

Year End Report/Self Evaluation for 2013

Todd I. Selig, Administrator

12/30/13

The Town of Durham continues to be economically and prudently operated. We function as a purveyor of public services, and staff is working hard to implement business practices to control costs and maintain the municipality's fiscal position despite many competing pressures ranging from intense development activity to moving ahead with long-deferred capital needs. From preserving the quality of life within our traditional residential neighborhoods to taking steps to address the potential impacts of climate change, we have worked diligently on behalf of the Town.

Through our collective efforts, Durham remains an agile municipal entity poised to seize upon business, grant, and regulatory opportunities that are consistent with our Town Council goals and community values. These include: Economic development and smart growth efforts; Strategic investments to ensure Durham's long-term sustainability and resiliency; Rethinking the manner in which services are delivered by departments; Working with UNH to find win/win partnership opportunities; Endeavoring to control escalating health care benefit costs; Coping with increasing utility costs; Maintaining a strong balance sheet, and favorable bond rating status.

A great deal of work has been devoted to addressing human resource issues in Durham over the last year. Collective bargaining contract negotiations have been active with the AFSCME unit representing Durham's public works personnel, the NEPBA Local 21 unit representing the Town's police officers, and the DPFFA unit representing Durham's firefighters. The Town and the NEPBA unit were ultimately able to ratify an agreement retaining the first known insurance cap for public employees in the State of New Hampshire. The Town and AFSCME after several years of impasse and numerous rejected contracts signed an agreement moving public works employees from a 4-day workweek to a 5-day workweek, and increasing employee contributions toward monthly insurance premiums from 10% to 15%. The DPFFA negotiations, which began in the fall 2012, remain ongoing. Negotiations with our Middle Manager unit commence in 2014.

The Town's weekly "Friday Updates" serves to keep the Town Council and members of the community informed of news and happenings in Durham. Nearly 3,000 people subscribe to this weekly broadcast. I know of no other community that works as hard as Durham to keep residents informed of local affairs so they may become involved.

Durham once again hosted a Right-to-Know Law forum for the community and members of boards, committees, and commissions relative to RSA 91-A, the state's Right-to-Know Law.

Durham's last Master Plan was written in 2000. The Town commenced an update in 2011 with a citizen engagement process that included a public forum and community

survey. The Master Plan Advisory Committee was formed to assist the Planning Board in overseeing the process. The project is well underway with drafts of the following six chapters: *Agricultural Resources, Downtown and Commercial Core, Economic Development, Energy, Natural Resources, Recreation*. The goal in 2014 is to make appropriate changes to these chapters, ensure they incorporate the best practices in community planning, and reconcile areas of conflict among them culminating with adoption by the Planning Board in 2014. Additional chapters to consider in 2014 include: Land Use, Historic Resources, and Introduction/Community Character. For 2015, the focus will be on an additional five chapters: *Cultural Resources, Demographics and Housing, Public Facilities, Transportation, and University Relations*.

The Council held a number of important discussions regarding the Town's water supply over the course of 2013. This work helped to better ground the entire community regarding the issue, particularly regarding periods of drought conditions.

In April 2013, the Council amended certain sections of Chapter 97 "Plumbing Code and Regulations" of the Durham Town Code to codify the Town's support for water conservation and water efficient plumbing relative to public water and sewer systems.

Our vision for Durham's Parks & Recreation Department is that it will offer a wide variety of opportunities and concentrations for any resident wishing to participate in accessible, affordable activities. At this time, the department is in the planning stages of expanding its art program offerings. Parks & Recreation Director Stefanie Frazee is also working with ORCSD faculty/staff to offer a new summer camp experience for 4th-8th grade starting in 2014. The program will offer a full day of enrichment and recreational activities, including S.T.E.M. and arts. This year alone, the department has added 10 new programs and 2 new events (9 total) in response to resident feedback.

The Town moved forward in 2012 to fund \$375,000 of the 176 +/- acre Spruce Forest Trust for Public Lands (TPL) project located along Mill and Packers Falls Roads (Tax Map 13, Lots 14-2, and 6-3). In May 2013, the Town Council approved a resolution formally changing the name of the tract of land to the Oyster River Forest.

Also in May, the Town approved the disposal and sale of a 1.04 acre Town-owned parcel located on the easterly side of Woodridge Road (Tax Map 7, Lot 1-55) to Samuel Shore of 7 Woodridge Road in the amount of \$9,200 along with a conservation restriction on the parcel.

