

CITY COUNCIL MEETING

MUNICIPAL COMPLEX, EILEEN DONDERO FOLEY COUNCIL CHAMBERS, PORTSMOUTH, NH
DATE: MONDAY, FEBRUARY 6, 2023 TIME: 5:30 PM

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_XMnrFB4RTHmokkaAJc15iWQ

5:30 PM – ANTICIPATED NON-PUBLIC SESSIONS ARE BEING HELD IN CONFERENCE ROOM A

1. COLLECTIVE BARGAINING AGREEMENT WITH PORTSMOUTH NON-SUPERVISORY CAFETERIA PERSONNEL – RSA 91-A:3, II (a)
2. PORTSMOUTH SUPERVISORY MANAGEMENT ALLIANCE MEMORANDUM OF UNDERSTANDING RE: ASSISTANT CHIEF OPERATOR – RSA 91-A:3, II (a)
3. CONSIDERATION OF LEGAL ADVICE – RSA 91-A:3, II (I)

AGENDA

**Regular portion of City Council meeting to begin at 7:00 p.m.*

- I. **WORK SESSION – THERE IS NO WORK SESSION THIS EVENING**
- II. **PUBLIC DIALOGUE SESSION [when applicable – every other regularly scheduled meeting] – N/A**
- III. **CALL TO ORDER [7:00 p.m. or thereafter]**
- IV. **ROLL CALL**
- V. **INVOCATION**
- VI. **PLEDGE OF ALLEGIANCE**

PROCLAMATION

1. Black History Month
- VII. **ACCEPTANCE OF MINUTES – OCTOBER 24, 2022; NOVEMBER 1, 2022 AND NOVEMBER 14, 2022**
- 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**

Public Hearing – Capital Improvement Plan (CIP):

- A. CAPITAL IMPROVEMENT PLAN (CIP) FY 2024-2029
 - **PRESENTATION** (Presentation was held at the January 18, 2023 Work Session)
 - **CITY COUNCIL QUESTIONS**
 - **PUBLIC HEARING SPEAKERS**
 - **ADDITIONAL COUNCIL QUESTIONS AND DELIBERATIONS**

(Action on CIP will take place at the March 6, 2023 City Council meeting)

Public Hearing – Second Reading of Ordinance:

- B. Public Hearing/Second Reading of Ordinance amending Chapter 1, Article XVII, Section 1.1705 – Public Art Funds
- **PRESENTATION**
“Anticipated Amendment by Councilor Cook to amend section 1.1705(A) to add after “unless the City Council votes otherwise” the following additional language “to redirect the funds for other public art purposes.”
 - **CITY COUNCIL QUESTIONS**
 - **PUBLIC HEARING SPEAKERS**
 - **ADDITIONAL COUNCIL QUESTIONS AND DELIBERATIONS**

(Sample motion – move to pass second reading, as amended and schedule third and final reading at the February 21, 2023 City Council meeting)

XI. CITY MANAGER’S ITEMS WHICH REQUIRE ACTION

A. CITY MANAGER CONARD

City Manager’s Items Which Require Action:

1. Approval of Amendment to Memorandum of Understanding for Professional Services Between Coalition Communities 2.0 and an Update from the CC2 Joint Board
2. *Request for Public Hearing Regarding Elderly & Disabled Exemptions
3. Request for Public Hearing Regarding All Veterans and Optional Veterans Tax Credit Re-Adoption and Increase from \$500.00 to \$750.00

XII. CONSENT AGENDA

(Proper Motion for Adoption of Consent Agenda – move to adopt the Consent Agenda)

- A. Request from Diana Tranique, TresDiana, to install a Projecting Sign at 55 Congress Street *(Anticipated action – move to approve the aforementioned Projecting Sign License as recommended by the Planning 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 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*

- B. Letter from Cullen Madden, Millennium Running, requesting permission to hold the Eastern States 20 Miler & Half Marathon on Sunday, March 26, 2023 (**Anticipated action – move to refer to the City Manager with Authority to Act**)
- C. Letter from Lindsay Gilbert, Cystic Fibrosis Foundation, requesting permission to hold the CF Cycle for Life on Saturday, July 15, 2023 (**Anticipated action – move to refer to the City Manager with Authority to Act**)
- D. Letter from Rich Clyborne, Gundalow Company, requesting permission to hold the Round Island Regatta at the Robert P. Sullivan Boat Ramp area at Peirce Island on Saturday, August 19, 2023 from 1:00 p.m. to 5:00 p.m. (**Anticipated action – move to refer to the City Manager with Authority to Act**)
- E. Letter from Nik Uhler, Portsmouth Little League, Inc., requesting permission to affix signage in the form of banners at the Plains and Hislop fields during the 2023 baseball season. Further, requesting permission to maintain signage to the rear of the Plains scoreboard (**Anticipated action – move to refer to the City Manager with Authority to Act**)
- F. Letter from Hershey Hirschkop, Seacoast Outright, requesting permission to annual Portsmouth PRIDE Celebration on Saturday, June 24, 2023 (**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**)
- B. Letter from Perry Silverstein regarding equitable cost for outdoor dining (**Sample motion – move to accept and place on file**)

