

BOARD OF MAYOR AND ALDERMEN
(PUBLIC HEARING ON THE FY25 BUDGET)
April 16, 2024 at 6:00 PM

Mayor Ruais called the meeting to order.

The Clerk called the roll.

Present: Aldermen Morgan, Goonan, Long, Fajardo. T. Sapienza, Kantor, O'Neil, Levasseur, Terrio, E. Sapienza, Burkush, Barry, Vincent

Absent: Alderman Thomas

Mayor Ruais advised that the purpose of the special meeting is a public hearing to receive comments on the proposed Fiscal Year 2025 municipal budget and the proposed Community Improvement Program for the Fiscal Year 2025 period in accordance with the procedures established in RSA 44:10 and in satisfaction of any other local, state or federal law that may apply.

Mayor Ruais noted that the Clerk shall present the resolutions, the subject of which contain all of the appropriations as proposed, after which a brief presentation may be made and public comments will be heard.

The Clerk presented the proposed Resolutions:

“Appropriating to the Parking Fund the sum of \$5,068,749 from parking revenues for the Fiscal Year 2025.”

"Appropriating the sum of \$25,255,603 from Sewer User Rental Charges to the Environmental Protection Division for the Fiscal Year 2025.”

“Appropriating to the Manchester Airport Authority the sum of \$40,558,119 from Special Airport Revenue Funds for the Fiscal Year 2025.”

“Appropriating to the Manchester Transit Authority the sum of \$1,657,544 for the Fiscal Year 2025.”

“Appropriating to the Manchester School District the sum of \$227,982,610 for the Fiscal Year 2025.”

“Appropriating all Incremental Meals and Rooms Tax Revenue Received by the City in the Fiscal Year 2025 and held in the Civic Center Fund, for the payment of the City’s Obligations in Said Fiscal Year under the Financing Agreement.”

“Appropriating to the Manchester School Food and Nutrition Services Program the sum of \$5,819,971 from School Food and Nutrition Services Revenues for the Fiscal Year 2025.”

“Raising Monies and Making Appropriations of \$185,401,207 for the Fiscal Year 2025.”

“Appropriating to the Central Business Service District the sum of \$258,000 from Central Business Service District Funds for the Fiscal Year 2025.”

“Resolution ‘Approving the Community Improvement Program for Fiscal Year 2025, Raising and Appropriating Monies Therefore, and Authorizing Implementation of Said Program’.”

“Continuation of the Central Business Service District.”

“Authorizing the Finance Officer to Make Certain Budgetary Closings for the Fiscal Year 2024.”

Mayor Ruais advised that the meeting shall be open to public comments; each person when recognized shall come to the nearest microphone and state their name and address in a clear and loud voice for the record; each person shall be given one opportunity to speak and comments shall be limited to three minutes to allow all participants the opportunity to speak; residents and taxpayers shall be called upon first followed by all others.

Julie Turner, 285 Ray Street, stated:

I am here this evening to speak as a taxpayer in Manchester, a parent of three students in the district, and as a school board member. I would like to encourage you to appropriate the full \$232 million to the Manchester School District for the upcoming fiscal year. According to the NH Department of Education, the average per pupil spending in our state for the last year was around \$24,000. Our neighboring towns are spending between \$18,000 and \$22,000 per pupil. Manchester is at the bottom with a per pupil spending of around \$16,636. Our town may rank the least in spending but our students are not the least deserving. In February, the school board voted unanimously

