,000 to the total available for a total of \$998,000 on this first page of the resolution. Going to the second page you have the insertion of that activity for the Nashua Pastoral Care Center and then on the fourth page at the top the resolution as introduced as it does each year before the Review & Comment Commission process is completed. It had just a lump sum amount. You now have the specification of the four different agencies that Review & Comment recommended receive CDBG funding.

Nevertheless going back to my memo in the middle of that first page you will see that Review & Comment actually set a slightly lower target than was in the resolution – about \$3,237 less. You have Keystone Hall, Neighborhood Health Center, Nashua Soup Kitchen & Shelter, and Boys & Girls Club in my memo. The Review & Comment recommendations were respectfully that – the first column - \$31,000, \$30,000 \$49,263, and \$20,000. That comes up short of the \$133,500 by the amount of \$3,237.

Alderman Tollner

Paul can you go back in. I was with you up until you made the last statement. The Boys & Girls Club, Nashua Soup Kitchen & Shelter, in item 18?

Paul Newman

Correct.

Alderman Tollner

You are saying the money ..

Paul Newman

If you look at the correspondence that is on your agenda – I think it is my second one, which is addition of Nashua Pastoral Care Center, etc. in the middle of that page ..

Alderman Tollner

I see. I am sorry. Thank you.

Paul Newman

The Review & Comment recommendations are the first column after each of those agencies starting with the \$31,000 and so forth. The total of those four is less than the committee initially placed in the resolution because Review & Comment was given slightly lower targets because they only had an estimate of the grant amount at that point. I just wanted to point that out. In

this proposed resolution I apportioned the difference equally amongst the four. I had a conversation with the Chair who I think has a suggestion on the direction on that for you all, which may be a little different. That was just for your consideration.

Chairman Cardin

One of the reasons that I don't want to amend what was brought to us by the Review & Comment Commission is because the process that – it is only because of the process. Review & Comment Commission is given a number and they work with – they interview these agencies and spend many hours coming up with the funding proposal that they send to us and they didn't have the exact amount. What I would propose that we do is put this \$3,237 in contingency and invite the Review & Comment Commission to appropriate those funds. It is just the process. I think it needs to go back to them, have them recommend it, and then come back to the committee. That would be my recommendation at this point for that money. Thank you.

Alderman Tollner

I agree with everything that you just said first of all. I think that is the right way to go. Paul if look at this I look at Keystone Hall – the column on the left is the column that they are recommending.

Paul Newman

That is the Review & Comment recommendation.

Alderman Tollner

Thank you.

Paul Newman

I am actually going down to contingency, number 21 – back to the resolution on the third page. I have highlighted in yellow there \$71,884. That reflects an increase of \$3,500 on account of the \$38,000 for this current year's contingency that would be brought forward less adding back in the Nashua Pastoral Care Center at \$34,500. There is still \$3,500 available. I temporarily put that in contingency.

I have calculated the number to put back in with the lesser Review & Comment amount, which would be \$75,121 – that is adding back in \$3,237; reducing the four service activities with the Review & Comment recommendation would yield \$75,121. Then the line following – following funds totaling \$58,000 be reprogrammed – that only reflects the distribution of the funds – the additional original \$20,000 in the resolution as introduced plus that same \$38,000 from FY '04 contingency. You will see that at the bottom of that list of funds to be reprogrammed – contingency FY '04 at #38,000.

The next set of projects that are listed here are really not proposed to change either in their scope, their funding amount, or any other fashion. It is a housekeeping measure that we urge you to adopt. It is something that we have done from time to time, not in the last year or two perhaps, but at this point there are five active CDBG grants that have anywhere from 2-4 projects that are active where most of them have been completed and all the funds expended or

otherwise obligated. It does not in any way change the original approval that the Aldermen conferred on these at the time that they were funded, but it does provide tremendous economy and efficiency in terms of both Urban Programs Department reporting of federal grants, for Financial Services Department for terms of doing their reports for the citywide audit. It will close out federal grants and therefore in this coming fiscal year on July 1 we will no longer have to report on those. All these activities will appear on the books in the FY '05 CDBG program as they were before.

Actually an additional efficiency is a number of them were funded in different years so now they can all appear in one year, you can cut purchase orders from one account from one fiscal year without having multiple purchase orders covering different years. Of course one of the more significant ones is the Nashua Senior Center with the total obligated funds in that of over \$200,000. That will appear as one activity in FY '05 that whole amount that is remaining, and then most of the others are smaller projects that are under way. The Housing Improvement Program for example is a good example. In order to set up our projects on the electronic reporting system for CDBG that HUD requires us to do, there is a software program called IDIS and if we fund a single property improvement and all the funds come out of more than one year, say for example there is \$5,000 left in one year that is not sufficient for the one project and we have to take it from two years, we then have to set up that activity two different years. This will be great efficiency in that regard as well. I bring forward those amounts I was asked are those going to be used – there is always some lag in the cycle year to year that we have funds we carry over beyond July 1, but they are used up quickly thereafter. That summarizes mostly bookkeeping/housekeeping sort of measures.

I don't know if you would like to go back to the other correspondence on follow up to your March meeting.

Alderman Deane

The bus garage development what is going on in that arena? I see there is \$77,000 there. Where do we stand with that?