XIV. MAYOR McEACHERN

1. *Ethics Committee Drawing by Lot
2. Appointments to be Considered to the Public Arts Review Blue Ribbon Committee:
 - Paul Burke
 - M. Christine Dwyer
 - Ellen Fineberg
 - Beth Hartnett
 - Jen Meister
 - Alyssa Murphy
 - Nancy Pearson
 - A. Robert Thoresen
 - Robert White
 - Mara Witzling
3. *Appointments to be Voted:
 - Appointment of Anna Howard to the Economic Development Commission, alternate
 - Appointment of Anne Hayes to the COVID Response Task Force Blue Ribbon Committee
4. Acceptance of Resignations:
 - Tania Marino from the COVID Response Task Force
 - Franco DiRienzo as an Alternate from the Planning Board

5. *Report Back on the Neighborhood Meeting at Sherburne School (***Sample motion – move to refer to the Land Use Committee for a report back to the City Council***)

XV. CITY COUNCIL MEMBERS

A. ASSISTANT MAYOR KELLEY

1. *EDC Update

B. COUNCILOR TABOR

1. 4.5% increase in total budgeted expenditures as a guideline for FY24 budgeting process (***Sample motion – move to adopt a figure of 4.5% increase in total expenditures as guidance for the FY24 budget, excluding IT ramp up costs***)

C. COUNCILOR BAGLEY AND COUNCILOR COOK

1. Outdoor Dining Policy Updates for Sidewalk Dining (***Sample motion – move to adopt the changes in your agenda packet to the newly adopted Outdoor Dining Policy***)

XVI. APPROVAL OF GRANTS/DONATIONS

- A. *Acceptance of 2023 NH Moose Plate Grant - \$20,000.00 (***Sample motion – move to accept the New Hampshire State Conservation Committee funds and authorize the City Manager to enter into a contract with the New Hampshire State Conservation Committee, Department of Agriculture, Markets and Foods***)
- B. Application for Membership As A Certified Local Government (***Sample motion – move to support the City submitting the application to the CLG Program administered by the Division of Historic Resources***)

XVII. CITY MANAGER'S INFORMATIONAL ITEMS

1. *McIntyre Update
2. Outdoor Dining Administrative Purview
3. Report Back on Little Bay Waterline Project
4. Portsmouth Sewer Water Rates Compared to other Municipalities

XVIII. MISCELLANEOUS BUSINESS INCLUDING BUSINESS REMAINING UNFINISHED AT PREVIOUS MEETING

1. Citywide Neighborhood Committee Meeting – December 14, 2022 Minutes

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

**Indicates verbal report*

**KELLI L. BARNABY, MMC/CNHMC
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: February 2, 2023

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 February 6, 2023

X. Public Hearings and Votes on Ordinances and/or Resolutions:

A. Public Hearing Regarding Capital Improvement Plan (CIP) FY2024- 2029:

In accordance with Section 7.7 of the City Charter, the City Council is conducting a public hearing at this evening's City Council meeting regarding the [proposed Capital Improvement Plan for FY 2024 – FY 2029](#). In addition to this evening's public hearing, the City Council held a work session on January 18, 2023. At the work session, a presentation of the proposed CIP was made by City staff. Copies of the plan were made and are still available to the public [via the City's website](#). As you are aware, the City Council is required, in accordance with Section 7.8 of the City Charter, to adopt the Capital Plan subsequent to the public hearing and before the City Manager submits the budget to the City Council.

I recommend that at the City Council meeting on Monday, March 6, 2023, City Council adopt the Capital Improvement Plan as presented.

B. Public Hearing and Second Reading of Ordinance Amending Chapter 1, Article XVII, Section 1.1705 – Public Art Funds:

The City Council recently voted to approve the expenditure of \$21,100 from the Public Art Fund Trust to assist in funding the anticipated art project at Bohenko Park. This City Council approved expenditure was presented to the Trustees of the Trust Funds who manage all of the City's Trust Funds to include the City of Portsmouth Public Art Trust. The terms of the Public Art Trust limit the use of the Trust's assets. The terms of the Trust direct that "the assets and income held in the Public Art Trust may be expended for any public art purpose which is consistent with the public art ordinance of the City."

