

## Town Report Submission for 2016

Todd Selig, Administrator

12/31/16

The Town of Durham continues to be economically and prudently operated. We function as a purveyor of municipal services, and town staff, elected, and appointed officials are working to implement business practices to control costs and maintain the municipality's fiscal position despite many competing pressures. From preserving the quality of life within our traditional residential neighborhoods to taking steps to protect the interests of the community and the health of the Great Bay Estuary with respect to the proposed \$70 million Eversource Seacoast Reliability Project in which a new 115 kV regional electric transmission line would be constructed between existing substations along roughly 12.9 miles of existing rights-of-way from Madbury through Durham to Newington/Portsmouth, many individuals have collectively worked diligently on behalf of the community in 2016.

According to Moody's Investors Service, the Town has a very solid financial position. Durham's credit position is very high quality, and its Aa2 bond rating is stronger than the median rating of Aa3 for cities nationwide. Notable credit factors include a modestly sized tax base with an affluent socioeconomic profile. It also takes into account a sizable pension burden with a mid-ranged debt liability. Durham's net cash balance as a percent of revenues far exceeds the US median. In terms of management and governance, surplus operating margins are a component of strong financial management. Moody's indicates that on average, Durham has run surpluses over the past several years. The presence of UNH in Durham also serves to bolster and solidify the local economy.

The Town's weekly "Friday Updates" serves to keep the Town Council and members of the community informed of news and happenings in Durham. Over 3,100 people subscribe to this weekly broadcast. Durham has once again bolstered its Twitter and Facebook presence in order to meet the demands of residents' changing preferences for information distribution. For example, 702 individuals have signed up for our Twitter feed (an increase of 24% since 2015) and 1,863 (up 49%) individuals now follow Durham on Facebook. The goal is to keep residents informed of local affairs so they may become engaged when issues are of interest to them. We are a community that truly welcomes and encourages citizen involvement.

Over the last year, the Town has continued to pursue Long-Term Economic as well as 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, work, and play. The 2011 Master Plan survey was very clear in

pointing out that residents of the community seek balance. The notion of seeking a state of balance in Durham continues today.

In the area of land conservation, the Town worked closely with the Southeast Land Trust as part of an effort to conserve the 40 +/- acre Thompson Forest parcel located along Wednesday Hill Road abutting the Durham-UNH Water System pump station on the Lamprey River. This was completed in 2016. Durham has also been working with Forest Society relative to securing a conservation easement on the 40 +/- acre Hills/Emery Farm property located along Route 4 directly across from the Emery Farm farm stand.

In 2016, the “Powder Major” (or Goss family) project consisting of approximately 227 acres at the juncture of Durham, Lee, and Madbury near Tibbetts Field/Rt.155 in Madbury in conjunction with the Society for Protection of NH Forests was approved by both the Durham Conservation Commission and the Town Council, as well as the towns of Lee and Madbury. The Forest Society is still in the process of raising the necessary funds to close on the parcel in early 2017.

Durham has experienced significant economic development activity between 2012 and 2016, which will serve to provide increased tax base moving forward. New construction increased the Town’s tax base from \$916,456,045 in 2014 to \$1,007,876,992 in 2016, an increase of \$91.4 million or 9.97%. Historically, our tax base has grown by around 1% per year. We project that the tax base will grow by an additional \$11.8 million to \$1,019,669,153 in 2016, an increase of 1.2%.

The Town Council goals in 2016 tasked the Administrator with developing a budget for 2017 that held General Fund expenses at current levels except for contractual increases including wages and benefits and a cost of living adjustment for non-unionized personnel. I’m pleased to report that we were able to fulfill this directive, leaving the projected municipal-only portion of the tax rate at \$8.48 for the third consecutive year.