Paul Newman

It has been a project that we have attempted to advance a number of times over the years. It of course was – capital funds were authorized in this year's budget for the local share. Eighty percent federal funds are available, which we have access to pay substantial part of the cost, and the greatest difficulty has been finding a site. We have looked over the years at a number of sites. The most likely prospect recently was the four hills landfill. We devoted some resources to working with the Solid Waste Department developing a joint facility, which I am sure you are all aware they were contemplating undertaking over the last year or so. They did also get authorization to proceed with design build services for the design part of that to go out and get design build proposals. We got through the preliminary design with that and have utilized some of the available transit funds to get to that preliminary design point.

At this point, it is very much dependent on the future of the Solid Waste portion of it. I know that is speculative at this point. I think at this point Public Works is not pushing ahead to move that project at this moment so whether we look for alternative site or simply wait until they are ready to proceed. We haven't quite arrived at that conclusion.

Alderman Deane

I would imagine that is going to be a hard pill to swallow when they are talking about charging residents for trash pickup and then turn around and build a building when they are running at a \$2.5 million a year deficit.

The other question I had was on the \$13,515.52 at Roussell Gardiner Fields those facilities have just been totally renovated as part of the multi-site landfill closure project. I know that years back when I believe Roger Bouyer came in we got that money and we first went out and re-saudered one of those fields because of the amount of settlement, but what is the anticipated use of these funds over there? Do they want playground equipment? Are they going to put that back over there or something?

Paul Newman

There is discussion going on between the East Bambino and the Park Department to install a concession facility there. That was something that was given up when the field was cleared. As far as I understand it is the only one at this point that does not have a concession facility so those funds could be applied toward that. I believe they also will be raising funds in that endeavor.

Alderman Deane

That would give them \$18,500 because there is another \$5,000 on the Haines Street Fields, which is the same area.

Paul Newman

Correct yes. Effectively it is the same site. It has a different name. Both of those could be applied to that purpose.

Alderman Deane

Thank you.

Paul Newman

In fact if you all agree we will just create that and make that as one line item with the whole description of the three names and a new activity.

Alderman Deane

I just know they were having trouble over there because of the closure process and they can't put a building in and go through – they can't damage the cap that was used there.

Chairman Cardin

They do have a site in that ..

Alderman Deane

In a little corner or something?

Chairman Cardin

Yeah, that would be okay to put up a concession stand. We have had a couple of meetings with Nick over at the Park Department and they are trying to figure out how they can raise more money to get this concession stand built. They did have one before we went in and tore that whole thing down. As you know it is integral to the fundraising efforts of the teams that use the field. We would certainly like to see a new concession stand go up.

Alderman Deane

I know what those things generate for cash believe me.

Chairman Cardin

They count on it – to buy uniforms and all that stuff.

Alderman Lozeau

Line 21 that \$75,000 in anticipated contingency did you say that was going back to Review & Comment before we decide to do anything with it?

Chairman Cardin

The only portion of that to go back to the Review & Comment Commission would be \$3,237. They were given a certain figure, and it was actually \$3,237 more so I would like to send that back to them so they can decide how to use those funds.

Alderman Lozeau

So what do we do with the contingency? Line 21 says we have \$75,000 in contingency.

Chairman Cardin

It has \$75,121 so when we get that recommendation back from them then that money would be allocated to that purpose.

Alderman Lozeau

That was my original question, but you said it was \$3,200.

Chairman Cardin

It is - \$3,237 is the only amount that is going back to Review & Comment. The rest of it is just regular contingency.

Alderman Lozeau

My other question is all these things with the neighborhood street lights, the railroad square façade, Roussell Field, the bus garage are those funds already in an account is that why there is an account number?

Chairman Cardin

Yes.

Alderman Lozeau

Those funds are already available and ready to tap?

Paul Newman

Correct. Actually speaking for a moment on contingency as it says in the language here say for example one of the approved projects there is some unexpected circumstances which arose last term with a couple of the projects that were approved the committee had the option of voting to authorize additional funds to apply to that. Additionally from time to time a project will come in that is out of cycle with its funding process, but is really worthwhile and the board would be able to consider that contingency can be used for that. It only requires a resolution and a public hearing and of course a favorable vote from the full Board if it isn't already a project in the plan. It kind of provides that safety net.

Alderman Deane

I just wanted to comment on what Paul just had to say.

Chairman Cardin

We need motions to make the changes that were recommended – reprogramming the funds, adding Nashua Pastoral Care, the breakout of the human service support, the addition to the contingency, housekeeping measure to move forward these projects that are highlighted on the last two pages.

Alderman Lozeau

Are we going to discuss the last section – homes activities – is that up for discussion or is that already...

Chairman Cardin

We will discuss the whole resolution if you like.

Paul Newman]

If the committee would like we were prepared to speak to some follow up. That was a separate memo the follow up on the home program. That was one of the items you accepted in your correspondence from Klaas Nijhuis was basically related to Casimir Place and the questions of

relative cost of it, the process by which projects get funded, which was not in this, but was in your handout that was given to you tonight and the requirements for rents – affordability and so forth.

Klaas Nijhuis

My area of concern is typically around the housing work that the city gets involved in and also around the support of non-profit agencies. Before I start talking about the Home Program and Urban Programs I need to disclose the various affiliations that may be a concern to you that I have in regards to partnerships with agencies that might be embarking on community and economic development work and how I work with those. First of all I need to disclose that I am on the New Hampshire Community Development Finance Authority's Board and that organization is a State entity that brings revenues from the State's general revenues actually offset by tax credits, to affordable housing development projects and other projects in the realm of community and economic development. That organization is currently the house for the State's small cities CDBG program. They also are the host for the Housing Futures Fund, which funds the State's non-profit housing developers and we also as I indicated get involved in the equity and debt investment in community development projects. It is very much focused on inner city revitalization.