The City's Art Ordinance, Chapter 1, Article XVII, Section 1.1705 (A), provides that "no less than ninety (90%) percent of the principal amount of public art contribution generated by any particular building project shall be expended on the site of that project." Currently, there is \$21,100 in the Public Art Trust which represents the remainder of the City's contribution of

\$150,000 for public art at the Foundry Garage. The public art project at the Foundry Garage is now completed but it did not require the expenditure of the entire 90% of the principle amount contributed for the project.

However, the City’s Public Art Ordinance does not provide direction for the use of surplus funds in the Trust. Compliance with the ordinance prevents the Trustees from providing more than 10% of the original \$150,000 contribution to a different art project. That means that the Trust can only contribute \$15,000 to the Bohenko Park project even though the City Council authorized the expenditure of \$21,100. There is no authority for the City Council or the Trustees of the Trust Funds to distribute the surplus of \$6,100 in the Trust for the benefit of any other project even though it is not needed for the Foundry Garage project.

The City’s Art Ordinance did not contemplate a surplus of funds in the Trust after the completion of a project.

However, this can be remedied with a simple amendment to the ordinance permitting the City Council to authorize the expenditure of surplus funds from the Public Art Trust. [The attached proposed amendment to the City’s Funding of Public Art Ordinance](#) accomplishes this goal.

I recommend that the City Council move to pass second reading as amended, and schedule a third and final reading at the February 21, 2023 City Council meeting.

XI. City Manager’s Items Which Require Action:

1. Approval of Amendment to Memorandum of Understanding for Professional Services Between Coalition Communities 2.0 and an Update from the CC2 Joint Board:

On January 25, 2021, the City Council authorized the City to participate in the Coalition Communities, 2.0 (“CC2”) and to enter into a Memorandum of Understanding for Professional Services Between Coalition Communities 2.0 (“MOU”). The MOU expired on December 31, 2022 and was renewed for another two year term by vote of the Council on August 22, 2022. The Council vote authorized the City to continue to participate in the Coalition Communities 2.0 and further authorized the City Manager to negotiate and execute a two year renewal of the MOU with CC2 on behalf of the City. The City executed the MOU on August 26, 2022.

After the MOU renewal was executed, the Joint Board made some revisions which are [highlighted in yellow in your packet](#). The amendments are primarily administrative for the purpose of amending the following dates: the term (January 2023 through December 31, 2024); the current biennium; the annual meeting; Joint Board meetings; the assessment of apportionments; and termination. Any amendment to the MOU must be approved by the governing body of each CC2 Member so the amended MOU is coming back to Council for its review and consideration of these amendments.

Also included in your packet is a [December 6, 2022 letter from CC2’s Joint Board](#) which summarizes CC2 activities since September 2022. The letter explains that the firm of Bernstein Shur, which provided CC2’s lobbying and communication services for the last two years, did not wish to extend their service agreement for the 2023-2024 legislative session.

The Joint Board issued a Request for Proposals ([attached as Exhibit A to the amended MOU](#)) and hired Sheehan Phinney Capital Group to provide lobbying and communications services and the law firm of Sheehan Phinney to provide legal services.

Legal services were added under the amended MOU in response to a new education funding lawsuit (*Rand et al. v State of New Hampshire, Rockingham County Superior Court, Docket No. 215-2022-CV-00167*). When lawsuits are brought that challenge any aspect of funding education through the Statewide Education Property Tax (SWEPT), the Attorney General's Office represents the State and provides a defense. Because of this, in most education funding cases, there is no need for CC2 to intervene because the State's defense of the current education funding system aligns with CC2 Members' interest (retention of excess SWEPT). However, in the *Rand* matter, the Petitioners filed a Motion for Preliminary Injunctive Relief ("Injunction"), which is a request for immediate action from the court. Petitioners' Injunction sought, in part, to prohibit the Department of Revenue Administration (DRA) from setting the SWEPT rate for the upcoming year (December 2022 tax bills) and to prohibit CC2 communities from retaining excess SWEPT. At the time of the hearings on the Injunction, the DRA had set some communities' SWEPT rates and their tax bills had already been issued.

