

CITY COUNCIL MEETING

MUNICIPAL COMPLEX, EILEEN DONDERO FOLEY COUNCIL CHAMBERS, PORTSMOUTH, NH
DATE: TUESDAY, JANUARY 21, 2025 TIME: 7:00PM

Members of the public also have the option to join the meeting over Zoom, a unique meeting ID and password will be provided once you register. To register, click on the link below or copy and paste this into your web browser

https://us06web.zoom.us/webinar/register/WN_vrA6B_ixTXi_ctnA44UTHA

6:30PM – ANTICIPATED NON-PUBLIC SESSION IS BEING HELD IN CONFERENCE ROOM A

1. COLLECTIVE BARGAINING AGREEMENT IN ACCORDANCE WITH RSA 91-A:3 II (a)
2. CONSIDERATION OF LEGAL ADVICE IN ACCORDANCE WITH RSA 91-A:3, II (I)

AGENDA

- I. WORK SESSION
- II. PUBLIC DIALOGUE SESSION [when applicable – every other regularly scheduled meeting]
- III. CALL TO ORDER [7:00 p.m. or thereafter]
- IV. ROLL CALL
- V. INVOCATION
- VI. PLEDGE OF ALLEGIANCE

PRESENTATION

1. *Fiscal Year 2024 Audit Summary – Matt Hunt, CLA

- VII. ACCEPTANCE OF MINUTES – DECEMBER 2, 2024 AND DECEMBER 9, 2024
- VIII. RECOGNITIONS AND VOLUNTEER COMMITTEE REPORTS
- IX. PUBLIC COMMENT SESSION (*This session shall not exceed 45 minutes*) – (*participation may be in person or via Zoom*)
- X. PUBLIC HEARINGS AND VOTE ON ORDINANCES AND/OR RESOLUTIONS

First Reading of Ordinance:

- A. First Reading of Ordinance amendment to Chapter 10 – Zoning Ordinance – Zoning Map, Article 4, Zoning District and Use Regulations, Section 10.421 – District Location and Boundaries, Section 10.421.10, be amended to remove 185 Orchard Street, Tax Map 152, Lot 2-1 from the Historic District Overlay

- XI. CITY MANAGER'S ITEMS WHICH REQUIRE ACTION

A. CITY MANAGER CONARD

City Manager's Items Which Require Action:

1. *City Appointment to Seacoast Commission on Long-Term Goals and Requirements for Drinking Water

2. Parking Agreement for Strawberry Banke Museum
3. *Request for Public Hearing on Elderly Exemptions
4. *Request for Public Hearing on Disabled Exemptions
5. Request for Public Hearing on the Drinking Water State Revolving Fund Loan

XII. CONSENT AGENDA

- A. Letter from Latrice Smith, National Multiple Sclerosis Society, requesting permission to hold the 2025 Walk for MS on Saturday, May 31, 2025 (***Anticipated action – move to refer to the City Manager with Authority to Act***)
- B. Letter from Jenna Raizes, Portsmouth Little League, requesting to add signage at three City fields: Central Field, Plains Field, and Hislop Field (***Anticipated action – move to refer to the City Manager with Authority to Act***)

XIII. PRESENTATIONS AND WRITTEN COMMUNICATIONS

- A. Email Correspondence (***Sample motion – move to accept and place on file***)

XIV. MAYOR McEACHERN

1. *Appointments to be Voted:
 - Reappointment of Jeff Stern to the Board of Library Trustees
 - Appointment of Bill Bowen to the Planning Board
 - Reappointment of Anthony Coviello to the Planning Board
 - Appointment of Ryann Wolf to the Planning Board
 - Appointment of Frank Perier as an Alternate to the Planning Board
 - Appointment of Frederick Calcinari to the Sustainability Committee
 - Appointment of Rhianne Tallarico to the Sustainability Committee
 - Reappointment of Thomas Watson to the Trustee of the Trust Funds

XV. CITY COUNCIL MEMBERS

A. COUNCILOR TABOR

1. Guidance to the City Manager regarding the FY26 Budget (***Sample motion – move that the City Council adopt the following guidance for the City Manager for FY26 Budget:***
 - ***Target 3.5% as the increase in total expenditure***
 - ***No increase in headcount unless the position is self-funding; and,***
 - ***If the target will result in a loss of the current level of services, provide details and explanation from affected departments to the City Council)***

B. COUNCILOR COOK

1. Request for First Reading regarding Adoption of Fees Ordinance (***Sample motion – move to bring forward Adoption of Fees Ordinance for First Reading at the February 3, 2025 City Council meeting***)

C. COUNCILOR BLALOCK

1. *Student Government Day

XVI. APPROVAL OF GRANTS/DONATIONS

- A. *Acceptance of Overwatch .Gov Grant Award - \$10,000.00 (***Sample motion – move to approve and accept the Grant as presented***)
- B. Acceptance of Donation for the Restoration of Old North Cemetery from the David and Jaqueline Mahoney Fund - \$10,000.00 (***Sample motion – move to approve and accept the Donation as presented***)

XVII. CITY MANAGER’S INFORMATIONAL ITEMS

1. *Pease Development Authority Board Meeting Update
2. *New Procurement Platform Update
3. Report Back on Sweetser Request

XVIII. MISCELLANEOUS BUSINESS INCLUDING BUSINESS REMAINING UNFINISHED AT PREVIOUS MEETING

XIX. ADJOURNMENT [at 10:30 p.m. or earlier]

**Indicates verbal report*

**KELLI L. BARNABY, MMC/CNHMC
CITY CLERK**

CITY COUNCIL MEETING

MUNICIPAL COMPLEX
DATE: MONDAY, DECEMBER 2, 2024

PORTSMOUTH, NH
TIME: 7:00PM

III. CALL TO ORDER

Mayor McEachern called the meeting to order at 7:00 p.m.

IV. ROLL CALL

PRESENT: Mayor McEachern, Assistant Mayor Kelley, Councilors Tabor, Cook, Denton, Blalock, Bagley, Moreau and Lombardi

VII. ACCEPTANCE OF MINUTES *(There are no minutes on for acceptance this evening)*

VIII. RECOGNITIONS AND VOLUNTEER COMMITTEE REPORTS

(There are no recognitions and volunteer committee reports this evening)

IX. PUBLIC COMMENT SESSION

Zelita Morgan thanked City Clerk Barnaby and her team for their work with the recent election. She asked the City Council to request the City Manager to have the City pay for James Hewitt's legal expenses to bring this matter to closure.

Rob Exkin spoke on the development of Sherburne School. He said the development of the site should be kept local and apartments should be created for those in need of housing.

James Hewitt said at the last City Council meeting he asked if the city received a letter regarding his request for reimbursement of his legal fees. He said it took the city five months to get back to his attorney regarding his letter. He said the decision on whether to reimburse his legal fees is the decision of the City Council. He spoke to his service as a Planning Board member and asked at a future City Council meeting that a vote be taken to return his funds to him.

Christopher White said he wants the City to put the James Hewitt matter behind them and pay his legal fees back. He said Mr. Hewitt is asking for his legal fees to be returned to him for the wrongdoing the city did by putting him on trial.

Liza Hewitt spoke regarding the James Hewitt matter. She said as a resident and taxpayer is not what she expected by the City Council. The decision you make now is personal. She said the city robbed \$28,000.00 from their retirement fund and now you can do the right thing and return the money to them.

Rebecca O'Brien said the city has narrowed the field for the Sherburne Property and spoke in support of POAH doing the development for the project. She said POAH will focus on sustainability which is

important to residents. She spoke in support of improvements to the city playgrounds as outlined in the CIP. She said the playground needs to be brought up to safety standards.

Anna Kay Vorsteg thanked the City Council for their services and said you are down to two finalists for the Sherburne Property which include PHA and POAH. She said POAH is a large organization, but PHA works here in the community and has expertise and experience in developments here in the city.

Erik Anderson said he agrees with comments regarding James Hewitt and the financial consequences need to be rectified by the city. He said he serves on the Housing Committee, and you could pick a developer this evening, but he hopes the City Council does not. He said the city should digest the comments and vote at the December 16, 2024, meeting regarding this matter.

Sue Polidura asked the City Council to reimburse the Hewitt's family for their attorney fees. She said you can find the money and prevent them from escalating this to the next level.

Jeffrey Cooper read the resolution adopted by the Arts and Cultural Commission for the creation of an Arts Overlay District. He said the Arts and Cultural Commission could serve as a partner in this endeavor. He stated that there is a clear call in the city for artists to live, work and thrive in the city. The city should support the arts.

Roy Helsel said this is a tourist town but there is no excuse for exceeding the speed limit. The Police Department needs to issue tickets and suggest larger signs with the speed limits listed. In regard to the James Hewitt matter, the financial request should be answered by the City Council.

Kirsten Hunter said that PHA is a part of the network of care. She hopes the city accepts POAH for the development of Sherburne Property. She said we are in a housing crisis and many residents have moved out of the city because they can no longer afford to live here. She said we need a new partnership and POAH works in the region, and she urged the Council to support them in this process.

Paige Trace spoke regarding the James Hewitt matter. She said the Council listened to staff and you thought you were doing the right thing but what you did was an error in judgement. She said the Hewitt's spent a great deal of money for Mr. Hewitt's defense and he was found innocent. She urged the City Council to pay Mr. Hewitt his legal fees.

Susan Dewhurst said she can no longer afford to live in this city. She said you need to move forward on the housing issues in the city. She spoke in support of POAH for the project and said that they should be chosen as they scored the highest on the project.

Peter Furst spoke in support of PHA because they are the only organization that has created affordable housing here in the city. He said POAH has a good proposal but are less expensive in the area. He said it would send resources outside of the city. He said PHA is a better choice and will allow the city to expand and will provide a high-quality project.

Michael Rodriguez Torrent said he has lived here for ten years, and the city needs more housing. He spoke in support of POAH and their expenses on affordability and should drive more affordable housing here.

Katheriene Stewart said she lives here and is a business owner and would love to own property here, but it is impossible with the way the market is and the cost of houses. She said more housing is critical and should be below market value. She urged the city to honor the scoring and put POAH ahead of PHA. She stated we need meaningful development.

Kristen Jeffrey said she supports POAH for housing at Sherburne School. The city can benefit more from working with POAH and they earned the highest score.

Chris Dwyer, Chair of PARC, said there is a new public art trust before you this evening for approval. She spoke regarding the guidelines and benefits for awarding grants. She urged the City Council to vote in favor of the trust.

Craig Welch, Executive Director of PHA, said PHA would be honored to work in partnership with the city on this housing project. He said Sherburne School would be a great addition to their portfolio. He stated if the city is going to grow its supply of housing, they should expand housing with PHA. He said PHA is the gold standard choice in housing.

Tom Ferrini said he appreciated the City Council's hard work on this project. He stated there is no doubt that POAH is a fine organization but what PHA does best is it has local people working on their projects. He said in twenty years we don't end operating. He said PHA is a local group that is highly sophisticated and is an organization that will be here for a long time.

Merrill Aharonian spoke in support of PHA as developer for the Sherburne property. She said that she can live here because of PHA. She said POAH seems responsible, but we need local control and resources. She said in the end, PHA is the best developer for this project.

Jason Blades spoke to living here and supports PHA personally and professionally. He said local support can meet the needs of the city.

Petra Huda asked when the required public hearings for the Sherburne project will be held. She said the selection committee was chosen by the city staff and POAH stands out and should be selected for the project. She asked when the taxpayers are going to get their tax bills. In addition, she said the city needs to pay Mr. Hewitt his money back.

Emma Stratton, Arts & Culture Commission, spoke to the plan on historic preservation and said the Council should support work force housing and the overlay district.

Karen Rosania spoke in support of comments made by Emma and Jeffrey. She said the goal is to keep our amazing artists and continue to attract new talent. She said we need more options to be affordable for the ability to work and live in the city. She said an arts district would be important for the city to support artists to live and work here.

Jackie Cali-Pitts spoke in support of the arts. She said there is a gem in the city called Peirce Island and asked why we need to install art on the island. She addressed Mr. Hewitt and said anyone that comes up against a situation where they must defend themselves and spend funds to do so should be made whole by the accuser if they are found innocent.

Patricia Bagley said we all make mistakes, but it is a sign of strength to admit our mistakes. She said the City Council can do the right thing and provide James Hewitt with his funds.

Alex Finnigan, POAH, together our team has listened and tried hard to answer the questions. He said we are contacted by the city, but we are not local, and we are deeply respected. He said POAH wants the chance to earn the respect of residents in Portsmouth.

Candace Parker, Dover, NH, said she grew up here and works in the city. She said that she supports PHA for the project.

Matt Dyec, Dover, NH, said that this is his professional home and asked why the city would outsource the housing project. He spoke in support of PHA.

Verity Boyer, Portsmouth Advocates, Exeter, NH spoke in support of the housing project at Sherburne Property. She said it is important for the city to honor the character of this community.

Joan Griffin said her mother Ruth looked after the needs of the city and kept housing local and community based. She said her mother served on PHA for years and asked why the city would consider outsourcing the housing project. She said PHA will be here after the ribbon cutting and will answer the accountable questions.

X. PUBLIC HEARING AND VOTE ON ORDINANCES AND/OR RESOLUTIONS**Extension of Public Hearing of the Capital Improvement Plan (CIP):****A. CAPITAL IMPROVEMENT PLAN (CIP) FY 2026-2031**

- **PRESENTATION** (*Presentation was held at the November 12, 2024 Work Session*)
- **CITY COUNCIL QUESTIONS**
- **PUBLIC HEARING SPEAKERS**
- **ADDITIONAL COUNCIL QUESTIONS AND DELIBERATIONS**

City Manager Conard provided a brief presentation regarding the school playgrounds. She spoke about permitting and construction timelines. She stated that the South Mill Playground was initiated as part of the 400th Celebration. She spoke to the grant funds from Rotary which are designed for the reprogramming of funds that will require a public hearing. She spoke regarding the Citywide Tree and Public Greenery Program stating that an increase in funds would not necessarily lead to an increased volume of trees planted. She addressed sustainability projects including the Micro transit Study, Decarbonization Plan and the Municipal Building Energy Audit. City Manager Conard discussed stormwater drainage and flooding. She stated that staff proactively is addressing funding increased from \$250,000.00 to \$500,000.00 per year in FY25, and that the request for FY26 is now \$1,000,000.00. She addressed flooding resilience which would need to be funded 100% through the General Fund. She also addressed the addition by the Planning Board to recommend that \$150,000.00 be added in FY27 from parking revenue for a feasibility and site selection study for a new parking garage.