It has an affiliated agency called the New Hampshire Main Street Center, which does a lot of the inner city revitalization work working with volunteer groups and municipalities. I am also on the faculty of Southern New Hampshire University where I work in the Masters Program of Community Economic Development. Some of our students, the program attracts students from around the country and in fact around the world. Some of my students are in fact from New Hampshire and Nashua. For example Sarah Garello spoke on micro credit was a former student of mine.

Locally I am the Vice Chair of the Continuum of Care, which is an affiliation of 40 organizations, which come together to rally around any homelessness in this community. I serve on the Boards of Nashua Soup Kitchen & Shelter, Neighboring Housing Services of Greater Nashua, and Habitat for Humanity. I am also on the advisory committee for the Nashua Area Health Center, which has Review & Comment funding recommendation in the resolution.

One final disclosure I think that is relevant is I am completing my dissertation in a topic that is really made possible through the Community Loan Fund of New Hampshire and micro credit is an operation of the Community Development Block Grant. I think that goes for the disclosures now for Home.

Let's talk about the memo I sent April 12th first if that is your pleasure. Essentially was asked to bring you facts around the Casimir Place project in regards to the last project we did in this regard.

Alderman Tollner

Just one second. I want to thank you for disclosing the affiliations you have, but I think it is important for the public to know that all those affiliations other than Southern New Hampshire College I think I am correct in stating that you are not compensated for any participation in any of those entities it is volunteer work on your part correct?

Klaas Nijhuis

That is correct and there is also a review that was done both by the United States ..

Paul Newman

As his supervisor if I may – Yes certainly is super working with Klaas, but as his supervisor directly those are issues we want to make sure we were okay with when Klaas first came here and additionally when he first became involved with the Home Program. In 2000 we sought an opinion from Corporation Counsel, David Connell, which he did render that indeed since there is no financial benefit that there is no conflict of interest. Additionally since this department and Klaas particularly administers Home Funds we wanted to make sure that HUD had the same opinion and their office of council provided a written opinion that indeed there is no conflict of interest. It is really so much predicated as it was pointed out that there is no financial gain. Additionally under the Home Program those agencies that get so called community housing development organization status, which we have one so far and others are seeking that in Nashua, they have as you heard testimony from board members they have volunteer board members. Those organizations, under HUD standards, can have up to 1/3 city employee or municipal official representation on them. Actually it is very much encouraged by HUD. They don't want them to dominate, but they like the fact that a community's officials are involved because it provides that kind of networking and somewhat watchdog function.

Chairman Cardin

I think it is to our benefit to have someone who is as involved as Klaas is so we thank you for that.

Alderman Tollner

I think that is a great thing. I think some people may be watching are involved in this and over the course of time may think that there is a conflict, but there isn't an apparent conflict. I wanted to clarify it for everybody that you are not compensated. Some of us are on different boards where that entity may come before the Board of Aldermen and we have gotten the same opinion from Corporation Counsel. I think that is good.

Klaas Nijhuis

Back to St. Casimir Place. I think there was concern about the project costs and all I could do for you was provide you a comparison of this particular project, which will be valued as a \$5.6 million project when it is complete of which there is a city investment through Home Funds proposed of \$750,000. That is leveraging substantially a whole lot of other investment in the community and the attachment to my memo talk to that. The greatest portion of the investment is through Low Income Housing Tax Credits of \$3 million. That is direct equity in the project. I need to talk about equity and debt in affordable housing projects. Affordable housing projects in the private sector are impossible to do in our economy in our location because they cannot carry the debt service that is required for the costs incurred in the acquisition of property, the soft development costs around legal fees, architectural engineering fees, site engineer fees, that sort of thing, around the financing – the bringing together of the various sources, and the construction costs.

Furthermore because they are federal dollars there is an insistence by HUD that the project meet rather rigorous construction standards. There is a whole host of federal regulations that home projects are bound to. Furthermore there is no out without severe financial penalty. A Home Project has to function for its entire duration. If it runs in trouble the acting organization runs in trouble, the city runs in trouble and all the financial backing around it. There is great pressure to reduce the debt service or what can be converted to a mortgage on these properties. All those matters bring up the cost of doing these projects. In terms of bringing together the finances for these projects it takes time as well. A normal market transaction may be done by just an owner's equity and quick access –a mortgage turnaround in 30-90 days. These projects don't. They have to go through federal reviews and various out of cycle funders consideration so in likelihood before a project is realized, before the first shovel is dug as it were there is probably a year and a half worth of work that is done in the background.

Then there is the continuing oversight that the city has during construction and during the entire affordability period, which for our Home Projects is a minimum of 20 years. That explains a little bit about the costs and how you compare that to other projects in the market, how you compare it to other projects that are a similar nature, and here again we have to compare projects that are home funded with other home funded and low income housing tax credit projects. We may not be able to do the same kind of comparison around those projects that are in the affordable housing sphere that have mortgage guarantees.