Although the Attorney General's Office could provide a general defense to the Injunction and describe how the relief sought by the Petitioners would negatively impact the State and local communities' budgets, they did not have details regarding the impact on specific communities. After reaching out to the Attorney General's Office, the CC2 Joint Board hired Attorney John-Mark Turner from Sheehan Phinney to file a Motion to Intervene in order to represent CC2's interest in this matter. Attorney Turner was able to provide the court with detailed examples from the CC2 communities of Newington and Waterville Valley to demonstrate how granting the Petitioners' Injunction would not only negatively impact their budgets but also disrupt the towns' government operations. The Court denied the Petitioners' request for an Injunction and granted CC2's Motion to Intervene on the limited issues of the collection and distribution of SWEPT. Sheehan Phinney will represent the CC2 communities by filing pleadings and participating at trial on these limited issues.

I recommend that the City Manager authorize the City Manager to negotiate and execute the [amended MOU](#) with the Coalition Communities 2.0 on behalf of the City in a form similar to the attached.

2. Request for Public Hearing Regarding Elderly and Disabled Exemptions:

Annually, the City of Portsmouth reviews income and asset levels for both the Elderly and Disabled Exemptions and makes recommendations as to these levels pursuant to RSA 72:39-b and RSA 72.37-b.

Last year, the City Council adopted resolutions #1-2022- and #2-2022 which increased the income levels for qualifying elderly and disabled taxpayers and resolutions #4-2022 and 5-2022 which increased the asset levels for qualifying elderly and disabled taxpayers. The current elderly and disabled exemption income levels are \$46,124 for a single taxpayer, \$63,108 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 \$235,000
- Age 75-79 \$285,000
- Age 80 + \$335,000

If qualified, for disabled taxpayers the exemption off the assessed value of the property is \$235,000.

Option 1:

This year the 2023 increase for Social Security recipients is 8.7%.

If the City Council wishes to adjust the income level for both the elderly and disabled taxpayers by the Social Security cost-of-living increase, this would increase the limits as follows:

- Single \$50,137 increase of \$4,013
- Married \$68,598 increase of \$5,490

Option 2:

This year the November to November ten-year rolling average of the Boston-Cambridge-Newton, MA-NH consumer price index is 2.55%.

If the City Council wishes to adjust the income level for both the elderly and disabled taxpayers by the November to November consumer price index, this would increase the limits as follows:

- Single \$47,300 increase of \$1,176
- Married \$64,717 increase of \$1,609

Option 3:

Do Nothing

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

Any adjustment if approved would be for assessments as of April 1, 2023 for Tax Year 2023 (FY24).

Typically, the Assessor's office mails a notification annually to all elderly and disabled persons who currently receive this exemption to update their applications. Due to the Covid-19 Pandemic and to avoid unnecessary expose to elderly and disabled taxpayers coming into City Hall with required documentation, only new applicants must submit an application and required documentation by April 15th of this year.

Below for your information is the estimated tax impact of the elderly and disabled exemptions for FY23 and a Town/City comparison indicating what other City and neighboring communities' income and assets limits are for the elderly exemption.

| Estimated Elderly & Disabled Exemption Impact | | | | |
|---|------------------|--------------------------------------|------------------|---------------|
| Exemption Type | Exemption Amount | Number Currently Receiving Exemption | Value Loss | Revenue Loss |
| 65 through 74 | \$ 235,000.00 | 28 | \$ 6,249,100.00 | \$ 94,986.32 |
| 75 through 79 | \$ 285,000.00 | 38 | \$ 8,683,600.00 | \$ 131,990.72 |
| 80 and over | \$ 335,000.00 | 59 | \$ 15,082,800.00 | \$ 229,258.56 |
| Disabled | \$ 235,000.00 | 7 | \$ 740,200.00 | \$ 11,251.04 |
| Totals | | 132 | \$ 30,755,700.00 | \$ 452,108.79 |

Note: The current tax rate of \$15.20 would be decreased to a difference of approximately .07 cents on the current tax rate if the elderly and disabled exemptions were not granted.

I recommend that the City Council move to schedule a Public Hearing regarding these options at the February 21, 2023 City Council.