In June 2013, Durham established a new Human Rights Commission supporting the equality of all individuals to obtain employment, access all places of public accommodation, and to obtain housing without regard to actual or perceived sexual orientation, gender identity, or gender expression. Durham has reached out to UNH regarding our respective efforts in this area.

Over the last year, the Town has continued to pursue Long-Term Economic and Environmental Sustainability, which are inextricably linked. Without economic sustainability, the Town will not have the financial resources available over the long-term to stabilize the tax rate, pursue desired projects/infrastructure, preserve open space, etc. Without a healthy natural environment, we will not sustain the Durham in which citizens hope and desire to live. The 2011 Master Plan survey was very clear in pointing out that residents of the community seek balance. The development activity experienced in 2013 will serve to provide important tax base moving forward.

On July 15, 2013, the Town Council held a discussion concerning the FY 2014 Budget with the Administrator and provided guidance as part of the budget process culminating months later with the Council approving the FY 2014 Budget and 2014-2023 Capital Improvement Program by an 8-0 vote on 12/16/13. The approved FY 2014 General Fund budget is projected to leave the 2013 tax rate of \$8.34 unchanged in 2014, providing much needed financial stability for many residents of Durham. Maintaining the municipal tax rate at the status quo will also help to encourage additional economic development activity in Town.

I continue to move forward with educating myself and staff with regard to the implementation of Kaizen/Lean manufacturing practices within the municipal workplace. To this end, we collaborated in 2013 with the Lonza Corporation in Portsmouth at the Pease Tradeport resulting in a "suggestion board" initiative in which a suggestion board has been installed at the Town Offices, the Police Department, the Fire Department, and the Public Works Department to encourage staff members who are the closest to the work that we do to offer ideas for continuous improvement.

Staff worked to develop the groundwork for a municipal department by department benchmarking effort intended to coincide with the annual budget development process. The program would have compared Durham's cost drivers to those of comparable communities. After some discussion of the concept with the Council, it was determined that the effort was not a value added endeavor and it was set aside.

Moody's Investors Service assigned an Aa2 bond rating to the Town of Durham's \$4.133 million General Obligation Bonds in 2013. Moody's also affirmed the Aa2 rating on the Town's \$13.9 million of outstanding debt. The Aa2 rating reflects the Town's stable financial position with sizeable reserve levels. The rating also incorporates the Town's moderately sized tax base anchored by the University of New Hampshire, and a moderate debt burden.

In July 2013, the Town Council unanimously authorized a supplemental appropriation of \$115,000 within the Capital Fund Budget to improve radio communications/dispatch services for our emergency responders with offsetting funds raised through long-term borrowing.

Cable franchise negotiations for a successor agreement with Comcast for the Town of Durham were concluded in 2013 after two years of discussion with the cable

company. A 4% franchise fee was established which is projected to provide an additional \$100,000 in revenue to the Town of Durham annually. The funds are general fund revenues. At the present time, the monies are being utilized to largely offset the cost of Channel 22/DCAT.

Durham acted quickly in 2012 when it became clear in the spring that the Pettee Brook Parking Lot would not be available due to construction at the Kostis project for the Seacoast/Durham Farmer's Market. Within a short time, the community responded making the Town Office Lot available in support of local agriculture for 2012 and 2013. The Town is presently working with the Seacoast Growers Association to determine the location of the 2014 Farmer's Market in Durham.

The Smith Chapel was reopened in July 2013 following a total refurbishment of the facility. This jewel is part of the rich historic fabric of Durham.

The Historic District/Heritage Commission also celebrated the 100th anniversary of the Mill Pond Dam. We expect the dam will be formally listed on the NH Register of Historic Places in January 2014.

The Town learned in August 2013 that it had been successful in pursuing a \$20,000 grant (\$8,000 Town/\$12,000 State) from the NH Division of Historic Resources through the Certified Local Government Program to hire a preservation consultant to prepare a Historic Resources Chapter of the Durham Master Plan. Efforts are now under way to secure a preservation consultant to work with the Town as part of the initiative.

The Town held a grand opening for the new Durham Public Library in September 2013. The construction of this critical facility represented a real milestone for the community. The project had been in the works for over 15 years coming to fruition over the course of the last two.