Having done that this project is 28 units, the largest project we have ever undertaken. The next largest project was 22 units. That was Millette Manor. Millette Manor got a Home infusion of \$900,000, St. Casimir is asking for \$750,000. St. Casimir is predominantly 3 bedroom units and some 2-bedroom units. No one-bedroom units. Millette Manor was predominantly one-bedroom units with some 2-bedroom units. Casimir Place is dependent on the conversion of a 100-year-old structure on a site that the Diocese needs to dispose of and at a time when it needs income in order to satisfy its other financial obligations imposed by the courts. Millette Manor was done for a \$1 because the Catholic Church was not at that place and that facility was not needed yet the church on the same site still remains functioning.

There really can't be drawn a true comparison between those, but what I did want to point out was the order of magnitude as you look down in terms of construction costs and the total development cost was relatively proportional. Construction costs have over the past two years continued to go up, but not as fast as they have in the prior two years. Take that into account. Then I also provided you a spreadsheet of the various projects that were being considered for low income housing tax credit allocation at New Hampshire Housing Finance Authority a Board I don't sit on by the way, and there is a every half year cycle application round that various entities wishing to do affordable housing development come to. This represents the first round for 2004 and you will notice that there are 4 projects above Casimir Place. The low scoring of those 4 projects was within I believe 5 points of our project so that is why it ended up in 5th place and our project scored lower because of where it was in terms of environmental and site control at that time. Right now with an internal review at New Hampshire Housing Finance we have increased our scoring by 14 points so we score much higher than the other two projects above it. That is one discussion.

The other discussion is the next cycle is June and application is being made, which will bring low-income housing tax credits available in August. The comparison here is around the construction costs for these particular projects and we fall well under the average for square foot construction costs. One of the higher scoring projects was in fact \$104 a square foot.

Again for your comparison in order to see this project in relation to the other kinds of projects that are being considered in the State you will notice that the projects range from 12 units all the way up to 92 units, but that 92 unit is an anomaly in this regard because that is really redevelopment of an existing project and their per square foot gives that away at \$21. That is even skewing the average cost down.

Are there any questions I can answer in this regard?

Paul Newman

Casimir Place is in \$77 per square foot in that column and you look at the ones above that were funded and there is only one that came slightly under that and that the average overall was \$83 so it does indeed rank at least below average. Again that average is somewhat artificially brought down by that \$21. That is also given that this is probably the highest cost area in the State. When you look at the other they are more northern – typically I think one would think that wouldn't be the case otherwise. I think it shows a relative economy.

Alderman Deane

I am having difficulty with these Princeton Meadows at \$21 a square foot whether it be here or Alaska something is wrong with that number unless they were given the land with the building that only needed paint and wallpaper. Something is wrong there.

Klaas Nijhuis

That is an existing apartment complex and it is just being renovated.

Alderman Deane

It is a rehab so it is – it shouldn't even be on the list because if you are going – when you look at the other one that is in Laconia if it is a rehab there is a difference in cost associated with building square footage compared to rehab construction square footage. It is a significant difference unless you are doing a lot of structural movement of interior walls, but if you are going in, gutting, rewiring, and replacing the heating and leaving the structural components there you will see a cost difference. The other question I had was on the amount of square footage you are showing a cost of \$200,000 per unit, but there is no comparison that I have come across yet on what the units – you have done a spreadsheet on the comparison of cost per square foot and we are looking at the total amount, but we are not seeing how many square feet per unit you are comparing this to. Obviously if the other units – say your unit has 100 sq. feet and you are doing a cost comparison against other ones that only have 50 your total cost will be higher.

Alderman Lozeau

Not square foot cost.

Alderman Deane

Your total cost. His units are \$200,000 average. What is your average square foot for each of the 28 units? Do you know off hand?

Klaas Nijhuis

I did not prepare this spreadsheet this was directly from New Hampshire Housing Finance Authority for the consideration of lower income housing tax credits applications last round. I don't have that information. I didn't have the time to gather that information, but I have a sense where we are developing 3 and 2 bedroom units these other projects are much smaller in unit size – 1 and 2 bedroom units. It is difficult to compare. The best comparison I can give in numbers that I am intimately aware of is the St. Casimir project against the Millette Manor project. That is where the detail that I gave you is. Again I didn't prepare any of these spreadsheets this came out of the developer's pro forma for their various funding sources.

Paul Newman

As we are looking at this you have constructions costs, which does not include acquisition and soft costs. Then the next column is total development costs, which would include acquisition and soft costs. It may well be that some of these other developments are getting land that is significantly written down or by donation or reduced costs whereas Casimir is paying somewhat closer to market. That may affect the per unit cost.

Klaas Nijhuis

It definitely would.

Paul Newman

Plus the fact that these are larger units.

Alderman Deane

When this facility is done the city will be able to tax this building?

Klaas Nijhuis

Yes the developer proposes paying full taxes on the property's assessed value.

Alderman Deane

The other item that I was confused by was three different people spoke in favor of this and they gave three different definitions of what it was, what the facility was going to service. Bridgett stated/called it family housing, Alfonse called it affordable housing, and Heather referred to it as possible housing for homeless veterans. Is there a criteria in order to get into this facility? I know you went through your 60% median income, but if you had to characterize this project what would it be characterized as?