| 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 |
| Nashua | \$50,000 | \$50,000 | \$162,000 | \$162,000 | \$194,000 | \$224,000 | \$280,000 |
| Dover | \$47,000 | \$64,000 | \$186,100 | \$186,100 | \$166,000 | \$234,000 | \$300,000 |
| Portsmouth | \$46,124 | \$63,108 | \$500,000 | \$500,000 | \$235,000 | \$285,000 | \$335,000 |
| Manchester | \$41,000 | \$55,000 | \$100,000 | \$130,000 | \$156,000 | \$210,000 | \$280,000 |
| North Hampton | \$40,800 | \$59,000 | \$190,000 | \$190,000 | \$125,000 | \$165,000 | \$200,000 |
| Rye | \$40,000 | \$59,900 | \$199,000 | \$199,000 | \$75,000 | \$90,000 | \$105,000 |
| New Castle | \$40,000 | \$55,000 | \$150,000 | \$150,000 | \$125,000 | \$175,000 | \$225,000 |
| Rochester | \$38,500 | \$55,000 | \$120,000 | \$120,000 | \$90,000 | \$120,000 | \$150,000 |
| Hampton | \$38,000 | \$58,000 | \$250,000 | \$250,000 | \$140,000 | \$168,000 | \$221,000 |
| Concord | \$37,300 | \$53,300 | \$98,000 | \$98,000 | \$80,000 | \$131,000 | \$223,000 |
| Greenland | \$36,000 | \$60,000 | \$75,000 | \$75,000 | \$60,000 | \$80,000 | \$100,000 |
| Stratham | \$36,000 | \$60,000 | \$200,000 | \$200,000 | \$125,000 | \$145,000 | \$165,000 |
| Somersworth | \$35,000 | \$50,000 | \$100,000 | \$100,000 | \$65,000 | \$80,000 | \$90,000 |

| 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 |
| Dover | \$47,000 | \$64,000 | \$186,100 | \$186,100 | \$166,000 | \$234,000 | \$300,000 |
| Portsmouth | \$46,124 | \$63,108 | \$500,000 | \$500,000 | \$235,000 | \$285,000 | \$335,000 |
| Greenland | \$36,000 | \$60,000 | \$75,000 | \$75,000 | \$60,000 | \$80,000 | \$100,000 |
| Stratham | \$36,000 | \$60,000 | \$200,000 | \$200,000 | \$125,000 | \$145,000 | \$165,000 |
| Rye | \$40,000 | \$59,900 | \$199,000 | \$199,000 | \$75,000 | \$90,000 | \$105,000 |
| North Hampton | \$40,800 | \$59,000 | \$190,000 | \$190,000 | \$125,000 | \$165,000 | \$200,000 |
| Hampton | \$38,000 | \$58,000 | \$250,000 | \$250,000 | \$140,000 | \$168,000 | \$221,000 |
| Manchester | \$41,000 | \$55,000 | \$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 |
| Rochester | \$38,500 | \$55,000 | \$120,000 | \$120,000 | \$90,000 | \$120,000 | \$150,000 |
| Concord | \$37,300 | \$53,300 | \$98,000 | \$98,000 | \$80,000 | \$131,000 | \$223,000 |
| Nashua | \$50,000 | \$50,000 | \$162,000 | \$162,000 | \$194,000 | \$224,000 | \$280,000 |
| Somersworth | \$35,000 | \$50,000 | \$100,000 | \$100,000 | \$65,000 | \$80,000 | \$90,000 |

| Elderly Exemption Comparison Single Assets | | | | | | | |
|--|----------------|-----------------|----------------|-----------------|---------------------------|---------------------------|-------------------------|
| | Single Income: | Married Income: | Single Assets: | Married Assets: | Exemption 65-74 years old | Exemption 75-79 years old | Exemption 80+ years old |
| Portsmouth | \$46,124 | \$63,108 | \$500,000 | \$500,000 | \$235,000 | \$285,000 | \$335,000 |
| Hampton | \$38,000 | \$58,000 | \$250,000 | \$250,000 | \$140,000 | \$168,000 | \$221,000 |
| Stratham | \$36,000 | \$60,000 | \$200,000 | \$200,000 | \$125,000 | \$145,000 | \$165,000 |
| Rye | \$40,000 | \$59,900 | \$199,000 | \$199,000 | \$75,000 | \$90,000 | \$105,000 |
| North Hampton | \$40,800 | \$59,000 | \$190,000 | \$190,000 | \$125,000 | \$165,000 | \$200,000 |
| Dover | \$47,000 | \$64,000 | \$186,100 | \$186,100 | \$166,000 | \$234,000 | \$300,000 |
| Nashua | \$50,000 | \$50,000 | \$162,000 | \$162,000 | \$194,000 | \$224,000 | \$280,000 |
| New Castle | \$40,000 | \$55,000 | \$150,000 | \$150,000 | \$125,000 | \$175,000 | \$225,000 |
| Rochester | \$38,500 | \$55,000 | \$120,000 | \$120,000 | \$90,000 | \$120,000 | \$150,000 |
| Manchester | \$41,000 | \$55,000 | \$100,000 | \$130,000 | \$156,000 | \$210,000 | \$280,000 |
| Somersworth | \$35,000 | \$50,000 | \$100,000 | \$100,000 | \$65,000 | \$80,000 | \$90,000 |
| Concord | \$37,300 | \$53,300 | \$98,000 | \$98,000 | \$80,000 | \$131,000 | \$223,000 |
| Greenland | \$36,000 | \$60,000 | \$75,000 | \$75,000 | \$60,000 | \$80,000 | \$100,000 |