In 2013, the Council approved the acceptance of \$125,000 over three years from the US Department of Justice, Community Oriented Policing Services (COPS) program, for the purpose of hiring a 20<sup>th</sup> police officer focused on “problem oriented policing (POP).” This additional resource has enabled the Police Department to address impacts of poorly managed non-owner occupied college student housing within Durham’s traditional residential neighborhoods surrounding the downtown core. The grant has now ended but due to the program’s measurable success, the POP officer will be retained moving forward.

Durham’s new 12,187 sq. ft. state of the art Town Hall at 8 Newmarket Road entered its 3<sup>rd</sup> year of operation on October 23, 2016. Following an extensive RFP process, Durham ultimately sold the former Town Office site at 15 Newmarket Road to a local technology company, Applied Geosolutions, for the sum of \$650,000. Applied Geosolutions plans to invest around \$600,000 in the building. The Town has required that

any redevelopment of the site not impact its spot on the National Register of Historical Places. Construction is now under way.

Following numerous permitting delays, construction on the new UNH Outdoor Pool was completed in 2016. It opened to great fanfare this past fall. At 14,355 sq. ft., the +/- \$6.5 million structure paid for fully by UNH is one of the largest outdoor pools in New Hampshire. The Town Council has allocated the sum of \$30,000 to subsidize the annual pool pass cost for Durham residents by providing a 20% reduction off the annual purchase price. Passes are purchased at the Hamel Recreation Center.

The Town and UNH, through the administrative joint Water, Wastewater, and Stormwater Committee, continued to address a multitude of joint Town/Gown items to include operation of the new Spruce Hole Well which went on line in late-2015, focusing attention on water quality deficiencies within the Great Bay Estuary (nitrogen) as identified by the NHDES and the EPA, meeting EPA wastewater and stormwater MS-4 mandates, implementing a required NHDES backflow prevention program, water tank refurbishing/painting, and more.

Significant energy has been dedicated in 2016 toward working with UNH as part of a collaborative public/public/private development project in downtown Durham to include numerous potential elements such as the UNH bookstore (in lieu of the present Memorial Union Building location), professional office space, small hotel, retail and restaurant space, structured parking, and possible over 55 housing within the downtown core in the vicinity of 66 Main Street, the former ATO fraternity site. The Council and USNH Board of Trustees approved a Memorandum of Understanding between Durham and UNH in 2015. Unfortunately, efforts did not produce results in 2016, yet we look forward to additional discussions around this potential partnership in 2017.

Durham and UNH negotiation teams met extensively in 2015/2016 to discuss and ultimately agree upon a variety of topics/agreements which were subsequently approved by the Town and UNH in spring 2016 as follows: Agreement to renegotiate the Municipal Services (Omnibus) Agreement which expires 12/31/28; MOU on Long-Range Planning Coordination and Communication; Fire Protection Services Agreement; Jacksons Landing Boat Launch Agreement (for 1 year); MOU on University Outdoor Swimming Pool; The School Agreement; Transfer of Real Property Agreement (transferring ownership of the "Tot Lot" and Oyster River Park to Durham); and the Water and Wastewater System Agreement. This package of agreements represents a significant undertaking and accomplishment.

Durham's vision for our Parks & Recreation Department is that it will offer a wide variety of opportunities and concentrations for all residents of any age wishing to participate in accessible, affordable activities. The department also plans/coordinates community-wide events such as Durham Day, a summer concert series, the Annual Tree Lighting, as well as managing the Churchill Rink. Director Rachel Gasowski has been

working very closely with the Conservation Commission to introduce residents to the numerous open space properties the Town controls.

In response to the goal of becoming a more pedestrian and bicycle friendly community, the Town moved forward numerous efforts in 2015 and 2016 to delineate roadways within our downtown core with “share the road” (or sharrows) markings and signage. 45 such yellow signs on wooden posts were ultimately installed throughout community. Efforts to better delineate and safely address bicycle and pedestrian friction points utilizing Transportation Engineer Dirk Grotenhuis’ services were evaluated and discussed by the Council. Many recommendations were acted upon including the application of green paint within bicycle areas at specific corners in the downtown to assist bicyclists in navigating the downtown core more effectively and safely.