Mayor McEachern opened the public hearing and called for speakers.

Kate Hatem spoke on funding for the playgrounds at elementary schools. She said that the school playgrounds are very important and the need for funding because they are not in good shape.

Petra Huda spoke to the funding for the Police Facility Building. She asked for the status of the funding and the need to tighten spending requests.

Meg Aldrich said it is so important to advocate funding for the elementary school playgrounds. She said there are hundreds of children that would benefit from this funding and the playgrounds are not ADA compliant and is a big issue that needs to be addressed.

Margaret Witherspoon spoke regarding the playgrounds being placed within the CIP. She said that she is concerned with the safety of the equipment and the harmful effects that could happen to the children using these structures. She said that these are liability issues for the city.

Trevor Ristaino spoke for the reallocation of funds for playground equipment. He said Little Harbour School playground is a mess. He stated higher rated schools are a magnet for families, but the playground equipment needs to be replaced.

Ashley Blackington said the PTA has donated funds to cover initial plans and designs in 2023 for playgrounds. She said current plans cannot be covered through PTA's or parents. She said the current plan is in the budget and swapping projects is the right thing to do. She said all elementary schools need rehabilitation and that the ADA exists for all to play. She stated that none of the playgrounds are in compliant or accessible for all.

With no further speakers, Mayor McEachern declared the public hearing closed.

At 8:50 p.m., Mayor McEachern declared a brief recess. Mayor McEachern called the meeting back to order at 9:00 p.m.

Councilor Blalock asked what would be the earliest to get the shovel in the ground for Little Harbour School improvements.

Superintendent McLaughlin said he does not feel they could break ground in July. He said that the playgrounds could be upgraded, and it would be a significant step forward. He said it is important to remember that this is a 4-year project, and we have not been involved in the project management up to this point. He stated we would like to break ground as soon as school ends in 2025. He also indicated that the playgrounds are ADA compliant.

Councilor Cook said if we move funds up, we will start the process sooner. Councilor Blalock said there is urgency to upgrade the Little Harbour School playground. He said he is trying to be fiscally responsible.

Mayor McEachern asked if we believe that Little Harbour School is ADA compliant. Public Works Director Rice said playgrounds are not optional but the time you start making modifications you need to meet ADA requirements. He said we would make the playgrounds functional for all and not increase expenditure. Mayor McEachern said he hears there is not a way that the school could start the project in July of 2025.

Councilor Bagley said the Little Harbour School schedule needs to be considered and we should leave the project under the School Department. He stated in FY2027 we have \$600,000.00 for Little Harbour School and asked if it would be feasible to bond the funding this summer.

Deputy City Manager of Finance/Administration Lunney said in the past you have committed funds earlier and allowed for bonding to take place.

Mayor McEachern asked how this would affect the bond limit. Deputy City Manager of Finance/Administration Lunney said it would not be an issue with debt limit funding.

Councilor Lombardi asked about \$2.8 million for the Police Department policy. He said there is funding authorized and available from prior years.

City Manager Conard said we would move the project forward in the coming years and need access for the \$2.8 million to begin to access funding.

Councilor Tabor said if we form the new committee, it would be for municipal buildings and move things around in City Hall. He said we need to keep moving on the Police Department and make things more inclusive for buildings here.

Councilor Cook said she supports moving the funding up. She said if they could break ground early, they could do that. She said she wants ADA playgrounds everywhere in the city. She stated that she finds the timeline frustrating because it takes so much time to get to implementation.

Councilor Blalock moved to adopt the Capital Improvement Plan for FY2026-2031. Seconded by Assistant Mayor Kelley.

Councilor Bagley moved the Bonding monies for the Elementary School Playgrounds up from FY27, FY28, FY29, to FY26, FY27, and FY28 in the amount of \$500,000.00 each year. Seconded by Councilor Cook and voted.

Councilor Denton moved to add \$50,000.00 for a Fleet Decarbonization Plan. Seconded by Assistant Mayor Kelley.

Councilor Denton explained items that do not make it to next year's funding fall off the list of projects. He spoke to the need for an RFP for fleet decarbonization plan for all vehicles used by the city. He said the RFP would go out for this coming year and then put the funding into the CIP.

Councilor Bagley said he admires Councilor Denton's passion. He said there are not many EV options that work well and there may not be enough municipal vehicles.

Councilor Denton said there is no grant funding out there currently. Councilor Tabor said we need a contractor to tell us what is available.

Councilor Cook spoke in support of a decarbonization program.

Mayor McEachern passed the gavel to Assistant Mayor Kelley.

Mayor McEachern said we are not there with some of the vehicles yet. He said we could take off the funding more easily if there were new vehicles out in the city. He said on another subject we need to keep skateboard lighting on longer which would solve the current needs at the park now.

Assistant Mayor Kelley returned the gavel to Mayor McEachern.

On a roll call vote 3-6, the motion to add \$50,000.00 for a Fleet Decarbonization Plan **failed** to pass. Councilors Tabor, Cook and Denton voted in favor. Assistant Mayor Kelley, Councilors Blalock, Bagley, Moreau, Lombardi and Mayor McEachern voted opposed.

Councilor Denton moved to increase the funding for the Trees and Greenery Project for FY26 to \$40,000.00, FY27 to \$60,000.00, FY28 to \$80,000.00, FY29 to \$100,000.00, and FY30 and FY31 to \$100,000.00. Seconded by Assistant Mayor Kelley.

Councilor Bagley said he would support changing the number to \$40,000.00 and revisiting the issue in a year.

Assistant Mayor Kelley asked Public Works Director Rice when the funds would be allocated and spent. Public Works Director Rice said it is difficult to keep the trees alive in the first two years.

Mayor McEachern asked if there could be other programs and processes to keep the trees viable. Public Works Director Rice said it is a grant tree program in the first two years. He said we would be responsible with the property owner taking over the watering for the following years.

Councilor Moreau asked if you could find \$20,000.00 to look at some of these items discussed. Public Works Director Rice said it is about having a viable place for the trees to live.

Motion passed.

Councilor Cook moved to include the Shuttle Loop/Micro-transit Study recommended by the Sustainability Committee and included as part of the Climate Action Plan in the CIP budget for funding in FY2026 with \$100,000.00 under Federal/State funding in FY26. Seconded by Councilor Denton.

Councilor Tabor supports the idea for FY26 rather than FY27. He said we need to look at the impact in shuttle/loop with all the houses being built.

Councilor Bagley said he supports the motion because we are looking at grant funding. He said we are planning for a new parking garage. He stated each year COAST will need more funding and we would be looking at \$100,000.00 from parking revenues.

Motion passed.

Councilor Bagley moved that \$150,000.00 be added in FY27 from Parking Revenues for a feasibility and site selection study for a new parking garage. Seconded by Councilor Moreau and voted.

On a unanimous roll call 9-0, voted to adopt the Capital Improvement Plan for FY2026-2031 as amended.

Assistant Mayor Kelley moved to suspend the rules to bring forward Items XV. A.1. – Sherburne developer proposals: discussion and next steps and XVII. A.1. – Report Back on Sherburne Property Process as Requested at the November 18, 2024, City Council meeting. Seconded by Councilor Tabor and voted.

Councilor Tabor reported that the Housing Committee met, and we have given the questions thought and have a lot of information but want to wait for answers to questions. He stated a meeting will be held on December 5th to look at the answers to the questions. He said the City Council can wait for a recommendation from the Housing Committee or make a recommendation this evening.

Assistant Mayor Kelley said we have representation from both organizations here this evening. She would like to open a discussion for the City Council.

City Manager Conard said the questions were collected and answers from the top two proposers and have been provided to the City Council.

Councilor Bagley said the Council should have a motion on the floor.

Assistant Mayor Kelley moved to suspend the rules to allow questions by the two firms – Portsmouth Housing Authority (PHA) and Preservation of Affordable Housing (POAH) regarding the Sherburne Property. Seconded by Councilor Tabor and voted.

Questions and answers were asked of each organization from the City Council with discussion taking place regarding their proposals and other projects they have completed or are currently working on.

Councilor Bagley moved to suspend the rules to continue the meeting beyond 10:30 p.m. Seconded by Councilor Moreau and voted. Assistant Mayor Kelley voted opposed.

Some discussion centered around whether the two organizations could work together on the project if asked. Both PHA and POAH indicated that they could work together on the project.

Councilor Bagley moved to authorize the City Manager to enter into a contract with the Preservation of Affordable Housing (POAH) for permanent below-market housing at 35 Sherburne Road, substantially aligned with Proposal #09-25 and their response dated October 11, 2024. Seconded by Councilor Denton for discussion purposes.

Councilor Bagley spoke to the scoring and indicated that with POAH scoring higher this serves as a benchmark for future proposals. He said the timeline is important for funding and we need to move forward with this project.

Assistant Mayor Kelley said respectfully she asked for Councilor Bagley to rescind the motion. She said it is shortsighted to not take the few days for the recommendation to come from the Housing Committee. She said the least we could do is respectfully wait to make this motion until recommendations come back.

Councilor Blalock said he disagrees with Councilor Bagley. He said he believes both firms could work with the city and could develop the project and be good neighbors. He stated that PHA is local, and we should stay in the community.

Councilor Cook moved to table this matter until a Special City Council meeting on December 9, 2024. Seconded by Assistant Mayor Kelley.

Councilor Cook said she understands the urgency and would have moved forward last year. She stated we are talking about a two-week delay for the Housing Committee to meet and come back with a recommendation.

Councilor Lombardi said table the motion is a good idea as the original motion would not allow to hear thoughts of the Housing Committee.

Councilor Tabor said we have city staff that made a recommendation, then we had public input with recommendations. He said we have not received the recommendation from the Housing Committee. He said we need to take the extra time and have a special meeting on Monday, December 9th.

Assistant Mayor Kelley said both firms know the timeline and there is no concern from them with a delay on the vote.

Councilor Bagley said the Housing Committee has done great work and it would be difficult for the City Council to overlook a recommendation from the Committee, and we should make the decision.

Mayor McEachern said it would be inappropriate for the Council to vote at 11:15 p.m. on this matter. He said he wants to hear what the Housing Committee's recommendation is.

Motion passed. Councilor Blalock and Bagley voted opposed.

Third and Final Reading of Ordinance:

- B. Third and Final Reading of Ordinance amendment to Chapter 1, Article V, Purchasing Procedures, Sections 1.500-1.504 to be deleted in its entirety and replaced with a new Article V, retitled Procurement Procedures, inclusive of new Sections 1.500-1.504

Councilor Cook moved to pass third and final reading of the ordinance as presented. Seconded by Councilor Moreau and voted.

XI. CITY MANAGER'S ITEMS WHICH REQUIRE ACTION

A. CITY MANAGER CONARD

1. Lease Agreement with Community Day Care Center, Inc. D/B/A Seacoast Community School at Community Campus

Assistant Mayor Kelley moved that the City Manager be authorized to amend any Exhibit and to finalize and execute the Lease Agreement with the Community Daycare Center, Inc., d/b/a Seacoast Community School in a form similar to what is proposed in the Agenda Packet. Seconded Councilor Bagley and voted.

2. Request for Public Hearing to Authorize Loan and Acceptance of Grant for Sludge Minimization and PFAS Destruction Pilot

Councilor Denton moved to schedule a public hearing at the December 16, 2024, City Council meeting and subsequently authorize the borrowing of \$1,000,000.00 as described above. Seconded by Councilor Blalock and voted.

3. Roll Call Vote for Bonding Authorization Adopted November 18, 2024

City Manager Conard said at the November 18, 2024 regular meeting of the City Council, the Council unanimously adopted Resolution #20-2024, authorizing \$4.3 million for water system improvements and rescinding a like amount that had been previously authorized for the replacement of water transmission mains beneath Little Bay. She indicated that we have been advised by bond counsel that all bond authorization votes should be recorded by roll call to ensure the desired legal opinion on City bonding.

Councilor Cook moved to reaffirm by roll call vote the unanimous vote taken at the November 18, 2024, meeting to adopt Resolution #20-2024, authorizing a bond issue and/or notes of up to four million three hundred thousand dollars (\$4,300,000.00) for water system improvements, and rescinding a like amount of funds authorized to be borrowed for the replacement of water transmission mains beneath Little Bay, which project is not ready to be undertaken at this time. Seconded by Assistant Mayor Kelley.

On a unanimous roll call vote 9-0, motion passed.

4. Authorization to Disburse Monies for Peirce Island Public Art

City Manager Conard said this will authorize the disbursement of monies by the Trustees of the Trust Fund for Peirce Island Public Art.

Councilor Moreau moved to authorize the Trustees of Trust Funds to disburse funds from the City of Portsmouth Public Art Trust to DiBari Innovation and Design LLC as required under a contract dated November 20, 2024, for art to be installed on Peirce Island and further that the City Manager is authorized to request multiple disbursements under the contract up to the amount held in the Trust associated with the Peirce Island Wastewater Treatment Facility percent-for art contribution without further vote of the City Council. Seconded by Councilor Cook and voted.

XII. CONSENT AGENDA

- A. Request from Michelle Corgan of Bell Farm Shops LLC., DBA Perch + Petal to install a Projecting Sign at 105 Daniel Street (*Anticipated action – move to approve the aforementioned Projecting Sign License as recommended by the Planning & Sustainability Director, and further, authorize the City Manager to execute the License Agreement for this request*)

Planning Director's Stipulations:

- *The license shall be approved by the Legal Department as to content and form;*
- *Any removal or relocation of projecting sign, for any reason, shall be done at no cost to the City; and*
- *Any disturbance of a sidewalk, street or other public infrastructure resulting from the installation, relocation or removal of the projecting sign, for any reason shall be restored at no cost to the City and shall be subject to review and acceptance by the Department of Public Works*

Councilor Lombardi moved to adopt the Consent Agenda. Seconded by Councilor Tabor and voted.

XIII. PRESENTATIONS AND WRITTEN COMMUNICATIONS

- A. Email Correspondence

Councilor Bagley moved to accept and place on file. Seconded by Councilor Denton and voted.