| Elderly Exemption Comparison Married Assets | | | | | | | |
|---|----------------|-----------------|----------------|-----------------|---------------------------|---------------------------|-------------------------|
| | Single Income: | Married Income: | Single Assets: | Married Assets: | Exemption 65-74 years old | Exemption 75-79 years old | Exemption 80+ years old |
| Portsmouth | \$46,124 | \$63,108 | \$500,000 | \$500,000 | \$235,000 | \$285,000 | \$335,000 |
| Hampton | \$38,000 | \$58,000 | \$250,000 | \$250,000 | \$140,000 | \$168,000 | \$221,000 |
| Stratham | \$36,000 | \$60,000 | \$200,000 | \$200,000 | \$125,000 | \$145,000 | \$165,000 |
| Rye | \$40,000 | \$59,900 | \$199,000 | \$199,000 | \$75,000 | \$90,000 | \$105,000 |
| North Hampton | \$40,800 | \$59,000 | \$190,000 | \$190,000 | \$125,000 | \$165,000 | \$200,000 |
| Dover | \$47,000 | \$64,000 | \$186,100 | \$186,100 | \$166,000 | \$234,000 | \$300,000 |
| Nashua | \$50,000 | \$50,000 | \$162,000 | \$162,000 | \$194,000 | \$224,000 | \$280,000 |
| New Castle | \$40,000 | \$55,000 | \$150,000 | \$150,000 | \$125,000 | \$175,000 | \$225,000 |
| Manchester | \$41,000 | \$55,000 | \$100,000 | \$130,000 | \$156,000 | \$210,000 | \$280,000 |
| Rochester | \$38,500 | \$55,000 | \$120,000 | \$120,000 | \$90,000 | \$120,000 | \$150,000 |
| Somersworth | \$35,000 | \$50,000 | \$100,000 | \$100,000 | \$65,000 | \$80,000 | \$90,000 |
| Concord | \$37,300 | \$53,300 | \$98,000 | \$98,000 | \$80,000 | \$131,000 | \$223,000 |
| Greenland | \$36,000 | \$60,000 | \$75,000 | \$75,000 | \$60,000 | \$80,000 | \$100,000 |

| 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 | \$46,124 | \$63,108 | \$500,000 | \$500,000 | \$235,000 | \$285,000 | \$335,000 |
| Nashua | \$50,000 | \$50,000 | \$162,000 | \$162,000 | \$194,000 | \$224,000 | \$280,000 |
| Dover | \$47,000 | \$64,000 | \$186,100 | \$186,100 | \$166,000 | \$234,000 | \$300,000 |
| Manchester | \$41,000 | \$55,000 | \$100,000 | \$130,000 | \$156,000 | \$210,000 | \$280,000 |
| Hampton | \$38,000 | \$58,000 | \$250,000 | \$250,000 | \$140,000 | \$168,000 | \$221,000 |
| Stratham | \$36,000 | \$60,000 | \$200,000 | \$200,000 | \$125,000 | \$145,000 | \$165,000 |
| North Hampton | \$40,800 | \$59,000 | \$190,000 | \$190,000 | \$125,000 | \$165,000 | \$200,000 |
| New Castle | \$40,000 | \$55,000 | \$150,000 | \$150,000 | \$125,000 | \$175,000 | \$225,000 |
| Rochester | \$38,500 | \$55,000 | \$120,000 | \$120,000 | \$90,000 | \$120,000 | \$150,000 |
| Concord | \$37,300 | \$53,300 | \$98,000 | \$98,000 | \$80,000 | \$131,000 | \$223,000 |
| Rye | \$40,000 | \$59,900 | \$199,000 | \$199,000 | \$75,000 | \$90,000 | \$105,000 |
| Somersworth | \$35,000 | \$50,000 | \$100,000 | \$100,000 | \$65,000 | \$80,000 | \$90,000 |
| Greenland | \$36,000 | \$60,000 | \$75,000 | \$75,000 | \$60,000 | \$80,000 | \$100,000 |