in favor of the \$232 million budget based on the 5.63% allowable tax cap. I understand that the Mayor's budget released on March 28 was based on a 3.86% tax cap. For reference, the current annual inflation rate is 3.48%. Unfortunately, the school district did not receive the 5.63% or the 3.86% tax increase. It received a suggested budget of \$4.2 million less than it needs. I ask tonight that if the BMA is unwilling to grant the full \$232 million appropriation to the school district, would they reconsider a compromise and be willing to provide the students of Manchester with an increase that matches the city side? This request, in the amount of \$230,138,247 would help further fund lines in staffing, athletics, activities, programs, student supports and transportation to name a few. As you know, the budget for the school district is built upon the previous year's appropriation. As a result, the proposed amount of \$227 million for the schools will cause cumulative impairment in the years that follow. If we truly want to see Manchester grow in 5, 10 or 15 years, we need to make the investment today to get there. The slight increase proposed in the Mayor's budget, although appreciated, is too small of a step and erodes advancements made in the last two years and will retard progress in future budget cycles. As we all know, strong schools create strong communities. Our community is unique in its needs and our schools work to meet those needs in distinctive ways like our opening of a dual language school at Bakersville in the upcoming fall and the opening of our community schools at Gossler Park and Beech Street. The community schools grant, a first ever in NH, will help create these hubs and emphasizes the need in our community to do more for our students. As the Mayor stated just yesterday, a child's success is not solely determined by the confines of the classroom but deeply impacted by external forces that we can help address. Our Mayor is on the right track that by breaking down barriers and providing every student with the support and resources they need to thrive academically, socially and emotionally, we will indeed see a boundless future of the Manchester School District. I could not agree more. Thank you.

Kevin Criscione, 386 Rimmon Street, stated:

Mayor, in your budget address you spoke about investments in parks, sidewalks, infrastructure, and affordable housing and I and many other residents and taxpayers of the city deeply share these priorities with you. You also referenced in the past the 2021

Master Plan for the city as guidance in many types of infrastructure development and initiatives for the city. However, I am troubled by this budget which does not appear to fund the large scale changes that Manchester needs in order to fulfill its potential. Namely, I am concerned that this budget does not reflect the agreed upon 2021 Master Plan specific detailed recommended guidance. This vision for Manchester specified that the city should adopt a framework accommodating all transportation modes including infrastructure, pedestrians, public transit riders and cyclists. Also to redesign the streets and intersections to make them safer for everyone involved. This budget outlines some money in those areas but really does not go far enough. Many housing recommendations and homelessness service recommendations from the document also don't appear as budget priorities where the city was recommended to provide direct investment. In general, this administration seems to be choosing to come in well below the tax cap and cutting some corners when it comes to funding city services. There is an uncomfortable truth here and we should say it loud that paying less now for many issues means paying more in the future. This is well documented for infrastructure for example but it does apply to housing as well. If we don't appropriately fund housing and social services, the long-term costs of these issues will be greater down the road. Police and long-term medical services in emergency situations are more expensive than Rapid Care services amenable to the homeless population and housing right now. Manchester's dreams of being America's best mid-size city and a global bio-manufacturing hub and everything that we all agree upon and want to accomplish in a bi-partisan way will not be realized if we do not appropriately invest in schools, homelessness services, transportation and infrastructure. I strongly encourage you all to look to the 2021 Master Plan for guidance to reconsider some of these spending priorities and really to leave a lot of this endless bickering reality TV show drama when it comes to homelessness services. Thank you.

Brandon Lemay, 36 Lynx Way, stated:

Like every other renter here in Manchester, I am a taxpayer as I pay my landlord's tax bill. I am here speaking on behalf of the Manchester Housing Alliance. We are a group of Manchester residents who believe that everyone deserves a safe, accessible and affordable home. We are a member led group and we are convened by the Rights and