- B. Request from Valerie Rochon, Managing Director, Portsmouth NH 400th, Inc., to Establish Two New City Trusts

Councilor Cook moved to authorize the City to enter into the Declaration of Trust Reserve for Portsmouth Settlement Anniversaries and Declaration of Trust 400th Anniversary Education and Public Art Trust with Portsmouth NH 400th Inc. (PNH400) and the Trustees of Trust Funds, as presented; to accept the proposed donations of \$30,000.00 and \$100,000.00 to those trusts, respectively; to accept such additional funds as may be contributed by PNH400; and to authorize the City Manager to execute the trust documents on behalf of the City. Seconded by Councilor Blalock and voted.

- C. Disbursement of funds from the Portsmouth 400th Anniversary Trust to the Portsmouth NH 400th Inc.

Councilor Moreau moved to authorize the Trustees of Trust Funds to release the remaining funds in the City of Portsmouth 400th Anniversary Trust to the Portsmouth NH 400th Inc. charitable organization as reimbursement for the final eligible amounts spent by that organization as represented in the November 26, 2024, communication from Valerie Rochon, Managing Director. Seconded by Assistant Mayor Kelley and voted.

XIV. MAYOR McEACHERN

1. Appointment to be Voted:
- Reappointment of Philip Cohen to the Economic Development Commission
 - Appointment of Ethan Underhill to the Board of Library Trustees
 - Appointment of Jane Mitchell-Pate to the Parking & Traffic Safety Committee
 - Appointment of Colleen Spear to the Sustainability Committee
 - Appointment of Maxson Ward to the Sustainability Committee
 - Appointment of Scott McDermott to the Trees and Public Greenery Committee
 - Reappointment of Beth Margeson to the Zoning Board of Adjustment

Councilor Moreau moved to approve the reappointment of Philip Cohen to the Economic Development Commission until October 1, 2027; appointment of Ethan Underhill to the Board of Library Trustee until October 1, 2027; appointment of Jane Mitchell-Pate to the Parking & Traffic Safety Committee until December 2, 2027, appointment of Colleen Spear & Maxson Ward to the Sustainability Committee until October 1, 2027, appointment of Scott McDermott to the Trees and Public Greenery Committee until December 2, 2027, and reappointment of Beth Margeson to the Zoning Board of Adjustment until December 1, 2029. Seconded by Councilor Lombardi and voted. Councilor Bagley abstained from voting.

2. Establish Municipal Building Blue Ribbon Committee

Councilor Blalock moved to dissolve the current Community Policing Facility Working Group and move to establish a Municipal Building Blue Ribbon Committee at the December 16, 2024, City Council meeting. Seconded by Councilor Denton.

Mayor McEachern said we want to look at the Municipal Complex in new ways. He said we have designs and could relocate parts of City Hall to engage the community with one stop. He said he does not feel we would get a new Police Department built here and this is a good time to have a conversation surrounding the entire building. He stated he expects names to be submitted in the next couple of weeks. Mayor McEachern said that these would be public meetings.

Motion passed.

B. COUNCILOR COOK

1. Arts Overlay District

Councilor Cook moved to request that the Planning Board, Planning Staff, and Legal Department work together to draft an Arts Overlay District to be included in our zoning code, with incentives for artist live/work space, studio space, gallery space, and/or nonprofit arts and cultural organizational space, to be initially applied to the CD4-W zone in the West End Area as part of the Master Planning process. Seconded by Councilor Moreau.

Councilor Cook said this came from the Arts and Cultural Commission.

Councilor Moreau at the time spoke to the zoning ordinance for live workspace and said you would create a West End Artist District.

Motion passed.

D. COUNCILOR BAGLEY

1. I-95 Median Speed Enforcement

Councilor Bagley moved to request the City Council and Mayor send a letter to the Governor urging the continuation of increased and highly visible speed enforcement on I-95 until median barriers are installed. Seconded by Councilor Tabor.

Councilor Bagley said perhaps we could include the Towns of New Castle and Greenland. Councilor Moreau suggested we also send this to the Department of Safety.

Motion passed.

XVI. APPROVAL OF GRANTS/DONATIONS

- A. Acceptance of Donation to the Department of Public Works for the construction of a pump track - \$5,000.00

Councilor Lombardi moved to approve and accept the \$5,000.00 donation to the Department of Public Works from the NH Charitable Foundation's Altus Engineering Charitable Fund for the construction of a pump track. Seconded by Councilor Bagley and voted.

- B. Acceptance of Donation to the Department of Public Works for the construction of a pump track - \$5,000.00

Councilor Denton moved to approve and accept the \$5,000.00 donation to the Department of Public Works from Neal Ouellett and Darlene Furbush Ouellett for the construction of a pump track. Seconded by Councilor Cook and voted.

- C. Acceptance of Donation to the Department of Public Works for the labor and materials for the construction of a pump track - \$10,000.00

Councilor Blalock moved to approve and accept the \$10,000.00 donation to the Department of Public Works from the Severino Trucking Co., Inc. for labor and materials for the construction of a pump track. Seconded by Councilor Tabor and voted.

- D. Acceptance of Violence Against Women Act Grant, as Amended - \$25,025.00

Assistant Mayor Kelley moved to approve and accept the Violence Against Women Act Grant, as amended. Seconded by Councilor Moreau and voted.

XVII. CITY MANAGER'S INFORMATIONAL ITEMS

1. Report Back on Sherburne Property Process as Requested at the November 18, 2024, City Council meeting

XVIII. MISCELLANEOUS BUSINESS INCLUDING BUSINESS REMAINING UNFINISHED AT PREVIOUS MEETING

XIX. ADJOURNMENT

A handwritten signature in black ink that reads "Kelli L. Barnaby". The signature is written in a cursive, flowing style.

KELLI L. BARNABY, MMC/CNHMC
CITY CLERK

SPECIAL CITY COUNCIL MEETING

MUNICIPAL COMPLEX
DATE: MONDAY, DECEMBER 9, 2024

PORTSMOUTH, NH
TIME: 6:00PM

I. CALL TO ORDER

Mayor McEachern called the meeting to order at 6:00 p.m.

II. ROLL CALL

PRESENT: Mayor McEachern, Assistant Mayor Kelley, Councilors Tabor, Cook, Denton, Blalock, Bagley, Moreau and Lombardi

III. PLEDGE OF ALLEGIANCE

Mayor McEachern led the City Council in the Pledge of Allegiance.

IV. PUBLIC COMMENT SESSION

Tom Kaufhold – spoke in support of the project being awarded to the Portsmouth Housing Authority (PHA) and positive direct experiences he has had with PHA.

Steven McCarthy – spoke in support of choosing PHA as the developer for the Sherburne property and praised them for their past projects in the City.

Patricia Martine – stated that if a community creates a housing authority to handle housing issues, they should support said housing authority rather than looking to other non-profits to do the same thing. She spoke about how PHA reinvests in the community and continues to create housing.

Maureen Mills – spoke in support of the Portsmouth Housing Authority and the open communication and engagement experienced with the Executive Director of PHA.

Anna Vorsteg - spoke in support of awarding the bid to PHA and the benefits to the citizens of Portsmouth if PHA is chosen.

Eric Anderson - stated that both proposals being considered are good options, just conceptually different. He suggested the Council carefully consider their preference for the property with and without the school building.

Kara Anne Rodenhizer - spoke of her history working with PHA as Director of Home For All and praised PHA for their above and beyond approach within the Community.

Vicki Boyd - urged the Council to act on the recommendation of the Blue Ribbon Housing Committee and choose PHA for the Sherburne project and spoke in favor of PHA's work within the community.

Shawn Muske - acknowledged his opposition to the Sherburne housing project as a whole and expressed the need for green space. However, he encouraged the city to leave the school building remaining. Additionally, he felt that there was not strong community engagement and outreach to those opposed to the project.

Joan Hamblet - spoke in support of PHA and the work they've done within the community.

Katelyn Beach - asked the City to consider Preservation of Affordable Housing for the project and referenced their RFP ranking, which was 150 points higher than PHA.

Manny Garganta - stated that based on the RFPs, both firms would be great options. He questioned the potential of "mothballing" the Sherburne school.

Kristen Kern - stated concern that multi-story buildings would feel out of place in this area of single-family homes. She suggested that the highest-scoring firm in the RFP process should be selected and felt that POAH was the best option.

Paige Trace - emphasized that the City had spent staff time and effort through the RFP process in ranking these firms. She suggested that the POAH proposal is more in line with the needs and desires of the neighborhood.

Rick Beckstead - equated the RFP ranking process to the scoring process used to select the City Manager. He recommended that the City adhere to the process they put in place and award the project to POAH.

Jim Smalley - stated that competition is healthy and expressed concern about awarding the project to PHA who is already the City's largest landlord.

Ellie Birch- spoke in favor of PHA as the developer for the Sherburne project.

Tricia Labelle (Zoom) - strongly advocated for PHA and spoke in favor of their local connections and direct accountability to the City's residents.

V. SHERBURNE PROPERTY DISPOSITION

Councilor Bagley posed a parliamentary inquiry. He recalled that the vote on the Sherburne Property disposition was postponed to a time certain and asked if there would need to be a motion to continue the discussion. City Attorney Susan Morrell stated that the item was not tabled but rather postponed to the next meeting, which is occurring now, so the motion is still active. Mayor McEachern suggested the motion be restated for discussion purposes.

Councilor Bagley moved to authorize the City Manager to enter into a contract with the Preservation of Affordable Housing (POAH) for permanent below market housing at 35 Sherburne Road, substantially aligned with the proposal #09-25 and response dated October 11, 2024. Councilor Cook seconded the motion.

Councilor Bagley acknowledged that both developers being considered would produce a good product, however, he felt that the POAH proposal was the better option. He referred to the RFP process the City had employed for the Sherburne property with POAH being the highest-ranking respondent. He expressed concern that vendors and developers would be less likely to engage with Portsmouth if the City does not adhere to the results of their established RFP process and rankings.

Councilor Blalock pointed out that both respondents had similar proposals and options, but he emphasized that these proposals are just conceptual and not final designs. He spoke in support of the Portsmouth Housing Authority, their local ties and relationships built within the community and stated that PHA has access to more tax credits as a Housing Authority of the State of NH.

Councilor Denton expressed hope that the Sherburne property would be the first affordable housing project on City property in many years. He hoped that the firm that is not selected would consider competing for future bids. Councilor Denton agreed that not choosing the top-ranked proposal could discourage future RFP submissions.

Assistant Mayor Kelly stated that the Housing Committee had met on Thursday evening. All Council members abstained from the vote and two committee members were absent, but the remaining members voted 4 - 3 to recommend that the City Council select PHA.

Councilor Tabor acknowledged the two methods at hand in selecting a firm: the RFP process with a detailed scoring rubric, and the result of community input. While the decision by the voting members of the Housing Committee was close, Councilor Tabor stated he would support the top-ranking proposal of the RFP, POAH. He stated that he prefers their one-phase proposal as opposed to the

multiple phase proposal of PHA and felt that not solely relying on PHA would encourage more diversity in developers within the City. Councilor Tabor gave detailed reasons why he would support POAH for the Sherburne Project including their ability to complete multiple projects in a short time, their strong financial standing, and a better suited design for the suburban neighborhood.

Councilor Cook expressed concern about the long delay to the project, noting that it had already taken two years to reach this point with further delays only prolonging the housing shortage, which is a critical need within the City. She stated that the PHA proposal offers a faster timeline for construction while also preserving the Sherburne School and adding 28 more units than the POAH proposal. Councilor Cook pointed out that the majority of feedback from the neighborhood and community input favored PHA.

Councilor Moreau expressed conflicting feelings about a final decision, with both proposals having merit. She stated that a combination of the two would be ideal and that even after weighing the options, it would be a difficult decision.

Councilor Lombardi agreed with Councilor Cook regarding the importance of density and the need for more workforce housing. He agreed that PHA would be able to deliver housing sooner with more green space and expressed support for the PHA proposal.

Assistant Mayor Kelley stated that she has spent a considerable amount of time reviewing each proposal and agreed that it was a difficult decision due to the merits of each proposal. She highlighted the strengths and attributes of each firm being considered. Assistant Mayor Kelley reiterated that these are proposals being considered, not finalized plans, and there will be room for adjustments during the process. She stated that the focus should be the long-term good of the community and ensuring that more people have access to housing.

Mayor McEachern passed the gavel to Assistant Mayor Kelley.

Mayor McEachern emphasized that both firms have strengths and have presented themselves well to the community. However, he believes that PHA's proposal holds more promise for the city in the long term, especially due to their local connection, track record, and ability to handle public housing effectively. He stated that investing in PHA not only aids in the development of this project but also contributes to other community programs and services. Mayor McEachern stated that he would support PHA with hopes that certain aspects of POAH's plan can be incorporated. He also expressed hope for ongoing collaboration between both firms to benefit the City's future housing projects.

Councilor Bagley stated that PHA has expressed commitment to keeping the property below market rate but clarified that due to the property being City-owned and utilizing a 100-year land lease, this would be a requirement with either proposal. Such a lease, regardless of the developer chosen, would ensure that the property will be maintained at below-market rates providing security for affordable housing as long as the City negotiates these criteria with the land lease.

Councilor Bagley also praised the suggestion in POAH's proposal to compensate PHA for the work they had already done on the Sherburne School site, which was not seen in any other proposal submitted. He emphasized the time and costs put into these proposals and suggested that if ideas from POAH's proposal are integrated into PHA's design, that POAH be appropriately compensated.

Councilor Bagley also suggested that if preference is to be given to local entities, this should be reflected in future RFPs for the sake of transparency.

Mayor McEachern called for a roll call vote for the motion on the floor as follows:

To authorize the City Manager to enter into a contract with the Preservation of Affordable Housing (POAH) for permanent below market housing at 35 Sherburne Road, substantially aligned with the proposal #09-25 and response dated October 11, 2024.

The motion failed by a 6 - 3 roll call vote with Assistant Mayor Kelley, Councilors Cook, Blalock, Moreau, Lombardi, and Mayor McEachern voting opposed and Councilors Tabor, Denton, and Bagley voting in favor.

Assistant Mayor Kelley moved to authorize the City Manager to enter into a contract with the Portsmouth Housing Authority (PHA) for permanent below market housing at 35 Sherburne Road. Councilor Blalock seconded the motion. The motion passed by an 8 - 1 roll call vote with Assistant Mayor Kelley, Councilors Tabor, Cook, Denton, Blalock, Moreau, Lombardi, and Mayor McEachern voting in favor and Councilor Bagley voting opposed.