| 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 | \$46,124 | \$63,108 | \$500,000 | \$500,000 | \$235,000 | \$285,000 | \$335,000 |
| Dover | \$47,000 | \$64,000 | \$186,100 | \$186,100 | \$166,000 | \$234,000 | \$300,000 |
| Nashua | \$50,000 | \$50,000 | \$162,000 | \$162,000 | \$194,000 | \$224,000 | \$280,000 |
| Manchester | \$41,000 | \$55,000 | \$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 |
| Hampton | \$38,000 | \$58,000 | \$250,000 | \$250,000 | \$140,000 | \$168,000 | \$221,000 |
| North Hampton | \$40,800 | \$59,000 | \$190,000 | \$190,000 | \$125,000 | \$165,000 | \$200,000 |
| Stratham | \$36,000 | \$60,000 | \$200,000 | \$200,000 | \$125,000 | \$145,000 | \$165,000 |
| Concord | \$37,300 | \$53,300 | \$98,000 | \$98,000 | \$80,000 | \$131,000 | \$223,000 |
| Rochester | \$38,500 | \$55,000 | \$120,000 | \$120,000 | \$90,000 | \$120,000 | \$150,000 |
| Rye | \$40,000 | \$59,900 | \$199,000 | \$199,000 | \$75,000 | \$90,000 | \$105,000 |
| Somersworth | \$35,000 | \$50,000 | \$100,000 | \$100,000 | \$65,000 | \$80,000 | \$90,000 |
| Greenland | \$36,000 | \$60,000 | \$75,000 | \$75,000 | \$60,000 | \$80,000 | \$100,000 |

| 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 | \$46,124 | \$63,108 | \$500,000 | \$500,000 | \$235,000 | \$285,000 | \$335,000 |
| Dover | \$47,000 | \$64,000 | \$186,100 | \$186,100 | \$166,000 | \$234,000 | \$300,000 |
| Nashua | \$50,000 | \$50,000 | \$162,000 | \$162,000 | \$194,000 | \$224,000 | \$280,000 |
| Manchester | \$41,000 | \$55,000 | \$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 |
| Concord | \$37,300 | \$53,300 | \$98,000 | \$98,000 | \$80,000 | \$131,000 | \$223,000 |
| Hampton | \$38,000 | \$58,000 | \$250,000 | \$250,000 | \$140,000 | \$168,000 | \$221,000 |
| North Hampton | \$40,800 | \$59,000 | \$190,000 | \$190,000 | \$125,000 | \$165,000 | \$200,000 |
| Stratham | \$36,000 | \$60,000 | \$200,000 | \$200,000 | \$125,000 | \$145,000 | \$165,000 |
| Rochester | \$38,500 | \$55,000 | \$120,000 | \$120,000 | \$90,000 | \$120,000 | \$150,000 |
| Rye | \$40,000 | \$59,900 | \$199,000 | \$199,000 | \$75,000 | \$90,000 | \$105,000 |
| Greenland | \$36,000 | \$60,000 | \$75,000 | \$75,000 | \$60,000 | \$80,000 | \$100,000 |
| Somersworth | \$35,000 | \$50,000 | \$100,000 | \$100,000 | \$65,000 | \$80,000 | \$90,000 |

3. Request for Public Hearing Regarding All Veterans and Optional Veterans Tax Credit Re-Adoption and Increase from \$500 to \$750:

On November 14, 2022, the city council voted to draft two resolution as follows:

- Increasing the Optional Tax Credit from \$500.00 to \$750.00 and be brought back with any necessary changes to the City Council for re-adoption before March 31, 2023.
- Draft a resolution expanding the All Veterans Tax Credit Eligibility to those that currently serve be brought back with any necessary changes to the City Council for re-adoption before March 31, 2023.

Attached are the two draft resolutions with recommended language.

The re-adoption is required due to the New Hampshire Legislature passing, and Governor Sununu signing into law House Bill 1667 (Chapter 121, Laws of 2022), amending eligibility criteria for certain veterans’ property tax credits. Effective on July 26, 2022, the bill amended RSA 72:28, the “Standard and Optional Veterans’ Tax Credit,” and RSA 72:28-b, the “All Veterans’ Tax Credit,” to expand the eligibility requirements of the veterans’ tax credit to include individuals who have not yet been discharged from service in the armed forces.

Under RSA 72:27-a, IV amendments to tax credits and exemptions which require adoption will only apply “in a municipality which previously adopted the provision only after the municipality complies with the procedure” specified in RSA 72:27-a, II, unless otherwise expressly required by law. Nothing in HB 1667 created an exception to this re-adoption requirement.