In October 2013, the Town Council voted to rename the Town-owned park at Wiswall Dam after the late John Hatch. This was a lovely occasion.

In November 2013, the Council approved the acceptance of \$125,000 from the US Department of Justice, Community Oriented Policing Services (COPS), for the purpose of hiring a 20th police officer that will be focused on "problem oriented policing." This additional resources should help to address some of the negative impacts of poorly managed college student housing within Durham's traditional residential neighborhoods surrounding the downtown core.

The Town hired long-time resident and former Rochester Planner Michael Behrendt to take on the role of Director of Planning & Community Development in Durham in the summer 2012. The transition was exceptionally smooth and Mr. Behrendt has been an invaluable resource to the community since that time regarding planning issues. Design standards that Mr. Behrendt developed and implemented with the

Planning Board in late-2012 have been invaluable in 2013 helping to shape the quality and aesthetic of future development.

Funding was set aside but unutilized for a part-time economic development director/contractor in FY 2013. We have once again budgeted these funds for 2014 and anticipate moving forward with a search in the first part of the year.

The Town sold the Durham Business Park to Eric Chinburg on November 29, 2010 bringing to culmination a process that began in 2007 with the signing of an Agreement of Sale between the Town of Durham and Chinburg that was authorized by the Town Council. This parcel offers much potential for economic development and job creation in the coming years. Mr. Chinburg and the Town have had a number of conversations with prospective purchasers in 2013 but to date nothing has moved forward at the site. In 2014, the Town may consider some zoning changes to the Durham Business Park zoning district to facilitate the development of the parcel.

The Council made a number of important changes to Durham's local zoning in response to development pressure experienced these last two years. One such modification was a change to Sections 175-41(F) and 175-54 "Table of Dimensional Requirements" to increase the setbacks along Madbury Road in the Professional Office and Central Business Districts and reduce the maximum permitted building heights from 50 feet to 35 feet.

The Council also approved a separate zoning amendment that accomplished the following: Changed Mixed Use Residential in the Central Business District and Churchill District from permitted to conditional use; Increased the minimum lot area per dwelling unit in the CBD and MUDOR districts; Set the maximum number of bedrooms per dwelling unit in Multi-Unit and Mixed Use residences at four; Prohibited new basement dwelling units in Multi-Unit and Mixed Use residences; and Allowed for flexibility in the arrangement of Nonresidential Uses in the Central Business district by conditional use.

Staff initiated an innovative collaborative conversation with Golden Goose, the development company desiring to redevelop 17-21 Madbury Road ("The Greens"), to completely redesign their project from an imposing "Pentagon" proposal to an appropriately scaled project enhancing the pedestrian and bicycle connectivity between Madbury Road and Pettee Brook Lane with a refreshing mix of residential and non-residential. The project is now in the final design phase before the Planning Board. Construction is anticipated to begin in early 2014.

A lot of work was also devoted to ensuring the Orion redevelopment project located on Church Hill along Main Street (across from the Post Office) within the Town's historic district not only was acceptable to the Historic District Commission, but also contained the right residential to non-residential mix. Presently before the Planning Board, it is anticipated this project will break ground in 2014.

Significant energy was dedicated to facilitating a new development project in downtown Durham to include numerous potential elements such as the UNH bookstore (in lieu of the present Memorial Union Building location), a downtown technology park, high quality professional office space, small hotel, retail and restaurant space, and possible graduate student/undergraduate housing within the downtown core along Main Street. The project was not able to come to fruition in 2013 and the developer with whom the Town had been working, SORA Holdings, notified the Town in early December that it was discontinuing discussions regarding the project. Since that time at least two additional developers have approached the Town expressing an interest in developing a hotel/restaurant in this general location.

Durham put out a Request for Qualifications for energy-related services in 2012 and selected ReVision Energy to work with the Town in identifying potential renewable energy installations/locations within or upon town facilities. The new library (15.6 kW), police department (5.2 kW), and the Churchill Rink (99.45 kW) were ultimately selected by Revision Energy in 2013 as appropriate candidates for such technology. After much review and deliberation, the Town entered into a Power Purchase Agreement (PPA) with ReVision for a \$410,450 solar system at the three locations estimated to lower the Town's CO2 emissions by over 164,000 lbs. per year. The cost for this solar power will be indexed to the cost the Town incurs when it buys power on the open market with the option to buy out the installation in year 7.