Assistant Mayor Kelley moved to enter into a non-public session pursuant to RSA 91A-D:3, section 2(E) and 2(L) to consider threatening litigation against the City and legal advice. Councilor Blalock seconded the motion. The motion passed by a 9-0 roll call vote with Assistant Mayor Kelley, Councilors Tabor, Cook, Denton, Blalock, Bagley, Moreau, Lombardi, and Mayor McEachern voting in favor.

The City Council entered the non-public session at 7:36 PM.

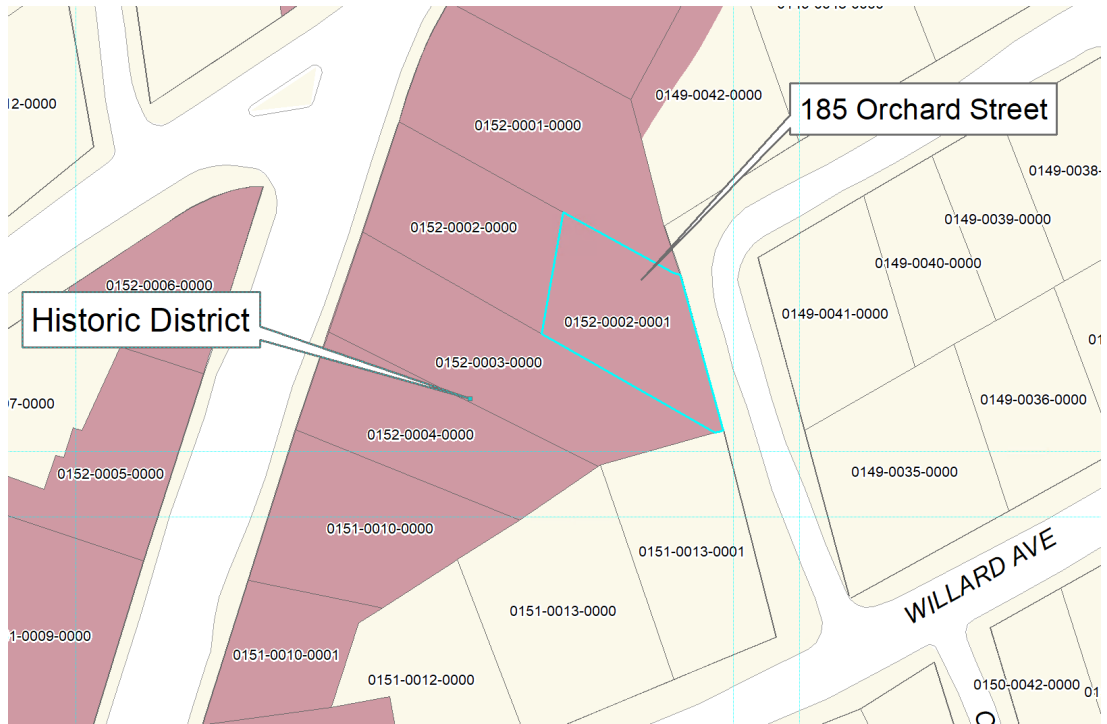
VI. ADJOURNMENT

The City Council came out of non-public session and adjourned the meeting at 8:54 pm.

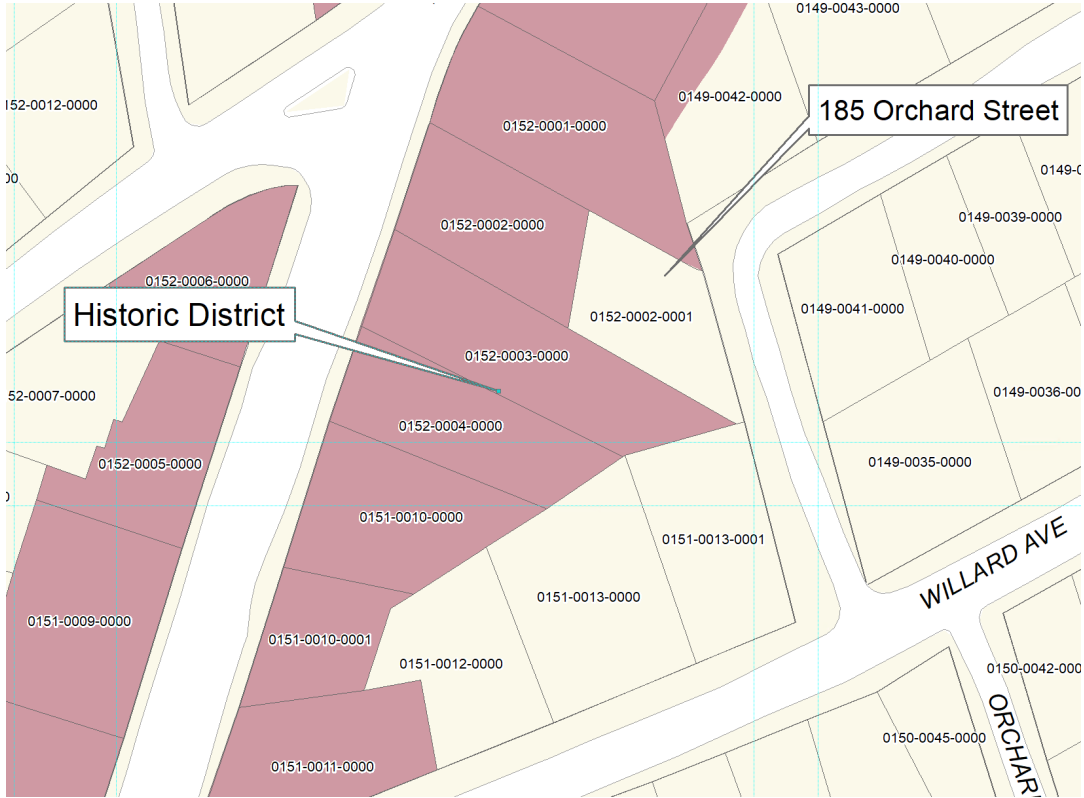
Respectfully Submitted,

Cassie Givara
Deputy City Clerk

Existing Historic District Boundary:



Proposed Historic District Boundary:



ORDINANCE #

THE CITY OF PORTSMOUTH ORDAINS

That Chapter 10, ZONING ORDINANCE, CITY OF PORTSMOUTH ZONING MAP, Article 4, Zoning District and Use Regulations, Section 10.421, District Location and Boundaries, Section 10.421.10, of the Ordinances of the City of Portsmouth be amended to remove 185 Orchard Street, Tax Map 152, Lot 2-1 from the Historic District Overlay as follows:

That the Zoning Map of the City of Portsmouth be amended to remove 185 Orchard Street, Tax Map 152, Lot 2-1 from the Historic District Overlay.

The City of Portsmouth Zoning Map will be amended and reissued by the Planning Board to incorporate this amendment pursuant to Chapter 10, Article 4, Zoning District and Use Regulations, Section 10.421, District Location and Boundaries, Section 10.421.10 of the Zoning Ordinance.

The City Clerk shall properly alphabetize and/or re-number the ordinances as necessary in accordance with this amendment.

All ordinances or parts of ordinances inconsistent herewith are hereby deleted.

This ordinance shall take effect upon its passage.

APPROVED:

Deaglan McEachern, Mayor

ADOPTED BY COUNCIL:

Kelli L. Barnaby, City Clerk



CITY OF PORTSMOUTH

City Hall, One Junkins Avenue
Portsmouth, New Hampshire 03801
kconard@cityofportsmouth.com
(603) 610-7201

Karen S. Conard
City Manager

Date: January 16, 2025

To: Honorable Mayor McEachern and City Council Members

From: Karen S. Conard, City Manager *KSC*

Re: City Manager's Comments on City Council Agenda of January 21, 2025

Presentation:

1. **Fiscal Year 2024 Audit Summary:**

The independent audit of the City's finances for Fiscal Year 2024 has been completed. Matt Hunt of CLA (CliftonLarsonAllen LLP) will present the results of their audit. Copies of the City's Annual Comprehensive Financial Report (ACFR) for FY24 and the Popular Annual Financial Report (PAFR) for FY24 will be posted on [the City's Finance webpage](#) following this evening's Council meeting.

X. Public Hearings and Vote on Ordinances And/or Resolutions:

A. **First Reading of Ordinance Amendment to Chapter 10 – Zoning Ordinance – Zoning Map, Article 4, Zoning District and Use Regulations, Section 10.421 – District Location and Boundaries, Section 10.421.10, be amended to remove 185 Orchard Street, Tax Map 152, Lot 2-1 from the Historic District Overlay:**

At the October 7, 2024 City Council meeting, the Council considered a letter from Jessica and Scott Rafferty, owners of property located at 185 Orchard Street, Tax Map 152 Lot 2-1 ("Property"), requesting that the Property be removed from the Historic District, which is an overlay district. The Council [voted to refer the proposed zoning map amendment](#) to remove the Property from the Historic District for reports back from both the Planning Board and Historic District Commission.

The Property was created recently through a subdivision of 15 Lafayette Road that was approved by the Planning Board on July 20, 2023. The original lot had frontage on Lafayette Road and Orchard Street and is located in the Historic District. The Historic District along Lafayette and Middle Street follows parcel boundary lines and includes the parcel fronting on those streets [as shown in the attached map](#). Now that the Property has been subdivided, the frontage is located on Orchard Street, where no other property falls within the Historic District.

A [Zoning Map amendment](#) is necessary in order to change the boundaries by removing the Property from the Historic District. The existing and proposed change to the Historic District boundary is depicted in [the attached maps](#).

At the October 17, 2024 meeting, the Planning Board voted to recommend the City Council remove 185 Orchard Street from the Historic District. At the January 8, 2025 meeting, the Historic District Commission voted to recommend removal of 185 Orchard Street from the Historic District.

I would recommend that the City Council move to pass first reading and schedule a public hearing and second reading of the proposed Zoning Map amendment at the February 18, 2025 City Council meeting.

XI. City Manager's Items Which Require Action:

1. City Appointment to Seacoast Commission on Long-Term Goals and Requirements for Drinking Water:

The departure of Brian Goetz has left a vacancy on the Seacoast Commission on Long-Term Goals and Requirements for Drinking Water. I respectfully request that Albert Pratt, Water Resource Manager, be appointed as the City of Portsmouth's representative to the Commission.

I recommend that the City Council move to appoint Albert Pratt, Water Resources Manager, as the City of Portsmouth's representative to the Seacoast Commission on Long-Term Goals and Requirements for Drinking Water.

2. Parking Agreement for Strawberry Banke Museum:

The Strawberry Banke Museum ("Strawbery Banke") has permitted members of the public to park in its parking lot located at 17 Hancock Street during Snow Emergency Parking Bans. The current Parking Agreement between the City and Strawberry Banke expired recently. Both the City and Strawberry Banke seek to renew this Parking Agreement for another ten (10) year term. [The Parking Agreement in the packet](#) has the same terms and conditions as the prior agreement, except for the acknowledgement that the public's access to parking spaces in the lot may be reduced or restricted if Strawberry Banke constructs improvements to the lot.

I recommend that the City Council move that the City Manager be authorized to negotiate and enter into a Parking Agreement with Strawberry Banke in a form [similar to the attached](#).

3. Request for Public Hearing on Elderly Exemptions:

As a standing practice, the City Council regularly reviews the Elderly Exemptions for property taxes and makes recommendations as to these levels pursuant to RSA 72.39-b. In 2024, this review resulted in changes to both the income and asset limits and the exemption amounts.

The City Assessor would like to invite the City Council to review the income and asset limits now in preparation for the exemption application deadline of April 15, 2025.

Last year, the City Council adopted Resolution #01-2024 which increased the income level for qualifying elderly taxpayers and Resolution #17-2024 which increased the exemption amounts. The current elderly exemption income levels are \$54,000 for a single taxpayer, \$70,793 for married taxpayers; the current asset limit is \$500,000.

If qualified, for elderly taxpayers the exemption off the assessed value of the property is as follows:

- Age 65 to 74 \$375,000
- Age 75-79 \$450,000
- Age 80 + \$525,000

Below are three (3) potential options for the City Council to consider as they relate to Elderly Exemptions.

Option 1:

This year, the 2025 increase for Social Security recipients is 2.5%.

If the City Council wishes to adjust the income and asset limits for those who qualify for the elderly exemption by the Social Security cost-of-living increase, this would increase the limits as follows:

- Single \$55,350 increase of \$1,350
- Married \$72,563 increase of \$1,770
- Asset Limit \$500,000

Option 2:

This year, the ten-year rolling average of the November-to-November Boston-Cambridge-Newton, MA-NH Consumer Price Index (CPI-U) is 2.84%.

If the City Council wishes to adjust the income and asset level for those who qualify for the elderly exemption by the ten-year rolling average CPI-U, this would increase the limits as follows:

- Single \$55,534 increase of \$1,534
- Married \$72,804 increase of \$2,011
- Asset Limit \$500,000

Option 3:

If the City Council wishes, exemptions can remain the same.

Statute does not require an annual adjustment in income, assets or exemption amounts. Existing levels can remain capped as they currently exist.

Any adjustment if approved would be for assessments as of April 1, 2025, for Tax Year 2025 (FY26).

The table below reports the number of property owners receiving an exemption and the resulting impact of those exemptions by type in the previous Tax Year 2024 (FY25):

Estimated Elderly & Disabled Exemption Impact				
Exemption Type	Current Exemption Amount	Number Currently Receiving Exemption	Value Loss	Revenue Loss
65 through 74	\$ 375,000.00	33	\$ 11,261,500.00	\$ 126,128.80
75 through 79	\$ 450,000.00	34	\$ 13,045,900.00	\$ 146,114.08
80 and over	\$ 525,000.00	78	\$ 31,962,600.00	\$ 357,981.12
Disabled	\$ 375,000.00	2	\$ 562,500.00	\$ 6,300.00
Totals		147	\$ 56,832,500.00	\$ 636,524.00

Note: The current tax rate of \$11.18 would have been decreased by approximately 6 cents (\$0.06) on the current tax rate if the elderly and disabled exemptions were not granted.