As a result of new development, specific sidewalk sections along Church Hill and Madbury Road were widened, and the pocket park at Main Street and Mill Road was completely refurbished as part of the Pauly’s Pockets project, which was completed in 2016. The pocket park at the corner of Main Street and Pettee Brook Lane was also refurbished in 2014 with excellent results, furthering our efforts to make downtown pedestrian welcoming. The Madbury Commons project at 17-21 Madbury Road now provides an attractive pedestrian connection between Madbury Road and Pettee Brook Lane (and Main Street beyond).

In an effort to enhance Durham’s resiliency and sustainability in an era of climate change, following many, many months of discussions/negotiations the Town partnered with ReVision Energy and IGS Solar, pursued and was awarded a \$500,000 grant from the NH Public Utilities Commission, obtained approval from the Governor and Executive Council by a narrow 3-2 vote, worked through a PILOT agreement with the Town of Lee, entered into an agreement with the Oyster River Cooperative School District for power purchase, negotiated required connection arrangements with Eversource, and the Town Council ultimately approved in late-fall 2015 moving forward with executing contracts for the construction of a 640 kW DC solar array in Durham’s Packers Falls Gravel Pit. The project came on line in spring 2016. This project is the 2<sup>nd</sup> largest solar array in the State of New Hampshire.

Oyster River School District Superintendent of Schools James Morse and I continue to work to remain in active communication with one another regarding issues of mutual interest/concern. It is helpful to note that Town Councilors Kenny Rotner and Allan Howland are also members of the ORCSD School Board, in this way ensuring there is very good communication between Durham and the ORCSD School Board as well relative to issues of mutual interest.

Much work has been devoted to addressing human resource issues in Durham in 2016. Collective bargaining contract negotiations were kicked off in the fall 2015 between the Town and the AFSCME Unit representing our public works personnel, and with the Durham Professional Firefighters Association (DPFFA Unit) representing our

firefighters and fire inspectors. A common theme in these discussions revolved around increasing employee contributions toward health insurance premiums. Both contracts were ratified by the Town Council in 2016. Contract negotiations with the Durham Police Officers Association for a successor bargaining agreement commenced in fall 2016.

Durham is highly regarded as a leader in myriad areas amongst NH municipalities, state agencies, and beyond. For example:

- In 2016 Durham was selected as the recipient of the Sustainable Communities Award from the Gulf of Maine Council on the Marine Environment;
- We were listed as one of the safest college towns in America according to Safewise;
- The community received the top ranking score in NH by the Human Rights Campaign's Municipal Equity Index;
- Our new Master Plan was selected as Plan of the Year by the NH Association of State Planners.

These accomplishments were not by accident. The residents who live here are smart, entrepreneurial, always taking the long-term perspective, focused on the environment, community oriented, and committed to quality education. The Town is blessed with significant natural resources as well: the Great Bay, the Oyster River, the Lamprey River, the Spruce Hole Bog, Wagon Hill Farm, numerous natural gateways leading into and out of the community, and more. But it is not only that we have these natural treasures. Durham has had the foresight to protect them through local decision-making, good planning, prudent management, and a lot of hard work. Meanwhile, the University of New Hampshire provides social, cultural, and athletic opportunities for the community, not to mention it's an economic driver for Durham and the entire region. And our Town employees — public works, police, fire, planning, zoning, and more — they are good people, working hard with limited resources to meet the needs of demanding citizens with high expectations for exceptional service delivery at the local level.

While taxes are undeniably high in Durham, for all of these reasons, home sales remain strong, commercial investment is active, downtown vacancies are almost non-existent, the tax base is growing, the town is beautiful, and a positive sense of community is pervasive.

All in all, it has been a solid year for Durham.