I have worked to remain in regular communication with Oyster River School District Superintendent of Schools James Morse concerning issues of mutual interest/concern. Dr. Morse has also provided two presentations to the Town Council regarding tuition and redistricting, among other issues. It is helpful to note that Town Councilor Wayne Burton serves as a representative to the district's Budget Advisory Committee in this way ensuring there is active communication between Durham and the ORCSD relative to budget issues.

Durham worked in partnership with the Strafford Regional Planning Commission to develop a Climate Adaptation Chapter within our Hazard Mitigation Plan. This chapter provides adaptation strategies to protect areas of the community that are at risk of flooding due to climate change. The purpose of the project was to conduct research on present climate change and sea level rise estimates using the Piscataqua/Great Bay Report as a backbone, review approaches taken by other states, communities, and agencies in responding to this threat, develop a series of maps identifying areas of increased risk to flooding in Durham due to sea level rise, develop strategies that protect areas at risk from flooding due to climate change and sea level rise, and finally to identify various regulatory and non-regulatory options that can be considered by the Town. In this area, Durham is seen as a leader within the Seacoast.

Durham conducted a successful statistical update of all properties in 2013, which took a good part of the year to complete. In total, assessments dropped by .77% because of overarching fluctuations in the general real estate market.

The Town moved a new three-way stop into a pilot phase in summer 2012 at the intersection of Mill Road and McDaniel Drive to address traffic safety and speed concerns at this location. The project met with widespread approval so in 2013 the change was memorialized by the Town Council through an ordinance change.

In 2014, I plan to explore and possibly implement a pilot program whereby Main Street between Pettee Brook Lane and Madbury Road would become one-lane in order to add a designated bicycle lane and enhanced parking for downtown businesses.

A comprehensive parking strategy for the downtown core was developed with the assistance of Rick Chellman, the traffic engineer from the B. Dennis team, which was rolled out in the first quarter of 2011. Automated meters were investigated and the first three were ordered in the fall 2011 for placement along Pettee Brook Lane in January 2012. Subsequent to that initial installation, additional automated meters were installed in the downtown core during the summer 2012 and again in 2013 in front of the new Peter Paul School of Business. In 2014, we expect to move forward with the addition of 12 -15 additional automated meters along Madbury Road, Garrison Avenue, Main Street, in the "Store 24/Tedeschi/Sammy's lot," and in the Pettee Brook Lane parking lot, in addition to other parking enhancements to support businesses in the downtown core.

In March 2013, the Town entered into a Purchase & Sale Agreement with Scott Mitchell for the redevelopment of the Town Office site at 15 Newmarket Road as a pharmacy, subject to approval by Durham's local land use boards. In May 2012 the Town had entered into a Purchase and Sale Agreement with the People's United Bank for the purchase of the former bank building at 8 Newmarket Road for use as the new Durham Town Hall at a price of \$745,000. Although scheduled to close on September 1, 2012, a title issue was discovered by the Town with the bank parcel as part of the Town's due diligence which buyer and seller were ultimately able to resolve in the first quarter of 2013 through the Probate Court process. The Town Council ultimately approved moving forward with the construction of a new LEED Certified Town Hall at 8 Newmarket Road after many months of design at a price of \$1,748,160. Projected completion date for the new Town Hall is June 1, 2014. The total project cost is anticipated to be partially offset with the purchase price paid to the Town for 15 Newmarket Road totaling \$1,300,000. If a pharmacy is not approved, the purchase price for the present Town Office site would be less, likely in the \$600,000 - \$800,000 range.

The Durham Police Department has been vigilant in consistent enforcement of noise and open container ordinances to the extent resources have allowed. The Code Enforcement Office has worked to address trash regulation offenses when they have been reported. The Town also launched a new Health and Safety inspection program for all rental properties in Durham managed by the Fire Department as part of the new Housing Standards Ordinance.

The University of New Hampshire has identified B-Lot as part of its Master Plan update process as the future home for the Durham Fire Department. The Council approved funding as part of the FY 2013 budget totaling \$557,400 to move ahead with

design once the UNH Master Plan is adopted and arrangements have been made for transferring control of the parcel to Durham for use as a future Fire Department. At present, we are engaged with UNH concerning the conditions under which a portion of B-Lot might be made available for the department.