Portsmouth’s exemptions are compared to other communities below:

Elderly Exemption Comparison Single Income							
	Single Income:	Married Income:	Single Assets:	Married Assets:	Exemption 65-74 years old	Exemption 75-79 years old	Exemption 80+ years old
Bedford	\$60,240	\$81,750	\$150,000	\$150,000	\$117,100	\$124,900	\$184,100
Portsmouth	\$54,000	\$70,793	\$500,000	\$500,000	\$375,000	\$450,000	\$525,000
Nashua	\$54,000	\$54,000	\$162,000	\$162,000	\$256,000	\$295,000	\$363,000
Dover	\$52,600	\$71,600	\$206,200	\$206,200	\$206,000	\$291,000	\$373,000
Manchester	\$47,000	\$63,000	\$100,000	\$130,000	\$156,000	\$210,000	\$280,000
Hampton	\$42,000	\$75,000	\$250,000	\$250,000	\$175,000	\$225,000	\$300,000
Concord	\$42,000	\$60,000	\$150,000	\$150,000	\$80,000	\$131,000	\$223,000
Salem	\$41,000	\$55,000	\$140,000	\$140,000	\$120,000	\$140,000	\$245,000
North Hampton	\$40,800	\$59,000	\$190,000	\$190,000	\$170,000	\$225,000	\$275,000
Rye	\$40,000	\$59,900	\$199,000	\$199,000	\$140,000	\$170,000	\$200,000
New Castle	\$40,000	\$55,000	\$150,000	\$150,000	\$125,000	\$175,000	\$225,000
Rochester	\$40,000	\$57,000	\$124,000	\$124,000	\$112,500	\$150,000	\$187,500
Greenland	\$37,000	\$60,000	\$125,000	\$125,000	\$90,000	\$115,000	\$145,000
Hanover	\$36,800	\$51,700	\$125,000	\$125,000	\$96,000	\$144,000	\$198,000
Stratham	\$36,000	\$60,000	\$200,000	\$200,000	\$125,000	\$145,000	\$165,000
Somersworth	\$35,000	\$50,000	\$100,000	\$100,000	\$110,000	\$135,000	\$150,000
State of NH Min.	\$13,400	\$20,400	\$35,000	\$35,000	\$5,000	\$5,000	\$5,000
Elderly Exemption Comparison Married Income							
	Single Income:	Married Income:	Single Assets:	Married Assets:	Exemption 65-74 years old	Exemption 75-79 years old	Exemption 80+ years old
Bedford	\$60,240	\$81,750	\$150,000	\$150,000	\$117,100	\$124,900	\$184,100
Hampton	\$42,000	\$75,000	\$250,000	\$250,000	\$175,000	\$225,000	\$300,000
Dover	\$52,600	\$71,600	\$206,200	\$206,200	\$206,000	\$291,000	\$373,000
Portsmouth	\$54,000	\$70,793	\$500,000	\$500,000	\$375,000	\$450,000	\$525,000
Manchester	\$47,000	\$63,000	\$100,000	\$130,000	\$156,000	\$210,000	\$280,000
Concord	\$42,000	\$60,000	\$150,000	\$150,000	\$80,000	\$131,000	\$223,000
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Stratham	\$36,000	\$60,000	\$200,000	\$200,000	\$125,000	\$145,000	\$165,000
Rye	\$40,000	\$59,900	\$199,000	\$199,000	\$140,000	\$170,000	\$200,000
North Hampton	\$40,800	\$59,000	\$190,000	\$190,000	\$170,000	\$225,000	\$275,000
Rochester	\$40,000	\$57,000	\$124,000	\$124,000	\$112,500	\$150,000	\$187,500
Salem	\$41,000	\$55,000	\$140,000	\$140,000	\$120,000	\$140,000	\$245,000
New Castle	\$40,000	\$55,000	\$150,000	\$150,000	\$125,000	\$175,000	\$225,000
Nashua	\$54,000	\$54,000	\$162,000	\$162,000	\$256,000	\$295,000	\$363,000
Hanover	\$36,800	\$51,700	\$125,000	\$125,000	\$96,000	\$144,000	\$198,000
Somersworth	\$35,000	\$50,000	\$100,000	\$100,000	\$110,000	\$135,000	\$150,000
State of NH Min.	\$13,400	\$20,400	\$35,000	\$35,000	\$5,000	\$5,000	\$5,000

Elderly Exemption Comparison Asset Limit Single							
	Single Income:	Married Income:	Single Assets:	Married Assets:	Exemption 65-74 years old	Exemption 75-79 years old	Exemption 80+ years old
Portsmouth	\$54,000	\$70,793	\$500,000	\$500,000	\$375,000	\$450,000	\$525,000
Hampton	\$42,000	\$75,000	\$250,000	\$250,000	\$175,000	\$225,000	\$300,000
Dover	\$52,600	\$71,600	\$206,200	\$206,200	\$206,000	\$291,000	\$373,000
Stratham	\$36,000	\$60,000	\$200,000	\$200,000	\$125,000	\$145,000	\$165,000
Rye	\$40,000	\$59,900	\$199,000	\$199,000	\$140,000	\$170,000	\$200,000
North Hampton	\$40,800	\$59,000	\$190,000	\$190,000	\$170,000	\$225,000	\$275,000
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Salem	\$41,000	\$55,000	\$140,000	\$140,000	\$120,000	\$140,000	\$245,000
Greenland	\$37,000	\$60,000	\$125,000	\$125,000	\$90,000	\$115,000	\$145,000
Hanover	\$36,800	\$51,700	\$125,000	\$125,000	\$96,000	\$144,000	\$198,000
Rochester	\$40,000	\$57,000	\$124,000	\$124,000	\$112,500	\$150,000	\$187,500
Manchester	\$47,000	\$63,000	\$100,000	\$130,000	\$156,000	\$210,000	\$280,000
Somersworth	\$35,000	\$50,000	\$100,000	\$100,000	\$110,000	\$135,000	\$150,000
State of NH Min.	\$13,400	\$20,400	\$35,000	\$35,000	\$5,000	\$5,000	\$5,000
Elderly Exemption Comparison Asset Limit Married							
	Single Income:	Married Income:	Single Assets:	Married Assets:	Exemption 65-74 years old	Exemption 75-79 years old	Exemption 80+ years old
Portsmouth	\$54,000	\$70,793	\$500,000	\$500,000	\$375,000	\$450,000	\$525,000
Hampton	\$42,000	\$75,000	\$250,000	\$250,000	\$175,000	\$225,000	\$300,000
Dover	\$52,600	\$71,600	\$206,200	\$206,200	\$206,000	\$291,000	\$373,000
Stratham	\$36,000	\$60,000	\$200,000	\$200,000	\$125,000	\$145,000	\$165,000
Rye	\$40,000	\$59,900	\$199,000	\$199,000	\$140,000	\$170,000	\$200,000
North Hampton	\$40,800	\$59,000	\$190,000	\$190,000	\$170,000	\$225,000	\$275,000
Nashua	\$54,000	\$54,000	\$162,000	\$162,000	\$256,000	\$295,000	\$363,000
Bedford	\$60,240	\$81,750	\$150,000	\$150,000	\$117,100	\$124,900	\$184,100
Concord	\$42,000	\$60,000	\$150,000	\$150,000	\$80,000	\$131,000	\$223,000
New Castle	\$40,000	\$55,000	\$150,000	\$150,000	\$125,000	\$175,000	\$225,000
Salem	\$41,000	\$55,000	\$140,000	\$140,000	\$120,000	\$140,000	\$245,000
Manchester	\$47,000	\$63,000	\$100,000	\$130,000	\$156,000	\$210,000	\$280,000
Greenland	\$37,000	\$60,000	\$125,000	\$125,000	\$90,000	\$115,000	\$145,000
Hanover	\$36,800	\$51,700	\$125,000	\$125,000	\$96,000	\$144,000	\$198,000
Rochester	\$40,000	\$57,000	\$124,000	\$124,000	\$112,500	\$150,000	\$187,500
Somersworth	\$35,000	\$50,000	\$100,000	\$100,000	\$110,000	\$135,000	\$150,000
State of NH Min.	\$13,400	\$20,400	\$35,000	\$35,000	\$5,000	\$5,000	\$5,000

Elderly Exemption Comparison Exemption Amount 65-74 Years Old							
	Single Income:	Married Income:	Single Assets:	Married Assets:	Exemption 65-74 years old	Exemption 75-79 years old	Exemption 80+ years old
Portsmouth	\$54,000	\$70,793	\$500,000	\$500,000	\$375,000	\$450,000	\$525,000
Nashua	\$54,000	\$54,000	\$162,000	\$162,000	\$256,000	\$295,000	\$363,000
Dover	\$52,600	\$71,600	\$206,200	\$206,200	\$206,000	\$291,000	\$373,000
Hampton	\$42,000	\$75,000	\$250,000	\$250,000	\$175,000	\$225,000	\$300,000
North Hampton	\$40,800	\$59,000	\$190,000	\$190,000	\$170,000	\$225,000	\$275,000
Manchester	\$47,000	\$63,000	\$100,000	\$130,000	\$156,000	\$210,000	\$280,000
Rye	\$40,000	\$59,900	\$199,000	\$199,000	\$140,000	\$170,000	\$200,000
Stratham	\$36,000	\$60,000	\$200,000	\$200,000	\$125,000	\$145,000	\$165,000
New Castle	\$40,000	\$55,000	\$150,000	\$150,000	\$125,000	\$175,000	\$225,000
Salem	\$41,000	\$55,000	\$140,000	\$140,000	\$120,000	\$140,000	\$245,000
Bedford	\$60,240	\$81,750	\$150,000	\$150,000	\$117,100	\$124,900	\$184,100
Rochester	\$40,000	\$57,000	\$124,000	\$124,000	\$112,500	\$150,000	\$187,500
Somersworth	\$35,000	\$50,000	\$100,000	\$100,000	\$110,000	\$135,000	\$150,000
Hanover	\$36,800	\$51,700	\$125,000	\$125,000	\$96,000	\$144,000	\$198,000
Greenland	\$37,000	\$60,000	\$125,000	\$125,000	\$90,000	\$115,000	\$145,000
Concord	\$42,000	\$60,000	\$150,000	\$150,000	\$80,000	\$131,000	\$223,000
State of NH Min.	\$13,400	\$20,400	\$35,000	\$35,000	\$5,000	\$5,000	\$5,000

Elderly Exemption Comparison Exemption Amount 75-79 Years Old							
	Single Income:	Married Income:	Single Assets:	Married Assets:	Exemption 65-74 years old	Exemption 75-79 years old	Exemption 80+ years old
Portsmouth	\$54,000	\$70,793	\$500,000	\$500,000	\$375,000	\$450,000	\$525,000
Nashua	\$54,000	\$54,000	\$162,000	\$162,000	\$256,000	\$295,000	\$363,000
Dover	\$52,600	\$71,600	\$206,200	\$206,200	\$206,000	\$291,000	\$373,000
Hampton	\$42,000	\$75,000	\$250,000	\$250,000	\$175,000	\$225,000	\$300,000
North Hampton	\$40,800	\$59,000	\$190,000	\$190,000	\$170,000	\$225,000	\$275,000
Manchester	\$47,000	\$63,000	\$100,000	\$130,000	\$156,000	\$210,000	\$280,000
New Castle	\$40,000	\$55,000	\$150,000	\$150,000	\$125,000	\$175,000	\$225,000
Rye	\$40,000	\$59,900	\$199,000	\$199,000	\$140,000	\$170,000	\$200,000
Rochester	\$40,000	\$57,000	\$124,000	\$124,000	\$112,500	\$150,000	\$187,500
Stratham	\$36,000	\$60,000	\$200,000	\$200,000	\$125,000	\$145,000	\$165,000
Hanover	\$36,800	\$51,700	\$125,000	\$125,000	\$96,000	\$144,000	\$198,000
Salem	\$41,000	\$55,000	\$140,000	\$140,000	\$120,000	\$140,000	\$245,000
Somersworth	\$35,000	\$50,000	\$100,000	\$100,000	\$110,000	\$135,000	\$150,000
Concord	\$42,000	\$60,000	\$150,000	\$150,000	\$80,000	\$131,000	\$223,000
Bedford	\$60,240	\$81,750	\$150,000	\$150,000	\$117,100	\$124,900	\$184,100
Greenland	\$37,000	\$60,000	\$125,000	\$125,000	\$90,000	\$115,000	\$145,000
State of NH Min.	\$13,400	\$20,400	\$35,000	\$35,000	\$5,000	\$5,000	\$5,000

Elderly Exemption Comparison Exemption Amount 80+ Years Old							
	Single Income:	Married Income:	Single Assets:	Married Assets:	Exemption 65-74 years old	Exemption 75-79 years old	Exemption 80+ years old
Portsmouth	\$54,000	\$70,793	\$500,000	\$500,000	\$375,000	\$450,000	\$525,000
Dover	\$52,600	\$71,600	\$206,200	\$206,200	\$206,000	\$291,000	\$373,000
Nashua	\$54,000	\$54,000	\$162,000	\$162,000	\$256,000	\$295,000	\$363,000
Hampton	\$42,000	\$75,000	\$250,000	\$250,000	\$175,000	\$225,000	\$300,000
Manchester	\$47,000	\$63,000	\$100,000	\$130,000	\$156,000	\$210,000	\$280,000
North Hampton	\$40,800	\$59,000	\$190,000	\$190,000	\$170,000	\$225,000	\$275,000
Salem	\$41,000	\$55,000	\$140,000	\$140,000	\$120,000	\$140,000	\$245,000
New Castle	\$40,000	\$55,000	\$150,000	\$150,000	\$125,000	\$175,000	\$225,000
Concord	\$42,000	\$60,000	\$150,000	\$150,000	\$80,000	\$131,000	\$223,000
Rye	\$40,000	\$59,900	\$199,000	\$199,000	\$140,000	\$170,000	\$200,000
Hanover	\$36,800	\$51,700	\$125,000	\$125,000	\$96,000	\$144,000	\$198,000
Rochester	\$40,000	\$57,000	\$124,000	\$124,000	\$112,500	\$150,000	\$187,500
Bedford	\$60,240	\$81,750	\$150,000	\$150,000	\$117,100	\$124,900	\$184,100
Stratham	\$36,000	\$60,000	\$200,000	\$200,000	\$125,000	\$145,000	\$165,000
Somersworth	\$35,000	\$50,000	\$100,000	\$100,000	\$110,000	\$135,000	\$150,000
Greenland	\$37,000	\$60,000	\$125,000	\$125,000	\$90,000	\$115,000	\$145,000
State of NH Min.	\$13,400	\$20,400	\$35,000	\$35,000	\$5,000	\$5,000	\$5,000

I recommend that the City Council move to schedule a public hearing on February 3, 2025.