Klaas Nijhuis

The project would be characterized as affordable family housing targeting families who are living at generally 60% or less of median area income, and the third page of my home fact sheet describes what that is depending on household size and the affordable part of that is described

in what the maximum rent, which includes all utilities less the phone that is the maximum monthly rent that can be charged. That defines the affordability. The project size and frankly its need to pay down debt service describes what kind of households will be in there. Bridgett will not be renting 3 bedroom units to households of 1. She will be renting three bedroom units to households of 4-6 people. That gives you what the economics of that household are. In Home projects 20% of those units need to be for families at even lower income levels – 50% of median area income. There are two classes of families that will be served there. Bridgett is currently exploring in order to score higher on an application to the Federal Home Loan Bank of Boston, a partnership with Harbor Homes, which would dedicate a number of units, perhaps 6-8 out of the 28, to housing veterans. In fact, would be bringing additional subsidies to the program through the Veteran's Administration – yet another source of money in order to make this project possible.

Klaas Nijhuis

If there are no more questions on this then I can go to the matter of the resolution itself.

Alderman Lozeau

If one of your sources of funding falls through, for example the low income housing tax credit or another source of funding, is the project still viable?

Klaas Nijhuis

It depends on the magnitude of the funds that fall through. Low income housing tax credits do not get realized in this next round that means more than half of the funds needed to start this project will not be available, and this project will not start until all funds are in place. It would either delay the project or kill the project. Some of the smaller sources or uses of funds might not have such an impact and there may be some scrambling to get additional funds from other opportunities for raising additional equity. There will have to be a decision made as to how to proceed if one of the substantial pots of money falls away.

Alderman Lozeau

The reason I ask that question is because there are a million people out there looking for funding for housing. This project didn't make round 1 of the low income housing tax credit approval so there is no guarantee it will make round 2. I am just concerned with the funding that we are giving to the project what happens to that funding if the funding sources actually don't come through.

Klaas Nijhuis

Let's answer the second part first – the Neighborhood Housing Services and the City attempted to redevelop 105 Locke Street using home funds in the past. That project fell through. That essentially de-obligated \$205,000 I believe of home funds that were originally earmarked. The answer to your question is the funds again become available ... **tape flipped** ... Actually use these home funds before it has to pay back. We are hustling for projects in the pipeline. Locke Street was one such project that fell through because the seller would not release certain contingencies on the sale regarding hazardous material. We had an application in place by Harbor Homes to develop 17 units at St. Patrick's rectory. The seller is not moving

on disposing that property so that project fell through. This is the 3rd home application that we have in line for this.

Through the Continuum of Care we make it know that the home program is out there. Some for-profit developers have come forward and looked at it. There is an entity called Great Bridge Properties working out of Manchester that came and looked at this program. I was associated with the only other not-for-profit developer that did affordable housing using the home program in the past and that was First Equity – part of the Finley Real Estate Group. Word is known about the home program. We intend to make it more known, but at the same time we are lining up projects in the future. This would in fact commit all of that stuff that hasn't been able to get committed last year and a good portion of what remains to be committed for this year, this particular project.

Alderman Deane

105 Locke Street is over. Am I correct to assume that, isn't that what you said?

Klaas Nijhuis

It is with Neighborhood Housing Services. There may be another interested party out there that we are not aware of.

It is with Neighborhood Housing Services. There may be another interested party out there that we are not aware of.

Alderman Deane

That is the old guard building that is laden with asbestos. If something happened to this project and you didn't receive adequate funding to proceed – in order to redirect the use of these home funds that would have to be done by legislation correct my this committee – you would have to come back and then if another project or whatever came into play but.... That pretty much answers that question. Thank you.

Klaas Nijhuis

There was another piece in the question and that was the concern about the project not scoring or no guarantees of scoring in the next round. That is a very true statement. Millette Manor was such a case. It did not score in its first application round, but it scored well enough to get \$900,000 of home funds leveraging. I don't recall the amount of low-income housing tax credits I think there was somewhere around an excess of \$2 million. It is very likely that this project will go the same, but I have to agree with Alderman Lozeau that there are no guarantees in this.

The proposed resolution suggests a certain portion of money for the administration, the ongoing administration by Urban Programs, for the Home Programs in the amount of \$57,760. That money is used to encourage new developments, to monitor construction, to monitor the projects that are in place. We have an obligation to HUD and to the other funders to annually monitor

both the tenants who live there, their tenant files, that they are income qualified and that the rents that are being charged are fair rents. We also monitor the quality of the housing ensuring that it meets HUD housing standards.

There is another recommended apportion. These are sort of the guidelines that the home program lays out at the national level – affordable family rental housing, which is really combining points 3 and 1 and that is the bulk of the work that we do. The Nashua Home Program by definition through the consolidated plan is one for developing affordable family rental housing and there is a secondary function for the development of housing for special needs and elderly also for low income families.

Combining the \$131,000 and the \$359,000 that satisfies the actual mission of the home funds in the community. There is a pot of money for using partner agencies within the community, which are called Community Housing Development Organizations to promote the creation of preservation of affordable housing. At this time we have one certified CHODO, which is Neighborhood Housing Services of Greater Nashua and we have just two weeks ago received an application from Southern New Hampshire Services to also be considered as a CHODO. We are reviewing that and are very close to our final recommendations on that. We also believe that there are other organizations that will be pursuing that designation. There is a set aside for those entities that have the capacity to do the creation of preservation of affordable housing in the community \$28,880 operation funds.

MOTION BY ALDERMAN TOLLNER TO AMEND R-04-35 WITH THE PROPOSED REVISIONS RECEIVED THIS EVENING

ON THE QUESTION

Alderman Plamondon

Except for the 505 dollar notations as they are contingency.