Democracy Institute. The city's budget is a reflection of the city's priorities. We at the Manchester Housing Alliance believe that anyone who wants to live and work in Manchester should be able to afford to live and work in Manchester. In order to achieve that vision, we would like to see the following included in the budget. Money put into the Affordable Housing Trust Fund that goes towards renovating an existing building for deeply affordable housing or building a new building. The \$1.65 million in federal funds to construct 45 units of affordable housing is a great start but we need thousands, not dozens of affordable units being added to our city's housing portfolio. We would like to see code enforcement be fully funded to have the resources to quickly insure that the identified neighborhoods that we knock doors in are up to code. When talking with renters at the doors, we frequently hear complaints about apartments not being up to code and they often fear a renovation eviction if they complain too much. We believe that keeping all rentals in acceptable condition is a way to avoid those realities. Finally, we believe it is the obligation of the city, not the non-profits, to lead on providing housing services for those who require them most. In our experience, private organizations aren't subject to the scrutiny in the same way public services are, all while taking the same tax dollars. A budget that reflects a desire to help those that need it would include a properly funded Housing Stability Department being staffed by somebody that our elected officials support. The Engagement Center at 39 Beech Street is a great resource that has been underappreciated by some people in Manchester. We need to be encouraging programs like this when building housing at the same time; something a housing stability director should be overseeing with proper funding. In solidarity, the Manchester Housing Alliance Leadership Committee.

Richard Girard, 283 Orange Street, stated:

As we look at the Mayor's budget tonight, it is pretty clear that he didn't deliver on his campaign promise to cut taxes. To be honest, it was tempting to read through all of these brochures that went to homes across the city to remind him and the voters how many times he promised to cut spending and lower taxes. However, having worked on my fair share of budgets, my assumption is the Mayor didn't realize how difficult honoring that promise was going to be and that he failed to do so not by design or with intent but by circumstance. I am here tonight to offer some examples where spending

could be cut without impacting services and otherwise offer my help. For example, the extra \$1 million the Mayor added to the Police budget to fund 10 officers covered by an expiring grant isn't necessary. The department has 16 officer vacancies now and hasn't had fewer than 13 in the past three fiscal years. Those grant funded positions will be retained without the extra \$1 million and there would be six vacancies still to fill. There will be more vacancies as the year goes on as people retire or quit which is why they are never at full complement. Adding \$1 million to the school budget is also unnecessary. Aside from admitting that there will be almost 200 fewer students next year, the district wants to transfer 42 positions hired with Covid funds to its operating budget. They should disappear with the grant. That is \$3.5 million. The district is sitting on more than \$28 million in reserves with no apparent plans to use them. That is money that could be strategically returned to the taxpayers without affecting school services. Also keep in mind there is another \$25 million or so in federal funds that are not included in the operating budget. With respect to the schools still, this Board should use its leverage as the appropriating body to demand answers on how spending hundreds of millions of dollars on buildings will improve student achievement. The Mayor's budget provides another \$35 million which fell from the state sky last year to continue the \$306 million Phase I. We learned the other day that despite that massive budget, the project didn't include nearly \$3 million in permit fees that contrary to the narrative haven't been waived in the past and could be used as revenue for the city budget. They are also proceeding as if they have approval to build on Sheridan-Emmett Park, which of course they don't. You could really drill down on those numbers, demand explanations for why the school board considers the current facility study superior to the one received in 2021 which didn't recommend nearly \$1 billion in construction and correctly projected the continued and steep decline in student enrollment and require objective data that proves such projects will improve student achievement. Having spent four years on the Buildings & Finance Committee and having seen several facility studies, I am pretty sure that data just doesn't exist. Our city students and taxpayers can get better bang for their buck if this Board uses its leverage to force the school board to a more fiscally responsible course of action. I could go on but I hope I made the point that there are substantive changes that could be

made to the benefit of the city and schools and its taxpayers and I am here to help should I be asked.

Kathy Staub, 374 Laurel Street, stated:

I am here tonight to urge you to continue supporting the initiatives to address homelessness in the city. Homelessness impacts all of us. It has a severe impact on the people who are experiencing it but it impacts everybody in the city; anyone who sees people who are homeless has a reaction to it. For some of us it is anger and for others it is empathy. It impacts the business community. I think that making an investment in a sustained and having some continuity and using evidence-based best practices to address this is the way that we should proceed. This is not a new problem. It has been decades in the making. For one thing, we haven't kept up with the need for affordable housing in the city. This is a working class city and it has always been a working class city. Most of the people in this city are living paycheck to paycheck and they deserve a place to live. The other issue is that our population is aging. You probably heard that many of the people who are living in the Beech Street Shelter are disabled or elderly. That 80-year-old woman with cataracts. Those people are not going to go to work but that woman probably worked for 40 or 50 years in this community and she deserves a place to live out the rest of her life. There are more and more older people every day. I am one of them. The other issue that we have is that over the years there has been significant disinvestment in our community-based mental health system and that has caused a number of people who normally would have been housed to be out on the streets simply because we have not created enough supportive housing for people who are suffering from mental illness. We were promised an evidence-based data driven response to the homeless crisis and that is what I am looking for from you. Like I said, we need a sustained approach. We can't be flipping and saying we are going to do this one year and then decide we are going to do something else the next year. I think that this is a significant problem and I hope that the goal is to solve it. Finally, the last thing I would like to say is that I understand that you are looking at a divesting of public land. Well those public lands are public property and public goods and they should be used to benefit the residents of the city and not just developers. That is all I have to say. Thank you.

Leslie Want, 623 Belmont Street, stated:

I represent my constituents in Ward 4 on the school board. I would like to start by thanking Mayor Ruais for attending the event yesterday celebrating the school district for being one of 30 districts selected nationwide to receive a federal School Community Grant; the only one in the state. This truly is an accomplishment for Manchester. Mayor Ruais addressing a very impressive group of community partners rightly said the following, "one recognizes that a child's success is not solely determined within the confines of the classroom but is deeply impacted by the external forces that we can help address inside this purpose. That is what this is all about; fostering partnerships, breaking down barriers and providing every child with the support and resources they need to thrive academically, socially and emotionally. Through this initiative, we will see the creation of vibrant hubs of learning and support within our neighborhoods." So true. Thank you Mayor Ruais. I feel confident that we would all agree that these things are not what we want just for the two community school grant recipients – Beech Street and Gossler Park but all of our schools in Manchester. If, as Mayor Ruais stated, we realize that a child's success is deeply impacted by the supports and resources they need to thrive academically, socially and emotionally being made available to them, we must put forward the budget that funds these values. When the district receives grants such as this community schools grant, they are very targeted. For instance, this grant can only help Beech Street and Gossler Park and can only be used for very specific purposes in those two schools. Grant money is wonderful and it is needed but it should not be used as a substitute for fully funding what is needed in every school. Grants are to fill gaps and should not be used to supplant any of our general fund budget, which funds things like salary and healthcare for our employees, building maintenance, transportation, curriculum, as well as other things like arts and sports for our students in all of our schools. Finally, it was once famously said a budget is not a collection of numbers but an expression of our values and our aspirations. I hope that together we can work to value the most important thing we can give our children, an education that as Mayor Ruais so rightly stated includes all the supports and resources they need to thrive. Thank you.

Sue Corby, 2094 Elm Street, stated:

I am here tonight to add my voice to the Manchester residents who want to see the budget for Manchester schools increased. I am not a native of NH or Manchester but I have lived here for 39 years and watched our education system pretty closely. Sometimes the Board of School Committee has had serious fractions and divisions and sometimes it has been at odds with the administration and not much has been accomplished. Right now, this board works well together. They have worked hard. They have made significant changes and they have accomplished much. They have plans and goals that will make them more successful or make education more successful for our students but they can't do it without adequate funding. They need more funding than has been allotted so far. I just want to add that in today's world we get what we pay for. We are not in an era where you can have a one room schoolhouse and it doesn't really matter what things look like. That doesn't work anymore and we need to come up to the level of our neighboring communities. In the largest city we should not be towards the bottom or at the bottom of per pupil funding. We can do better than that. Our students deserve more than that. I also want to add that in my work in Manchester, I have worked mainly with immigrants and refugees mostly as a teacher to adults who are learning English and also as part of an organization Welcoming Manchester that has worked to make Manchester a more welcoming place for immigrants. Through this, I have learned that immigrants and refugees come here first for safety but once they are here and feeling safe, they want good education for their children. If anybody thinks that Beech Street school is a luxury we can't afford, I would submit that it is a necessity that we can't afford not to fund. We need to fund that. That school population is going to increase due to the closing of Wilson. I would say get this budget for the school system up to the 3.8% that matches. I can understand if you don't want to go to 5.8%. I think it is great that you got it down from 8.2% as you said in your address. Let's bring the school side up to that 3.8% level. Thank you.