Durham continues to explore cooperative efforts with UNH to enhance the intellectual, cultural, and potential future economic benefits of being a university town. At the Town's request, the University moved forward with a downtown site for its UNH Business School, which opened to great fanfare in mid-2013. The University has selected C-Lot/Lower Quad as the site for a future Performing Arts Center per the Town's request as well.

The Town and University, through the administrative joint Water, Wastewater, and Stormwater Committee, continue to address a multitude of joint items to include bringing on line the Spruce Hole Well in 2014, and focusing tremendous attention in 2013 on water quality deficiencies within the Great Bay Estuary addressing issues such as nitrogen as identified by the NHDES and the EPA. To this end, Durham and UNH are collaborating in order to meet EPA MS-4 and Wastewater regulations through a nationally groundbreaking adaptive management or "integrated" plan addressing both wastewater and stormwater impacts to the estuary simultaneously.

Unfortunately, this past year saw significant disagreement between the Town and UNH with respect to the future of the UNH Outdoor Pool, which is no longer classified by NHDES as a "Modified Flow Through Pool." UNH has insisted the facility meet or exceed modern health and safety standards for an outdoor pool and has announced that the facility will not be opened in 2014 due to health/safety considerations. Planning is now under way with the goal of resolving this issue for the 2015 swimming season. In December 2013, the Council passed a resolution urging UNH/USNH to *"reconsider their decision to close the pool for the summer of 2014 and encourag[ing] them to engage in planning that honors the pool's historical significance and preserves, as closely as possible, its historical form."*

Police from five agencies worked to address a celebratory riot following the October 30, 2013 Red Sox win in the World Series along Main Street, where about 3,000 people gathered — some throwing bottles at police officers, damaging vehicles, and setting off fireworks. Durham's public safety personnel were ultimately able to manage the difficult situation with minimal injury or destruction to personal property.

In September 2012, the Council adopted a new Downtown Tax Increment Finance (TIF) district under the auspices of RSA 162-K:5 to fund improvements (street lighting, roadway improvements, and automated parking kiosks) to enhance the economic vitality of the downtown area. With new development coming on line in 2013 and 2014 within the downtown core, we should see a reserve of funds build for future use within the district. The town's other TIF district on Stonequarry Drive, remains inactive.

Last year the Council adopted Ordinance 2012-10 amending Chapter 124 “Street Vending, Peddling, and Soliciting,” Sections 124-2 and 124-4 of the Durham Town Code, by including the control of buying and/or offering to purchase products. This was in response to out of town merchants setting up vans along Main Street in front of downtown shops soliciting to purchase used text books from UNH students. The problematic practice impeded pedestrian and vehicular traffic along Main Street. In 2013, the new ordinance worked well and was successful in resolving issues encountered in 2012. Problem solved.

Durham held a successful special election on December 17, 2013 to fill the NH House of Representatives seat vacated by Phil Ginsburg earlier this year. Durham’s Amanda Merrill was elected to fill the vacancy.

In December 2013, Durham was named “Best Town in NH for Young Families” by NerdWallet, a personal finance and credit card comparison website. Hanover was listed as #4 and Portsmouth as #6.

Also in December 2013, Zoning and Code Enforcement Officer Tom Johnson was awarded the designation of *Building Inspector of the Year* at the annual New Hampshire Building Officials Association (NHBOA) meeting held in Meredith, NH. He was cited for serving on numerous boards of the NHBOA, on International Code Council boards, and for founding the Seacoast Chapter of the NHBOA.

For over 18 months, an abandoned sunken vessel located at Adams Point near the boat ramp in Durham lay beached, slowly disintegrating causing potential contamination issues for the community and for the Little Bay. Consistent with the Town Council’s goals, the Town reached out to NHDES, the Portsmouth Harbor Master, and the US Coast Guard and was able to marshal the resources between the partners to abate the nuisance by year’s end.

In summary, Durham is now dealing with a number of major public infrastructure projects (Town Hall, Fire Department, the Integrated Plan, Spruce Hole Well, Sludge Dewatering Facility, the UNH Outdoor Pool, and more), myriad large redevelopment projects, a new Health and Safety Inspection Program, complex collective bargaining agreements, as well as the daily needs of the Town and its residents. Through it all, we have done well in managing the community effectively, making steady progress toward achieving Town Council goals, being proactive in addressing unanticipated challenges, and in ensuring Durham remains an attractive place to live, work, and play.