Alderman Tollner

I was going to amend it first that way we would all be working with the same base copy.

Alderman Deane

I have one comment on section 21 the second sentence down that starts with “That the following activities be brought forward to Fiscal Year 2005, with no change in ... one of those words “in” has to be removed.

MOTION CARRIED

MOTION BY ALDERMAN PLAMONDON TO AMEND R-04-35 IN SECTION 18 BRINGING THE ORIGINAL NUMBERS BACK DOWN FOR BOYS & GIRLS CLUB \$20,000, THE GREATER NASHUA COUNCIL ON ALCOHOLISM TO \$31,000, NASHUA SOUP KITCHEN & SHELTER TO \$50,000, NEIGHBORHOOD HEALTH CENTER FOR GREATER NASHUA TO \$30,000 WITH THE REMAINING \$3,237 BEING PLACED BACK INTO CONTINGENCY LEAVING A TOTAL IN CONTINGENCY OF \$75,121

ON THE QUESTION

Alderman Deane

You are going to have the Review & Comment Committee disburse those funds?

Chairman Cardin

That is what we discussed. What I would recommend is that the \$3,237 would go back to the Review & Comment Commission to make a recommendation on where to allocate those funds. In the meantime, we would put them in contingency.

Alderman Deane

If you put it in contingency then once this is approved then you would have to write a piece of legislation to take it out of contingency and transfer it to 505?

Alderman Tollner

We also would have to have a public hearing.

Paul Newman

It would depend on what it was used for. If it was applied to one or more of these activities already in here I would not see that there would be a need for a public hearing.

Chairman Cardin

Right because it is already..

Paul Newman

No resolution either because this resolution provides this committee the ability to apply contingency funds to approved projects. I think the clerk read for Nashua Soup Kitchen & Shelter I thought I heard \$50,000 it is \$49,263

MOTION BY ALDERMAN PLAMONDON TO AMEND R-04-35 IN SECTION 18 BRINGING THE ORIGINAL NUMBERS BACK DOWN FOR BOYS & GIRLS CLUB \$20,000, THE GREATER NASHUA COUNCIL ON ALCOHOLISM TO \$31,000, NASHUA SOUP KITCHEN & SHELTER TO \$49,263, NEIGHBORHOOD HEALTH CENTER FOR GREATER NASHUA TO \$30,000 WITH THE REMAINING \$3,237 BEING PLACED BACK INTO CONTINGENCY LEAVING A TOTAL IN CONTINGENCY OF \$75,121

ON THE QUESTION

I am trying to think of the timing of when is the next time that Review & Comment is going to meet?

Chairman Cardin

They are done, however, there are still commissioners that can call a meeting.

Alderman Tollner

We could very well pass this – we are not thinking that they will come back in the next 2-3 weeks?

Chairman Cardin

I wouldn't assume so no. I don't see why they couldn't, but I don't think that we need that in order to pass this if we are putting that money in contingency.

Alderman Lozeau

Did you also add Nashua Pastoral Care?

Chairman Cardin

We did that when we accepted this amended resolution.

Paul Newman

It is kind of implicit, but also change the lump sum amount, the summary on line 18 to \$130,263.

Alderman Lozeau

On the home funds it goes 1, 2, 3, 5. I don't know if you want to put a 4 in there.

MOTION CARRIED

Alderman Plamondon

I have a mountain of paperwork and some very good memos from our Community Development Division and some concerns there. I don't have my original worksheet from before, I believe it is in my file, but I think I can do this without disrupting our Urban Programs Director. I just wanted to know what we cut and if there is anything we can do to help. I just want to make sure that at least I for one am comfortable with going forward with anything. The program coordinator for office of Economic Development I don't see that on here. This memo doesn't say what was originally asked for. Business Manager, Thoreau's Park, Micro-Credit, and was there a request for the rail trail along East Hollis Street?

Paul Newman

The item #20 – program operations administration would include that program coordinator in Office of Economic Development because we are just trading off from the prior funding of a different position in the Community Development Division of the Business Manager. The grants writer is in the resolution. The Business Manager will be disappearing and it will be solely within the city's budget.

Alderman Plamondon

What was the requested amount originally?

Paul Newman

It is about \$15,484 that is allocated of the program coordinators time to Community Development Block Grant in FY '05 and none of the Community Development Division Business Manager. That is the trade. The Program Coordinator was previously solely in the city budget and now will be in the – part time so we can make that trade.

Alderman Plamondon

Thoreau's Park?

Paul Newman

It is not in your resolution as introduced.

Alderman Plamondon

Okay. What about micro-credit.

Paul Newman

That was in the resolution as sponsored and introduced. You do have more contingency at this point than has been carried in past years. Typically you have started off at around \$40,000. If one wanted to contemplate projects that were not in the resolution...

Alderman Plamondon

There was not a request for the rail trail?

Alderman Deane

There is money there that is being carried over.

Alderman Plamondon

From my perspective I think the river promenade concept plan – is there anything we can do to throw some kind of funding in that direction? The original request was \$25,000, but if there were some monies put in for a line item at least it is a start.

Alderman Lozeau

Can't use home funds for that.

Chairman Cardin

Are you making a motion Alderman Plamondon?

Alderman Plamondon

Maybe I could ask the Director of Community Development if some monies are put in the line item in there is that beneficial or are we spinning our wheels – we could put something in there to get something started. I think there are some matching dollars that may be available.