Nick Want, 623 Belmont Street, stated:

I wasn't sure if I was going to show up tonight but I had something happen recently that is impacting me. I am a landlord in the City of Manchester and own a few properties. I

am here to talk about the tax cap. It has been a long time since I sat in this chair. There are a few people that were on the Board then. In the past when the tax cap was at 1.7%, 1.9%, 2.1% and the school board and city were looking for more money, the response was always well we are doing the best we can but when the tax cap is higher based on the CPI we will be able to fund those things in the future. Here we are. We are in a situation where the CPI is higher and the allowable tax cap is larger and yet we are underfunding the entire city and especially underfunding our schools. I was very impressed, Mayor Ruais, when you talked about accomplishments and that you were apolitical and it didn't matter. There have been people who were in the chair before you who focused on deliberately and methodically underfunding our schools. We are the lowest funded school district in the state of NH. It is unconscionable and unnecessary. Our property values have skyrocketed. As a landlord, I look at properties that I wanted to purchase but did not purchase because I was outbid by people from out-of-state. A property that a few years ago would sell for \$385,000 was listed for \$525,000 and sold for \$575,000. The person who purchased that is paying taxes assessed at \$364,000. Everybody in the city is seeing an increase in the value of their properties. I am not saying that people should throw their money at it willy nilly but we have the capacity to absorb and we should accept the tax cap because we have a tax cap. We always said we have a tax cap and we have to live by the tax cap in good times and bad times. Now is a time when the tax cap will allow us to meet our obligations for the city as we proposed. The recent incident that occurred to me is I have several sets of tenants and I failed in the past to get tenants because they said the schools in Manchester don't rate very well so I am not going to move into Manchester, thanks a lot it is a nice apartment but I am not going to take it. I have a set of tenants and I have had a discussion with them about Manchester investing in their schools. A couple of weeks ago, a set of tenants with two school-aged kids told me they were moving to Bedford. They had various reasons but one of the primary reasons why they were moving to Bedford and not buying a house in Manchester is because of the school district. So the failure of the City of Manchester to support its obligations to the schools is going to cost me money. I am going to lose rent. We should be supporting all of our city departments but schools in particular. I look for you to honor the obligations that you made and fully support all aspects of our city government. Thank you.

James Vayo, 427 Holly Avenue, stated:

During the last Board of Mayor and Aldermen meeting, a public comment was made to cast my housing advocacy in Manchester as having a profit driven motive. I have been a homeowner in Manchester for six years and given countless hours of my time to city initiatives in an effort to help us reach our full potential. Some of you may be familiar with my work to improve mobility or grow downtown or obtain the Build Back Better Grant or my work on accessory dwelling unit policy. It is unfortunate that I need to defend my character from others merely due to differing viewpoints in housing policy. I certainly would not use my time at this podium to tear down others for political favor so please let me use my remaining time to tell you a little bit about what motivates me. I have lived in the Merrimack Valley nearly all of my life. I graduated from Alvirne High School in Hudson, NH and went on to obtain a degree in architecture in Boston while working full-time and living in Nashua. During the great recession, I was laid off from my job at an architecture firm just weeks after graduating from college with a new baby. I spent nearly every day for 18 months submitting my resume to all types of employers in an ever growing sense of urgency and hopelessness. I took odd jobs. I delivered pizza. I was declined food stamps at WIC because I was a man. Ultimately, I had to make the awful decision to forfeit my apartment because I couldn't cover my rent. I was a lucky one. I had family to fall back on. In my darkest hour, my parents were there for me. I had access to housing at a time when I could not pay for it. I am very lucky to be thriving both personally and professionally today. My views around housing policy are centered on the plight of the housing experience of people less fortunate than me. My sustained housing advocacy is a direct result of my lived experience in housing instability. For that reason, I am compelled to serve Manchester the best way I know how, by helping to bring about a housing condition that is fair, safe and predictable for all people of Manchester. I don't own a single investment property. I am not that well off. I have never developed any property in Manchester but if given the opportunity, I would do so. I would do everything in my power to bring about new housing in our community. I would leap at the opportunity to develop housing in this great city if it were possible for me to do so because I owe that much to others. Thank you.