4. Request for Public Hearing on Disabled Exemptions:

As a standing practice, the City Council regularly reviews the Disabled Exemptions for property taxes and makes recommendations as to these levels pursuant to RSA 72.39-b. This review resulted in 2024 in changes to both the income and asset limits and the exemption amounts.

The City Assessor would like to invite the City Council to review the income and asset limits now in preparation for the exemption application deadline of April 15, 2025.

Last year, the City Council adopted Resolution #02-2024 which increased the income level for qualifying disabled taxpayers and Resolution #18-2024 which increased the exemption amount. The current disabled exemption income levels are \$54,000 for a single taxpayer, \$70,793 for married taxpayers; the current asset limit is \$500,000.

If qualified, for disabled taxpayers the exemption off the assessed value of the property is \$375,000.

Below are three (3) potential options for the City Council to consider as they relate to Disabled Exemptions.

Option 1:

This year, the 2025 increase for Social Security recipients is 2.5%.

If the City Council wishes to adjust the income and asset limits for those who qualify for the disabled exemption by the Social Security cost-of-living increase, this would increase the limits as follows:

- Single \$55,350 increase of \$1,350
- Married \$72,563 increase of \$1,770
- Asset Limit \$500,000

Option 2:

This year, the ten-year rolling average of the November-to-November Boston-Cambridge-Newton, MA-NH Consumer Price Index (CPI-U) is 2.84%.

If the City Council wishes to adjust the income and asset level for those who qualify for the disabled exemption by the ten-year rolling average CPI-U, this would increase the limits as follows:

- Single \$55,534 increase of \$1,534
- Married \$72,804 increase of \$2,011
- Asset Limit \$500,000

Option 3:

If the City Council wishes, exemptions can remain the same.

Statute does not require an annual adjustment in income, assets or exemption amounts. Existing levels can remain capped as they currently exist.

Any adjustment if approved would be for assessments as of April 1, 2025, for Tax Year 2025 (FY26).

The table below reports the number of property owners receiving an exemption and the resulting impact of those exemptions by type in the previous Tax Year 2024 (FY25).

Estimated Elderly & Disabled Exemption Impact				
Exemption Type	Current Exemption Amount	Number Currently Receiving Exemption	Value Loss	Revenue Loss
65 through 74	\$ 375,000.00	33	\$ 11,261,500.00	\$ 126,128.80
75 through 79	\$ 450,000.00	34	\$ 13,045,900.00	\$ 146,114.08
80 and over	\$ 525,000.00	78	\$ 31,962,600.00	\$ 357,981.12
Disabled	\$ 375,000.00	2	\$ 562,500.00	\$ 6,300.00
Totals		147	\$ 56,832,500.00	\$ 636,524.00

Note: The current tax rate of \$11.18 would have been decreased by approximately 6 cents (\$0.06) on the current tax rate if the elderly and disabled exemptions were not granted.

Portsmouth’s exemptions are compared to other communities below:

Disabled Exemption Comparison Single Income					
	Single Income:	Married Income:	Single Assets:	Married Assets:	Exemption Amount
Bedford	\$58,320	\$78,880	\$150,000	\$150,000	\$52,000
Portsmouth	\$54,000	\$70,793	\$500,000	\$500,000	\$375,000
Nashua	\$54,000	\$54,000	\$162,000	\$162,000	\$256,000
Dover	\$52,600	\$71,600	\$206,200	\$206,200	\$206,000
Manchester	\$47,000	\$63,000	\$100,000	\$130,000	\$156,000
North Hampton	\$45,000	\$60,000	\$125,000	\$125,000	\$150,000
Hampton	\$42,000	\$75,000	\$250,000	\$250,000	\$175,000
Salem	\$41,000	\$55,000	\$140,000	\$140,000	\$120,000
New Castle	\$40,000	\$55,000	\$150,000	\$150,000	\$125,000
Rochester	\$40,000	\$57,000	\$124,000	\$124,000	\$112,500
Greenland	\$37,000	\$60,000	\$125,000	\$125,000	\$50,000
Hanover	\$29,900	\$40,200	\$125,000	\$125,000	\$198,000
Stratham	\$0	\$0	\$0	\$0	\$0
Rye	\$0	\$0	\$0	\$0	\$0
Concord	\$0	\$0	\$0	\$0	\$0
Somersworth	\$0	\$0	\$0	\$0	\$0
State of NH Min.	\$13,400	\$20,400	\$35,000	\$35,000	No Min.
Disabled Exemption Comparison Married Income					
	Single Income:	Married Income:	Single Assets:	Married Assets:	Exemption Amount
Bedford	\$58,320	\$78,880	\$150,000	\$150,000	\$52,000
Hampton	\$42,000	\$75,000	\$250,000	\$250,000	\$175,000
Dover	\$52,600	\$71,600	\$206,200	\$206,200	\$206,000
Portsmouth	\$54,000	\$70,793	\$500,000	\$500,000	\$375,000
Manchester	\$47,000	\$63,000	\$100,000	\$130,000	\$156,000
North Hampton	\$45,000	\$60,000	\$125,000	\$125,000	\$150,000
Greenland	\$37,000	\$60,000	\$125,000	\$125,000	\$50,000
Rochester	\$40,000	\$57,000	\$124,000	\$124,000	\$112,500
Salem	\$41,000	\$55,000	\$140,000	\$140,000	\$120,000
New Castle	\$40,000	\$55,000	\$150,000	\$150,000	\$125,000
Nashua	\$54,000	\$54,000	\$162,000	\$162,000	\$256,000
Hanover	\$29,900	\$40,200	\$125,000	\$125,000	\$198,000
Stratham	\$0	\$0	\$0	\$0	\$0
Rye	\$0	\$0	\$0	\$0	\$0
Concord	\$0	\$0	\$0	\$0	\$0
Somersworth	\$0	\$0	\$0	\$0	\$0
State of NH Min.	\$13,400	\$20,400	\$35,000	\$35,000	No Min.

Disabled Exemption Comparison Single Assets					
	Single Income:	Married Income:	Single Assets:	Married Assets:	Exemption Amount
Portsmouth	\$54,000	\$70,793	\$500,000	\$500,000	\$375,000
Hampton	\$42,000	\$75,000	\$250,000	\$250,000	\$175,000
Dover	\$52,600	\$71,600	\$206,200	\$206,200	\$206,000
Nashua	\$54,000	\$54,000	\$162,000	\$162,000	\$256,000
Bedford	\$58,320	\$78,880	\$150,000	\$150,000	\$52,000
New Castle	\$40,000	\$55,000	\$150,000	\$150,000	\$125,000
Salem	\$41,000	\$55,000	\$140,000	\$140,000	\$120,000
North Hampton	\$45,000	\$60,000	\$125,000	\$125,000	\$150,000
Greenland	\$37,000	\$60,000	\$125,000	\$125,000	\$50,000
Hanover	\$29,900	\$40,200	\$125,000	\$125,000	\$198,000
Rochester	\$40,000	\$57,000	\$124,000	\$124,000	\$112,500
Manchester	\$47,000	\$63,000	\$100,000	\$130,000	\$156,000
Stratham	\$0	\$0	\$0	\$0	\$0
Rye	\$0	\$0	\$0	\$0	\$0
Concord	\$0	\$0	\$0	\$0	\$0
Somersworth	\$0	\$0	\$0	\$0	\$0
State of NH Min.	\$13,400	\$20,400	\$35,000	\$35,000	No Min.
Disabled Exemption Comparison Married Assets					
	Single Income:	Married Income:	Single Assets:	Married Assets:	Exemption Amount
Portsmouth	\$54,000	\$70,793	\$500,000	\$500,000	\$375,000
Hampton	\$42,000	\$75,000	\$250,000	\$250,000	\$175,000
Dover	\$52,600	\$71,600	\$206,200	\$206,200	\$206,000
Nashua	\$54,000	\$54,000	\$162,000	\$162,000	\$256,000
Bedford	\$58,320	\$78,880	\$150,000	\$150,000	\$52,000
New Castle	\$40,000	\$55,000	\$150,000	\$150,000	\$125,000
Salem	\$41,000	\$55,000	\$140,000	\$140,000	\$120,000
Manchester	\$47,000	\$63,000	\$100,000	\$130,000	\$156,000
North Hampton	\$45,000	\$60,000	\$125,000	\$125,000	\$150,000
Greenland	\$37,000	\$60,000	\$125,000	\$125,000	\$50,000
Hanover	\$29,900	\$40,200	\$125,000	\$125,000	\$198,000
Rochester	\$40,000	\$57,000	\$124,000	\$124,000	\$112,500
Stratham	\$0	\$0	\$0	\$0	\$0
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Concord	\$0	\$0	\$0	\$0	\$0
Somersworth	\$0	\$0	\$0	\$0	\$0
State of NH Min.	\$13,400	\$20,400	\$35,000	\$35,000	No Min.

Disabled Exemption Comparison Exemption Amount					
	Single Income:	Married Income:	Single Assets:	Married Assets:	Exemption Amount
Portsmouth	\$54,000	\$70,793	\$500,000	\$500,000	\$375,000
Nashua	\$54,000	\$54,000	\$162,000	\$162,000	\$256,000
Dover	\$52,600	\$71,600	\$206,200	\$206,200	\$206,000
Hanover	\$29,900	\$40,200	\$125,000	\$125,000	\$198,000
Hampton	\$42,000	\$75,000	\$250,000	\$250,000	\$175,000
Manchester	\$47,000	\$63,000	\$100,000	\$130,000	\$156,000
North Hampton	\$45,000	\$60,000	\$125,000	\$125,000	\$150,000
New Castle	\$40,000	\$55,000	\$150,000	\$150,000	\$125,000
Salem	\$41,000	\$55,000	\$140,000	\$140,000	\$120,000
Rochester	\$40,000	\$57,000	\$124,000	\$124,000	\$112,500
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Greenland	\$37,000	\$60,000	\$125,000	\$125,000	\$50,000
Stratham	\$0	\$0	\$0	\$0	\$0
Rye	\$0	\$0	\$0	\$0	\$0
Concord	\$0	\$0	\$0	\$0	\$0
Somersworth	\$0	\$0	\$0	\$0	\$0
State of NH Min.	\$13,400	\$20,400	\$35,000	\$35,000	No Min.

I recommend that the City Council move to schedule a public hearing on February 3, 2025.

5. Request for Public Hearing on the Drinking Water State Revolving Fund Loan:

The revised EPA Lead and Copper Rule requires water suppliers to identify all water service line materials and replace all lead and galvanized service lines within their control. For background information, [please find attached a memorandum from the Water Resource Manager Albert Pratt regarding water service line inventory and potential funding opportunities.](#)

Federal funds are currently available from the New Hampshire Drinking Water State Revolving Fund through loans with 71% forgiveness for these projects. Staff will be available to explain the rule requirements, status of the inventory, and plans for utilizing the loan funds at the proposed public hearing on February 3, 2025.

I recommend that the City Council move to schedule a public hearing at the February 3, 2025 City Council meeting to authorize the borrowing of up to \$3,500,000 from the New Hampshire Drinking Water State Revolving Fund to assist customers with galvanized service line replacements and fund service line inventory compliance efforts.

XVI. Approval of Grants/Donations:

A. Acceptance of Overwatch .Gov Grant Award - \$10,000:

The Overwatch Foundation (www.overwatch.org), a NH 501(c)(3) not-for-profit foundation, has entered a multiyear cooperative effort with the New Hampshire Department of Information Technology to help improve the cybersecurity protections for hundreds of municipalities across New Hampshire.

The City of Portsmouth has been selected to participate in this effort and will migrate from cityofportsmouth.com to portsmouthnh.gov. Overwatch is committed to migrating municipalities to a .GOV or NH.GOV domain and as part of the .GOV “In a Box”™ grant program, the City of Portsmouth is eligible for certain funding to be considered outside of the Overwatch Foundation’s direct engineering and project management services. Adopting a .GOV domain safeguards against public disinformation and our election process, and makes it easy to recognize official sources of information for the public through websites and applications.

Grant funding in the amount of \$10,000 will be used to offset costs for third-party IT services associated with the transition to a new .GOV domain.

I recommend that the City Council move to approve and accept the grant as presented.

B. Acceptance of Donation for the Restoration of Old North Cemetery from the David and Jacqueline Mahoney Fund - \$10,000:

[Attached please find a donation form](#) in recognition of the David and Jacqueline Mahoney Fund’s gift of \$10,000 for the North Cemetery restoration.

I recommend that the City Council move to approve and accept the donation as presented.

XVII. City Manager’s Informational Items:

1. Pease Development Authority Board Meeting Update:

I will provide a verbal update on the Pease Development Authority’s recent Board Meeting held on January 7, 2025.

2. New Procurement Platform Update:

We are pleased to report that the City’s new online procurement platform through OpenGov has gone live with our first solicitations. Vendors will submit their responses electronically, pricing tabulations will be easily generated (no entry of data from paper to Excel spreadsheet) after solicitations close, and communication with vendors will take place through the procurement portal. Registration of both existing and new vendors has gone smoothly to date. Additional elements of the implementation of the procurement platform will follow over the next several months.

3. **Report Back on Sweetser Request:**

Attached please find a report back from City Attorney Morrell regarding a request from Sweetser for funding.

PARKING AGREEMENT

Strawbery Banke Museum, a museum with a principal place of business at 17 Hancock Street, Portsmouth, New Hampshire (hereinafter "Strawbery Banke"), and the City of Portsmouth, a municipal corporation with an address of 1 Junkins Avenue, Portsmouth, New Hampshire, (hereinafter "City"), hereby enter into this agreement with respect a parking lot on Hancock Street owned by Strawbery Banke in the City of Portsmouth at Tax Map 103, Lot 088 (hereinafter "Parking Lot") for the purposes and under the terms and conditions contained herein.