As a result of the passage of HB 1667, a technical information release; Updated EIR 2022-05, dated October 24, 2022 advised municipalities to consider the following:

For municipalities with an Optional Veterans’ Tax Credit under RSA 72:28, II:

- The existing Optional Veteran’s Tax Credit will remain in place for the April 1, 2022 tax year.
- **The Optional Veteran’s Tax Credit**, at the existing amount or at a new amount, must be *readopted* pursuant to RSA 72:27-a to remain in place and include the expanded eligibility effective for the April 1, 2023 tax year.
- If the Optional Veteran’s Tax Credit is not readopted, the Standard Veterans’ Tax Credit will be in place for the April 1, 2023 tax year, which will include the expanded eligibility requirements. This standard credit is \$50 according to the State RSA.
- The existing All Veterans’ Tax Credit will remain in place for the April 1, 2022 tax year.
- **The All Veterans’ Tax Credit**, at the existing amount or at a new amount, must be *readopted* pursuant to RSA 72:27-a to remain in place and include the expanded eligibility effective April 1, 2023 tax year.
- If the All Veterans’ Tax Credit is not readopted, the Standard Veterans’ Tax Credit will be in place for the April 1, 2023 tax year, which will include the expanded eligibility requirements. This standard credit is \$50 according to the State RSA.

Current impact on the City’s revenue due to the increase in the credit amount is as follows:

| | Current Exemption Amount 2022 | Increase of 8.7 % SS | New Exemption Amount 2023 | |
|-------------------|--|--|---|--|
| Single | \$ 46,124.00 | \$ 4,012.79 | \$ 50,136.79 | |
| Married | \$ 63,108.00 | \$ 5,490.40 | \$ 68,598.40 | |
| | | | | |
| | | | | |
| Credit | # Receiving Tax Credit | Current \$500 Credit Amount | Proposed \$750 Credit Amount | Additional Revenue Loss |
| Optional Veterans | 660 | \$ 500.00 | \$ 750.00 | \$ 165,000.00 |
| All Veterans | 69 | \$ 500.00 | \$ 750.00 | \$ 17,250.00 |
| | | | | |
| Totals | 729 | | | \$ 182,250.00 |

Note: The current tax rate of \$15.20 would be decreased to a difference of .03 cents on the current tax rate if the tax credit was expanded.

Any adjustment if approved would be for the 2024 Fiscal Year, 2023 Tax Year. New applicants must submit an application and required documentation by April 15th 2023 in order to qualify.

I recommend that the City Council move to schedule a Public Hearing regarding these options at the February 21, 2023 City Council.

XII. Consent Agenda:

A. Projecting Sign Request – 55 Congress Street:

Permission is being sought to install a projecting sign at [55 Congress Street](#) that extends over the public right of way, as follows:

Sign dimensions: 35” x 25”

Sign area: 6 sq. ft.

The proposed sign complies with zoning requirements. If a license is granted by the City Council, no other municipal approvals are needed. *Therefore, I recommend approval of a revocable municipal license, subject to the following conditions:*

- 1) *The license shall be approved by the Legal Department as to content and form;*
- 2) *Any removal or relocation of the sign, for any reason, shall be done at no cost to the City; and*
- 3) *Any disturbance of a sidewalk, street or other public infrastructure resulting from the installation, relocation or removal of the signs, 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.*

XVI. Approval of Grants/Donations:

A. Acceptance of 2023 NH Moose Plate Grant - \$20,000:

Thanks to the efforts of the Planning and Sustainability Department, the City of Portsmouth is the recipient of a 2023 New Hampshire Moose Plate Grant which will grant the City \$20,000 to complete the following tasks:

- 1) Hire a wetland scientist to perform an updated delineation of the City’s wetland boundaries (previously done in 2002);
- 2) Digitize the updated boundaries and buffers; and
- 3) Coordinate outreach to inform the City, wetland abutters and other impacted groups (i.e. Conservation Commission, Planning Board) of the updated delineation.

I recommend that the City Council vote to accept New Hampshire State Conservation Committee funds and authorize the City Manager to enter into a contract with the New Hampshire State Conservation Committee, Department of Agriculture, Markets and Foods.

B. Application for Membership As A Certified Local Government:

Attached please find a memorandum requesting membership within the NH Certified Local Government (CLG) Program.

I recommend that the City Council vote to support the City submitting the application to the CLG Program administered by the Division of Historic Resources.

XVII. City Manager's Informational Items:

1. McIntyre Update:

City Attorney Susan Morrell and I will provide an update on the McIntyre Redevelopment Project at this evening's meeting.

2. Outdoor Dining Administrative Purview:

In follow up to the City Council's discussion of outdoor dining during its January 23, 2023 Council meeting, the attached memorandum provides additional background information, clarification, and advance notice of how City Administration expects to implement the licensing of outdoor dining.

3. Report Back on Little Bay Waterline Project:

Please find attached a report back regarding the Little Bay Waterline Project, which was requested by Councilor Lombardi at the January 23, 2023 City Council.

4. Portsmouth Sewer Water Rates Compared to other Municipalities:

Please find attached a report on Portsmouth's sewer water rates compared to other municipalities.