Jim O'Connell, 265 Prospect Street, stated:

I am a member of the Manchester Board of School Committee. I am here tonight to talk about the budget. Part of me wishes it was 12 years since I last sat in this seat to talk about this topic but it is not. I am reminded as I listened to Mr. Vayo and before him my good friend Nick Want who was proceeded by Leslie and others that it is like déjà vu all over again. I think back to the years of being before this Board, decades now, to talk about the budget for the Manchester schools. Despite all of our efforts and our wins and losses, we have one of the least well-funded school districts in the state of NH. We have made some progress. What Nick Want said resonates with me because we have spent years in this Chamber being told that the tax cap is the tax cap and we would love to do what you told us and agreed was needed to be done but couldn't be done because the tax cap wouldn't allow you to do it. The inference was that when there are better times and when the tax cap will allow it, we will not use that blunt instrument against you and we will actually fund you to the level that we all know you need and more. Yet we find ourselves with a 5.6% tax cap and it turns out the tax cap didn't matter all along. I don't know, maybe over the next decade we will all have lots of fights when the tax cap is at 1% and I will be regaling you with this story. I would remind people of a couple of things. The Manchester school budget from the state will be reduced by \$7 million this year. There are all kinds of numbers flying around in this Chamber and around the city and I keep hearing them. I don't mean that people have bad intentions but it is a fact free environment. There are numbers for everybody and with great respect to all 14 people in the Chambers, I know if we had a one-on-one quiz, with me being number 15, we would all have different numbers. However, there are some facts that we can't ignore. We are getting \$7 million less from the state this year than we got the year before. We hear about \$35 million and we hear about additional adequacy and all the rest of it. I am also reminded that the City of Manchester received \$5 million in federal funding in the last month or so announced by Senator Jeanne Shaheen. It is going to the Fire Department and to the Department of Public Works and other places. There has been no mention of lowering the amount of money needed in the City of Manchester because you got \$5 million extra and therefore don't need the appropriation. You just got \$5 million a week ago so why do you need it. That is what you are saying to the school district right? We fight hard to get additional funding

because we are under-funded. We are up in Concord. I am very proud of my colleagues who were up there this week fighting, arguing and trying to convince lawmakers in Concord that this district and our students need more. When we win, we come back to this Chamber and in this Chamber we hear well you won and you got some extra money so, therefore, we are going to take some because you don't need it. The last thing I want to say is this, we do have nearly \$30 million in reserve funds in the City of Manchester. It is important to realize that our auditors and our treasurers say that 15% of budget is a good number to have so we are being punished as a Board of School Committee for being fiscally diligent and creating reserve funds that haven't been there in decades. It shouldn't be the case that we get punished for being fiscally responsible. Thank you all very much.

Mayor Ruais advised that all wishing to speak having been heard, the comments presented shall be taken under consideration with actions by the Board.

*This being a special meeting, no further business can be presented and on motion of **Alderman E. Sapienza**, by **Alderman Terrio**, it was voted to adjourn.*

A True Record. Attest.

A handwritten signature in black ink, appearing to read "Matthew Normand". The signature is fluid and cursive, with a long horizontal stroke at the end.

City Clerk