1. This Agreement shall be for the public’s use of the Parking Lot located at Hancock Street in Portsmouth, New Hampshire for Snow Emergencies Parking Bans as defined in the Ordinances of the City of Portsmouth, Chapter 7, Article III, Section 7.321, A-E for a term of ten (10) years from the date of execution.
2. During the period in which Snow Emergency Parking Bans are in effect, this Agreement is in effect, and the Parking Lot shown on the plan attached and incorporated as Exhibit A, shall be available at the direction of the City for the purpose of allowing members of the public to park. The parking spaces will be available to the public on a first come, first serve basis and the public is not required to have any type of parking permit in order to use the Parking Lot during Snow Emergency Parking Bans. The City of Portsmouth will be responsible for plowing the Parking Lot only during Snow Emergency Parking Bans.
3. Except as described in this Agreement, all other uses of and maintenance for the Parking Lot shall be under the control of Strawbery Banke, including all responsibility for providing sufficient lighting for the Parking Lot. Strawbery Banke will be constructing improvements to the Parking Lot during the term of this Agreement. Strawbery Banke will give the City reasonable advance notice of any construction that will reduce or restrict the public’s access to the Parking Lot during Snow Emergency Parking Bans.
4. All signage notifying members of the public that they can park in the Parking Lot during Snow Emergency Parking Bans shall be the responsibility of the City. The City is responsible to manage the parking activity at the Parking Lot during the Snow Emergency Parking Bans.
5. The City shall defend and indemnify Strawbery Banke Museum for claims caused solely by the City’s negligence, and which are within the scope of the City’s liability insurance to the extent and under the terms and conditions under which the City itself is entitled to contractual indemnification coverage from the New Hampshire Public Risk Management Exchange, under the terms of its liability coverage document as it may be in effect from time to time.

City of Portsmouth

Strawbery Banke Museum

Karen S. Conard, City Manager

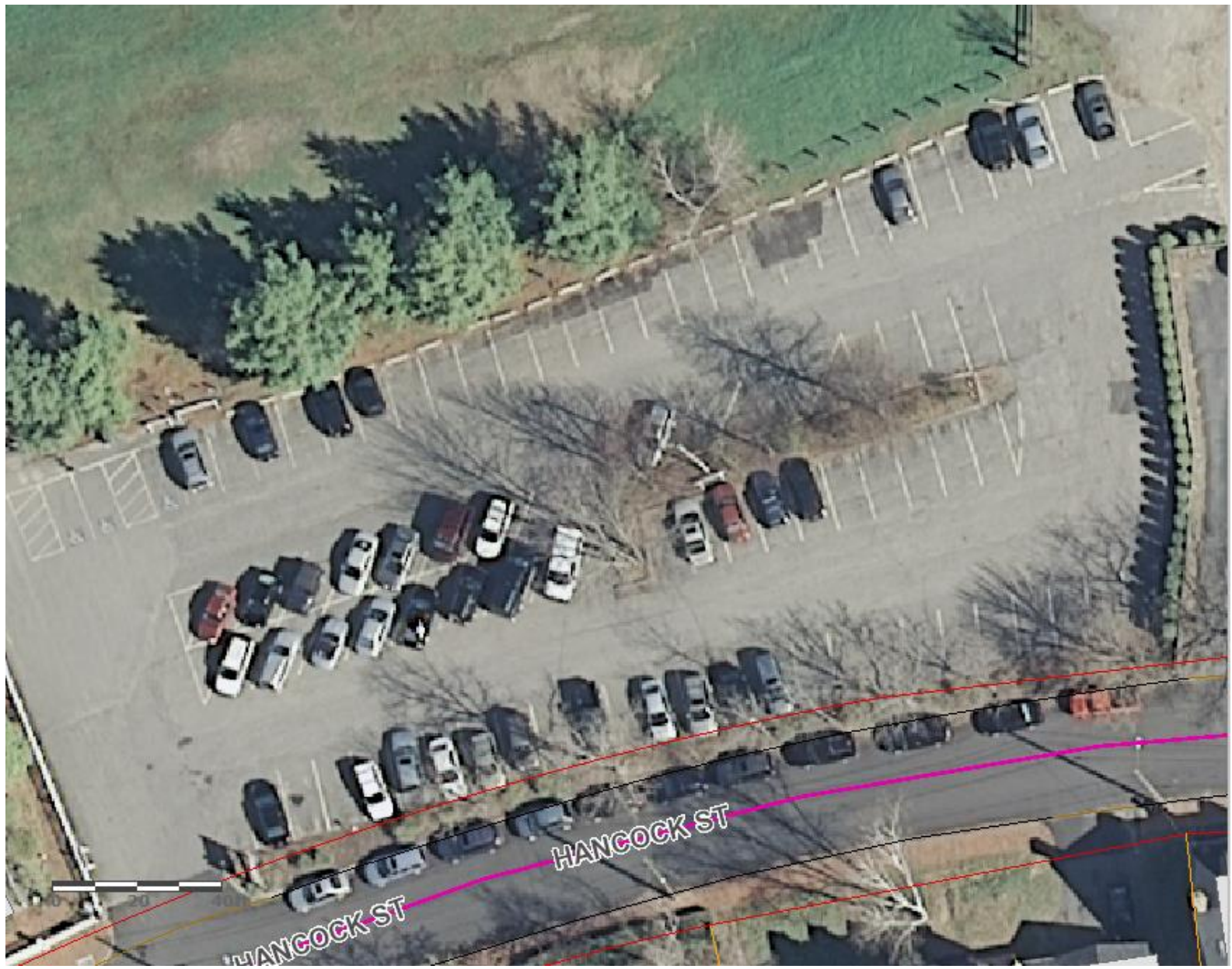
Linnea Grim, President

Dated:_____

Dated:_____

Approved by City Council on _____.

Strawbery Banke Parking Lot



City of Portsmouth

Department of Public Works



MEMORANDUM

TO: Karen Conard, City Manager

FROM: Albert Pratt, Water Resource Manager

DATE: January 13, 2025

SUBJECT: Water Service Line Inventory and Funding Opportunity

Revisions to the U.S. Environmental Protection Agency (USEPA) Lead & Copper Rule (LCR) require water suppliers to identify the materials of all water service lines by 2034 and notify all customers with galvanized pipes or pipes of unknown material annually of the health risks associated with lead exposure. The City is required to replace all lead or galvanized water service lines within our control by 2037. NH Drinking Water State Revolving Fund (DWSRF) currently has loans available to assist inventory efforts and service line replacement projects with 71% principal forgiveness and a five-year project window. These loans can be used to assist private residential and commercial property owners who choose to replace their galvanized service lines.

Inventory of Service Line Materials in Portsmouth

The material of approximately 2,900 City-owned service lines are still unknown and must be identified by 2034 to comply with the revised USEPA LCR. This will require a considerable effort by the City's water distribution crew as well as contractors to inspect and document the material type. An estimated \$2 million is needed to conduct this work. With 71% forgiveness on a DWSRF loan for this work, \$1.42 million would be forgiven, and the City would be responsible for paying back no more than \$580,000 with interest over 10 years starting in 2031.

Privately-Owned Galvanized Service Line Replacement

There are currently 132 known, privately-owned galvanized service lines in the City's system. They are all privately owned, thus not within the control of the City's Water Division. Our regulatory obligation has been met with the notifications that were sent to these customers. However, federal funds disbursed through the DWSRF program are currently available to provide cost savings to private customers for the replacement of their galvanized service lines.

Since these funds are processed through the DWSRF program, water suppliers/municipalities are responsible for administering the replacement program which involves contract management/administration, customer-contractor coordination efforts, ensuring federal contract requirements are satisfied (Environmental Review, BABA, AIS and Davis-Bacon), DWSRF disbursement requests, contractor payment, and administration of a customer payment plan. As a service to our residents, we recommend the City enter into a DWSRF loan agreement for up to \$1.5 million to extend this cost-saving program to all customers with galvanized service lines.

According to the NH Department of Environmental Services (NHDES), these DWSRF loans for the service line inventory and galvanized replacement projects may not be available in the future, thus they are strongly advising water suppliers to take advantage of these funds now.

We believe it is in the best interest of the City and its water customers to enter into a DWSRF loan agreement with NHDES for up to \$3.5 million with 71% forgiveness to assist with the inventory and galvanized service line replacement projects.

To take advantage of the DWSRF loan opportunity with 71% forgiveness, the City Council needs to authorize the City Manager to enter into this DWSRF loan contract. Staff recommends that a public hearing and vote be scheduled for February 3, 2025 to authorize this borrowing.

The City Council will need to move to schedule a public hearing for the February 3, 2025 City Council meeting and subsequently authorize the borrowing of \$3,500,000 from the Drinking Water State Revolving Fund to assist customers with galvanized service line replacements and fund service line inventory compliance efforts.



**National
Multiple Sclerosis
Society**

January 9, 2025

Attn: Karen Conard, Portsmouth City Manager

On behalf of the National MS Society, Greater New England Market, I would like to extend our gratitude for the continuous support and cooperation the City of Portsmouth has shown for our annual Walk MS event. The funds raised from this event will continue to be used to advance our support of national research and to support local programming for the more than 27,000 people within Greater New England who are affected by multiple sclerosis.

The 2025 Walk MS: Portsmouth event has a 1-mile and 3-mile walking route and is scheduled to take place on Saturday, May 31, 2025. We anticipate that we will have around 350 participants for this event that will start and finish at Great Bay Community College. The event opens at 9:00 a.m. and the walk will start promptly at 10 a.m. I have included written walking directions for your review.

We respectfully provide notice to the city of Portsmouth of the 1-mile and 3-mile Walk MS: Portsmouth event taking place in its Portsmouth. Please provide confirmation of receipt of this notice, by replying to the email stating as such. If there are any other additional steps, permits or permissions I must take to ensure approval for this event outside of the college, please let me know.

We thank you in advance for your support and please feel free to contact me with any questions or concerns.

Sincerely,

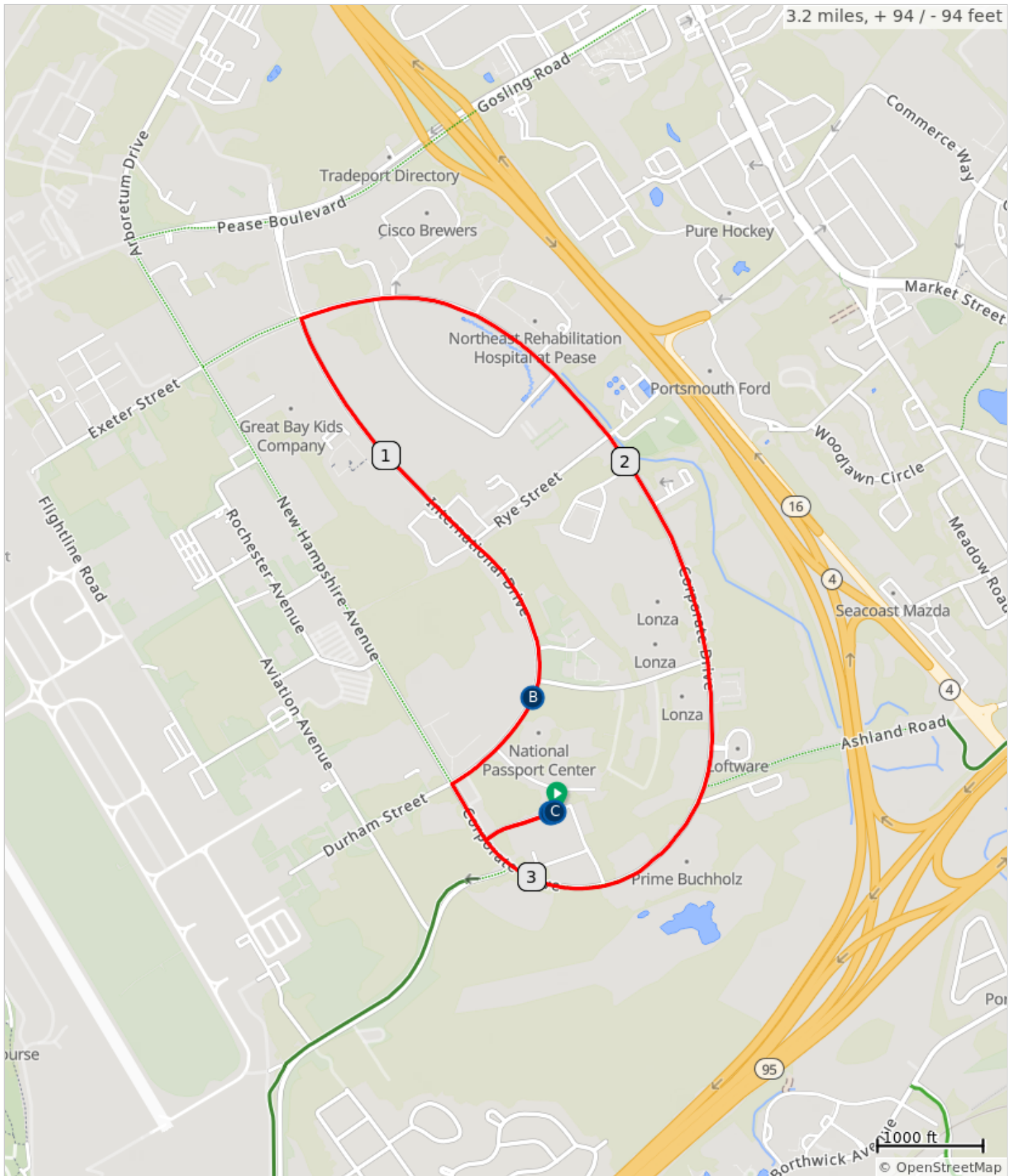
Latrice Smith

Latrice Smith
Specialist, Event Production
(781) 693-5146
Latrice.smith@nmss.org










Walk MS: Portsmouth - 3mi Route



- A. Great Bay Community College
- B. Hydration Station
- C. Great Bay Community College