Kathy Hersh

The request for that concept plan for the riverfront promenade was for \$25,000 and in that if there isn't that much money I am going to need at least that much money to do that concept plan so I would have to look for other monies from other sources. Given that if you gave me less than that I will look for other money from other sources, which is what I continue to do. On the other hand, Mr. Newman did make a mention about the contingency is more than your usual contingency so maybe that is an option.

MOTION BY ALDERMAN PLAMONDON TO AMEND R-04-35 TO ADD \$25,000 FOR THE RIVERFRONT PROMENADE CONCEPT PLAN AND DELETE THE \$25,000 FROM CONTINGENCY

ON THE QUESTION

Alderman Plamondon

I just want to express my viewpoint that this – our revitalization of our downtown is critical and this particular area of the riverfront promenade directly involves beyond our downtown – if you can extend it out to all the downtown wards; Ward 3, Ward 7, Ward 4 – it is just important that we can't lose sight of our vision for our downtown. Any hiccups in this vision easily can bring us back to the days not that long ago where we had empty businesses. We need to keep things vital. We need to keep a vision going. I think this promenade really hits to home for that whole area especially in light of the other potential private developments that are going on in that area – the old Goodales, the Irish restaurant going in there, and what is being looked at on Franklin Street, with the Water Street area, and the park.

I am just going to ask for some support on this. Let's keep the vision alive.

Alderman Tollner

I appreciate my colleague's comments, but I can't support that. What we are saying right now is that is roughly almost a third of the contingency money that we are discussing, and this is a development project that I think the city has already been pretty flexible on the tax credits, the TIF arrangement that we put together. I think we have already put aside some money for the front of the Goodale building. It is a lot of money. While I appreciate his comments and concerns I cannot support the motion.

Alderman Gage

I will agree with Alderman Tollner. The idea is a wonderful thing, but that is a good chunk of that money that we would be taking out of there to do something like that. I just couldn't support it. Thanks.

Alderman Plamondon

Just a reminder this brings contingency down to \$50,000 where historically we average around \$40,000. There is still a lot of money in there that we can still have flexibility on for the upcoming year. Yes there are monies for façade programs and such, but they all center around the river. The plan is to open up our downtown for meeting spaces, green space, and open up the river. It is our one natural asset downtown. The promenade would do that.

Alderman Tollner

I would guess I would ask if Alderman Plamondon had a choice of investing that money in the promenade or say the Hunt Building which would he choose. That is a discussion we are going to have I think in a couple of minutes. There is a substantial amount of work that needs to be done at the Hunt Building.

AMENDED MOTION BY ALDERMAN PLAMONDON TO AMEND R-04-35 TO ADD \$10,000 FOR THE RIVERFRONT PROMENADE CONCEPT PLAN AND DELETE THE \$10,000 FROM CONTINGENCY

Paul Newman

I was just going to point out a constraint that the city has under the grant that not more than 20% of the annual grant can be spent on planning administration. If you go back to the spreadsheet where in there was categorized out of the various proposals there are certain that fall in that planning and administration category and there is really only like \$20,000 left before you hit that ceiling. The \$25,000 would have put it over whereas some other types – Thoreau's Park just to clarify because it actually would be engineering design and not planning. It actually falls as a public facility.

Alderman Lozeau

I would ask for the opinion of the community development director. If we're going to spend another \$10,000 - \$15,000 where she would like to see it.

Kathy Hersh

They are both such valuable projects. It is a very difficult decision because there's so many, many worthy projects. We're so fortunate as a city to have such wonderful non-profit organizations. I guess put it to the riverfront, if I had a choice, but you can pick either one.

Alderman Lozeau

Which one would do more good?

Kathy Hersh

What I need for Thoreau's Park is a final design of the park. DOT would like to start construction in April – a year from now.

Alderman Lozeau

That's DOT's money.

Kathy Hersh

And DOT has money. So if we don't have our money to do our construction park for Thoreau Park, at least if we have the design we can phase it so that DOT does their part and does it consistent with what we want so we can then do our part when we get the money. I'm pursuing other sources of money for construction of that park, but that's why that design money is really important. But if you put \$10,000 towards a \$50,000 need, I'm still going to have to go find \$40,000. If I find \$40,000 then I might find \$50,000 as well as \$40,000 over there. That would give me close to half of the concept plan for the riverfront. If the committee has a preference, I would be grateful for any funds, and I will make the best use of them.