Walk MS: Portsmouth - 3mi Route

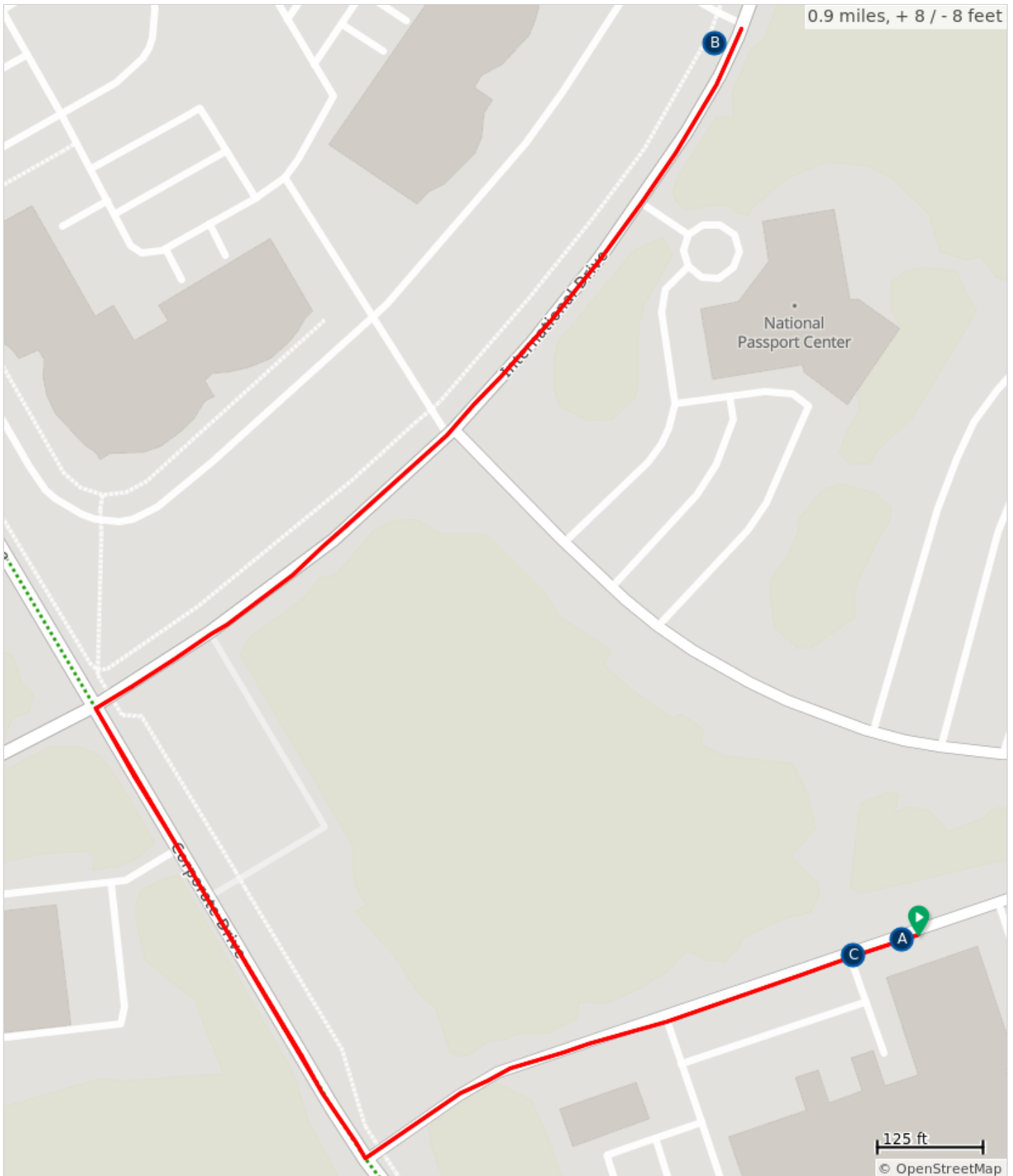
Type	Dist	Note
	0.0	Start of route
	0.0	START - Great Bay Community College
	0.1	Right onto Corporate Dr
	0.3	Right onto International Dr
	0.5	HYDRATION STATION - Tradeport Counseling Associates
	1.3	Right onto Corporate Dr
	3.1	Right into Great Bay Community College
	3.2	FINISH - Great Bay Community College
	3.2	End of route

3.2 miles. +94/-94 feet









Walk MS: Portsmouth 1mi Route



- A. Start - Great Bay Community College
- B. Hydration Station
- C. Finish - Great Bay Community College



Walk MS: Portsmouth 1mi Route

Type	Dist	Note
	0.0	Start of route
	0.1	Right onto Corporate Dr
	0.3	Right onto International Dr
	0.5	Hydration Station - Tradeport Counseling Associates
	0.5	1-mile Turn Around
	0.7	Left onto Corporate Dr
	0.8	Left
	0.9	End of route

0.9 miles. +8/-8 feet



January 14, 2025

City Manager Karen Conard
City of Portsmouth
1 Junkins Avenue
Portsmouth, NH 03801

Dear Ms. Conard,

I'm reaching out on behalf of Portsmouth Little League with a request to add signage at three (3) city fields: Central Field (Parrot Ave.), Plains Field (Plains Ave.), and Hislop Field (Preble Way).

Signage in the past looked like the image below, and we'd replicate and add a QR code to scan and register.



The signage will help us get the word out about ongoing registrations to families new to Portsmouth and/or new to Portsmouth Little League while being placed on the field at which our teams play.

Our current email database is comprised of past players only, and while we do send out registration information to schools, the schools are limited as to what can be included in their emails to families.

We appreciate your consideration.

Sincerely,
Jenna Raizes
PLL Volunteer, President 2025
(603) 969-5515

Portsmouth Little League
PO Box 8321 | Portsmouth, NH 03802
portsmouthlittleleaguenh@gmail.com

City Council Emails – January 7, 2025 – January 16, 2025

Submitted on Wed, 01/08/2025 - 07:23

Submitted by: Anonymous

Submitted values are:

First Name

Joe

Last Name

Famularo

Email

famularoj@gmail.com

Address

141 Mill Pond Way Unit 3
Portsmouth, New Hampshire. 03801

Message

Dear Councilors,

As a Portsmouth taxpayer, I approve immediate reimbursement of \$28,000 to our fellow citizen James A. Hewitt. I trust that my City Council will man-up, do the right thing, and immediately issue the check.

Thank you.

Regards,

Joe

Please indicate if you would like your comment to be part of the public record for the upcoming City Council meeting.

Yes

Submitted on Tue, 01/14/2025 - 21:41

Submitted by: Anonymous

Submitted values are:

First Name

Ben

Last Name

Hodsdon

Email

bhodsdon17@gmail.com

Address

41 McKay Drive

Exeter, New Hampshire. 03833

Message

Good evening members of Portsmouth City Council,

My name is Ben Hodsdon and though I am not a resident of the City, I work in Portsmouth as an engineer and I frequent downtown in my free time. I am writing to urge the Council to choose a plan for Market Square that limits the amount of car traffic through the area. As a pedestrian, the street today simply feels too wide for a downtown corridor. Walking in Market Square feels relatively safe today, but there is more that can be done to create a thriving hub in downtown. From the general public input, it is clear that the public wants better pedestrian infrastructure and to take cars out of the equation, or limit the times of the day when cars can travel here. This way, the street can be quieter, safer, and an all around more pleasant place to be. I would urge the council to either choose Option 3, as it reduces the amount of lanes, or to take this a step further and remove all parking from this area. Compared to the entire City, this area has a relatively low number of parking spaces anyways. Removing cars would allow restaurants to expand outdoor dining, allow local vendors to come more frequently, or potentially host farmer's markets, as there is no grocery store in downtown. I envision a similar environment to Burlington VT's Church Street. We have been given a great privilege to see a car free Congress Street in action during Market Square Day, so we've seen how great a car free street in this area could be. It would be an injustice to ignore this matter of fact. Events similar to Market Square Day could happen more frequently with a car free street and bring in an abundance of revenue

for local businesses and the City. I commend the City for allowing public input for this project and the opportunity to make Portsmouth an even more desirable place to visit and I thank you for your service to the community.

Please indicate if you would like your comment to be part of the public record for the upcoming City Council meeting.

Yes

Motion to Provide Guidance to the City Manager regarding the FY26 budget.

Sample Motion: Move that the City Council adopt the following guidance for the City Manager for FY26 Budget:

- Target 3.5% as the increase in total expenditure
- No increase in headcount unless the position is self-funding; and,
- If the target will result in a loss of the current level of services, provide details and explanation from affected departments to the City Council.

Rationale:

From 2000-2020, the city historically benefitted from commercial development expanding the tax base. It was not unusual for the city to be “gifted” a 1-2% revenue increase generated from new office, manufacturing and multi-family housing development added to the tax base.

However, a softening office market, changing retail landscape and other factors meant that instead of giving, commercial real estate values this year played takeaway. In the latest revaluation, the commercial share of tax burden declined from 42% to 37.5%, and homeowners made up the difference.

As a result, large numbers of residents are seeing their property tax rise faster than their income. This creates a challenge for the city to produce a fiscally responsible budget to keep Portsmouth from becoming unaffordable.

The current New England inflation rate is 3.1%. Much needed pay enhancements for city workers have been implemented and built into FY25 baseline spending. Staff levels are healthy. Services are at a high level. Taxpayers who are getting squeezed right now expect us to find efficiencies and eliminate programs whose time has passed. Conversely, if we as the legislative body authorize spending higher than inflation, we risk driving out retirees and young families.

ORDINANCE #

THE CITY OF PORTSMOUTH ORDAINS

That Chapter 1, ADMINISTRATIVE CODE, Article XVI – ADOPTION OF FEES BY BUDGET RESOLUTION, Section 1.1601 - PURPOSE, Section 1.1602 – PROCEDURE, Section 1.1603 – EXCLUSION, Section 1.1604 - DEFAULT, of the Ordinances of the City of Portsmouth, be amended as follows (deletions from existing language **stricken**; additions to existing language **bolded**; remaining language unchanged from existing):

ARTICLE XVI: ADOPTION OF FEES ~~BY BUDGET RESOLUTION~~

~~Section 1.1601: — PURPOSE~~

~~This ordinance is adopted for the purpose of creating a more efficient system for the City to adopt and adjust municipal fees.~~

Section 1.1602: PROCEDURE

~~To the extent permitted by law and notwithstanding any ordinance previously adopted to the contrary, all Municipal fees, whether not otherwise established by other ordinance or law otherwise shall be adopted by the City Council and may be amended by resolution during the annual budget adoption process—~~or at such other times as the City Council may determine to be in the best interest of the City.

Section 1.1603: EXCLUSION

~~This ordinance does not apply to penalties, fines or civil forfeitures or to fees established in Chapter 7, Article II—Taxi Cabs.~~ Municipal fees do not include penalties, charges or costs negotiated or imposed pursuant to an administrative order, compliance agreement, or other resolution pertaining to an enforcement activity.

Section 1.1604: AUTHORITY TO CHARGE FOR PROGRAMMING

Department heads responsible for programming activities such as classes, trainings and special events may, without the approval of the City Council, but subject to the City Manager’s review and oversight, charge for participation in programmed activities.

Section 1.1604: DEFAULT

Any municipal fee which is not listed in the fee resolution adopted during the annual budget process, or any municipal fee which is determined to require a process other than adoption by annual budget resolution, shall remain at the level at which it was last validly adopted by the City.

~~It is further ordained that the City Clerk is hereby authorized to replace the fee provision in any appropriate ordinance, with a provision reading "Fees to be determined in accordance with Chapter 1, Article XVI or similar wording. Such ordinances include, but are not limited to the following: (See list attached to ordinance as adopted).~~

~~(Article XVI adopted in its entirety 3/18/2002)~~

The City Clerk shall properly alphabetize and/or re-number the ordinances as necessary in accordance with this amendment.

All ordinances or parts of ordinances inconsistent herewith are hereby deleted.

This ordinance shall take effect upon its passage.

APPROVED:

Deaglan McEachern, Mayor

ADOPTED BY COUNCIL:

Kelli L. Barnaby, City Clerk

**SEAN MAHONEY
27 AUSTIN STREET
PORTSMOUTH, NH 03801**

January 6, 2025

Honorable Deaglan McEachern
Mayor
CITY OF PORTSMOUTH
City Hall
1 Junkins Avenue
Portsmouth, NH 03801

RE: GIFT TO PORTSMOUTH - RESTORATION OF OLD NORTH CEMETARY

Dear Mayor McEachern:

I am pleased to inform you that a grant recommendation in the amount of \$10,000 from the David and Jaqueline Mahoney Fund at the New Hampshire Charitable Fund has been made to the City of Portsmouth – Historic Cemetery Trust Fund.

I trust that these funds will be applied to advancing the restoration of Portsmouth's historic Old North Burial Ground off Maplewood Avenue.

Best Regards,



Sean Mahoney

cc: Karen Conard, City Manager
Nathan D. Lunney, Deputy City Manager – Finance and Administration
Trevor McCourt, Deputy City Attorney

Gift and Donation Submission Form

Donations received by the City of Portsmouth must be accepted by the City Council. Please complete this form and submit it to the City Manager for inclusion on an upcoming agenda.

Date:	January 6, 2025
Department/ Contact Person:	City Manager
Donation Amount:	\$10,000.00

Are Funds to be directed to a particular department, program or fund? – If yes, please provide detail below:

Historic Cemetery Trust Fund. See attached letter.

Is there a particular purpose intended with this donation:

North Cemetery Restoration. See attached letter

Other Information/Special Conditions:

Donor Information

First & Last Name:	David and Jaqueline Mahoney Fund
Business Name:	Contract: Sean Mahoney
Address*:	27 Austin Street, Portsmouth NH
Phone*:	
Email*:	

Please note that gifts/donations to individual employees with a value of \$100 or more are not permitted. Information with an asterisk () indicates it will not be publicly distributed.*

**CITY OF PORTSMOUTH
LEGAL DEPARTMENT
MEMORANDUM**

CM Info Item #3

DATE: JANUARY 14, 2025
TO: KAREN CONARD, CITY MANAGER
FROM: SUSAN G. MORRELL, CITY ATTORNEY
RE: REPORT BACK: SWEETSER REQUEST

Today I met with Nathan Lunney and Jodi Carnes to discuss the request made to the City Council by Sweetser, a behavioral health nonprofit located in Maine. Sweetser states that they provided services to Portsmouth residents in 2024, for which only partial payment was provided. They are not asking for re-imbursement for those services. This is a fundraising request for the City to donate \$1,500 to their nonprofit.

We agreed that Jodi will contact Sweetser to inform them of the City's Social Services Grant program. Although the deadline to submit applications for this program was earlier this week, she will permit them to file an application. That application will be considered in due course with the other applications for these grants in the FY 26 budget process. As part of their application, information will be required to document the services provided to Portsmouth residents.

ACTION: Report back to the City Council.