MOTION FAILED TO REDUCE CONTINGENCY BY \$10,000 AND ADD \$10,000 TO THE RIVERFRONT PROMENADE LINE

Aldermen Deane distributed a communication to the committee

Alderman Deane

At the last Human Affairs Committee meeting, I brought forward some concerns with the Hunt Building. We were waiting for a report – Paul Newman is aware of this, I believe – from Risk-Frost & Shumway. We have some of the building analysis report that was delivered that I have given you a copy of. We have a number of issues over there. One is the building needs to be repointed which is a substantial amount of money. It entails removing all the mortar from the brick of the entire building. They have come to the conclusion that that's where a lot of the water infiltration is. I met with the trustees, and I'm going to sit down with them again and we're going to review this document - I know with Paul, Janice Tremblay – and I see Maureen Lemieux's name on this. There's also an issue with the south roof area above the main meeting room. Janice Tremblay went out and got a number that still has to go through the process if we use number one of the three recommendations. In order to bring forward a recommendation to do any roof repair work over there, I think it should be consistent with what the architect would suggest doing. I know that we should talk to him. There's plans for that building for restoration. I think gooping up with side of the brick work with EPDM rubber membrane is not the right thing to be doing. It will stop the water, but it's not part of the restoration work. This is a roof area that has some issues. We have to put it out to bid, but you can see the three different costs associated. We're going to be doing this year hopefully the heating, the ventilation and the water infiltration problems. The division of public works went over there and cleaned all the gutters out. Rick Seymour was going to send a jet vac truck out to clean all the drains because the water was backing into the building. They have been very cooperative. They have started to clean the grounds up as well over there. I would like to see some possible consideration for the committee for preferably item number one because I believe that's what they started doing up on the north roof. They replaced all the skylights and did all the glass. That was all done in copper. I would imagine the architect would like to see the rest of it to fall in place with the restoration work. Thank you.

Chair Cardin

Paul, does this fall in line with the funding that we have before us?

Paul Newman

If it would be eligible under the program? I always have to try to take this step-by-step. Typically, at least put program why, at least 70 percent of the CDBG funds has to be spent on activities that benefit low and moderate income persons or households or neighborhoods. That would mean principally residential. Within that other up to 30 percent, communities can devote projects for the elimination of slums and (inaudible). One can designate areas where you find there is a preponderance of slums. In fact the city did so with railroad square back some years ago. That qualifies certain activities under that umbrella for funding particularly those that eliminate threats to public health and safety. Given that the building is unoccupiable, inhabitable – if you have water infiltration and so forth – it seems to tie into a threat to the public and the habitation of the building. As long as it is in that realm of essential improvements to a building to make it habitable I expect it would qualify for funding. The city has funded in the past dealing with water infiltration and air conditioning.

Alderman Tollner

You said item number one may be more appropriate?

Alderman Deane

There's three different options. You can either go with all copper or you can go with the EPDM wall and valley with copper main pitched roof or you can go just with the rubber. I think with the plans that the architect has in place to try to restore the building back to it's original ... if you look at the hip roof over where they replaced all the skylights on the north side – that was all done in copper.

Klaas Nijhuis, Deputy Manager

If we're going to be using federal CDBG dollars, we're subject to an environmental review of the project. For historic restorations, we need to abide by the Secretary of Interior Standards on historic preservation which probably would dictate that this project, if it is done with CDBG dollars, becomes an all copper roof project.

MOTION BY ALDERMAN TOLLNER TO REDUCE CONTINGENCY BY \$28,000 AND ADD \$28,000 FOR THE RESTORATION OF THE SOUTH ROOF AREA OF THE HUNT BUILDING WITH ITEM NUMBER ONE AS IDENTIFIED IN THE MEMO WE RECEIVED THIS EVENING

ON THE QUESTION

Alderman Plamondon

Do we know how solid that \$28,000 is? Has it gone out to bid?

Alderman Tollner

I'll defer to Alderman Deane. I just wanted to add that I think at our last meeting Alderman Deane talked about a lot of the water damage and things like that that had occurred. First of all, I want to complement him going down there and having discussions with people and coming to this committee with the proposal.

Alderman Deane

This figure is what I received from purchasing. It would have to go out to bid again. They might have some other funds available. If they go over a little bit, the Board of Trustees would have a few dollars available to pitch in on this. This number was fresh on the 13th of this month so it hasn't been sitting in a file for a long time.

Alderman Plamondon

Did our purchasing manager get this figure from D&D Restoration?

Alderman Deane

Yes.

Chair Cardin

A lot of the requests we get before us come in as quotes. They are not actually invoices that we are paying. This is very typically.

Klaas Nijhuis

That is a good caution to check the number. I don't know what the front end of the specification was in term of general conditions, but one of the conditions for the use of CDBG dollars for non-residential development or construction work is that Davis-Bacon wage rates be applied. Also with the weekly certified payroll presented to the payer, there's additional overhead and burden for the contractor. We don't know if this number included consideration of Davis-Bacon wage rates.

Alderman Deane

That's a good point, Klaas, but with the projects that I have been through, looking at the Davis-Bacon Act, my first concern is that the numbers associated with the hourly rates that were required through the Act. When I got the document and opened it up, I was shocked at how low the wages were in some of the areas. I don't think that has been updated in Lord knows how long. When we built the skate park, we looked at cement finishers. They were getting \$8.10/hour. I do realize that it is an added cost that has to be brought through, but they have done work up there before.

MOTION CARRIED TO ADD A LINE ITEM FOR THE HUNT BUILDING SOUTH ROOF IN THE AMOUNT OF \$28,000 AND REDUCE CONTINGENCY BY THAT AMOUNT

MOTION BY ALDERMAN PLAMONDON TO RECOMMEND FINAL PASSAGE AS AMENDED

MOTION CARRIED

Chair Cardin

Thank you very much for all the work you have put into this. Thank you, Alderman Deane, committee members. This is quite a process, and I appreciate everyone's input and hard work on this. Thank you.

NEW BUSINESS – ORDINANCES – None

DISCUSSION

POSSIBLE NON-PUBLIC SESSION

ADJOURNMENT

**MOTION BY ALDERMAN TOLLNER TO ADJOURN
MOTION CARRIED**

The meeting was declared adjourned at 9:36 p.m.

Alderman-at-Large James R. Tollner
Committee Clerk