

# STATE OF THE CITY ADDRESS

## JANUARY 18, 2021

With all of the geopolitical events occurring outside of our valley, I would have to say that our situation in Berlin today is cautiously guarded. As a nation, state, and to a lesser extent our community, we are struggling with a heightened degree of internal disagreement. There are many within our community who are hard at work improving our economic situation here after a long period of stagnation. The pandemic and the uncertain political climate will affect, however, the near term pace of economic recovery of many businesses still suffering. Now, more than ever, we should be supporting our local merchants and businesses.

That said, there has been a dam break of great economic news here in Berlin and the surrounding communities. First of all, Bruce Luksza and his family have purchased two large tracts of land on Rt 110 north of AVRDD's transfer station, which previously sited a proposed campground. Mr. Luksza is in the process of building out and permitting through state and local boards a three phase build out, that when finished, will be a huge attraction to our city. With dry camping and RV stations, along with the enhancement of snowmobile trails on his property, his business will become a huge four season destination. We all know about the MOM's Jericho group's purchase of Absolute Motorsports in October, but the bigger news for Berlin is MOM's purchase of 1200+ acres of land near the wind towers in and around Jericho Mountain. The proposed motorized park will be world class with an amphitheater and amenities. It will be adjacent to Jericho Mt. State Park, so in essence the ATV/UTV activity, along with Mr. Luksza's development will more than triple the size of available acreage! The sky is the limit with this activity and it should surely hasten the future development of on premise lodging and entertainment on the site of the old Bass Shoe/Converse complex.

The next piece of great news is the recent sale of Gorham Paper and Tissue/White Mountain Tissue Company. The mill, one of the oldest paper mills in the country, was purchased by Behrens Investment Group. Purchased from a bankruptcy proceeding, the group headed by Evan Behrens nonetheless fulfilled their promise of paying back property taxes to the City of Berlin, Town of Gorham, and hope to finalize payment of delinquent waste tipping fees to Androscoggin Valley Regional Refuse Disposal District (AVRDD). I met with the Behrens team in late October where they laid out a very clear vision of their strategy of modernization, energy efficiency improvements, and longer term asset additions that would increase employment opportunities. This welcome news solidifies a huge piece of Berlin/Gorham's increasing economic diversity.

To cap off the "December to Remember", North Country Growers has finalized the purchase of land opposite of FCI-Berlin's entrance. BIDPA, an entity created by state statute decades ago and owns/operates property for economic development, negotiated a final selling price of \$ \$645,000.00, which will be used to further develop projects within the city. Many thanks go to Board Chairman Mike Caron and the board who spent many hours finalizing this deal as we look forward to a spring groundbreaking.

There is also great news coming from Milan as Richard Carrier and family have recently announced an \$11M expansion at Milan Lumber Company. Milan Lumber and the rest of the Carrier Group holdings have, over the last 15 years, become the major player in the

manufacturing of construction materials on the East Coast and Canada. I continue to enjoy my conversations with Richard and his family. They are a very proud and focused business family but also can be very lighthearted and fun to be around.

The elephant in the room as we all know is the COVID-19 outbreak and its effect on our community. With hybrid and no in-house classroom time, many two income families have had to sacrifice work and stay home to take care of and help educate their children. Additionally, folks with compromised immune systems, close proximity to elderly family members and general fear of the highly contagious virus, participation in normal everyday activities have significantly curtailed. As a Berlin Youth Hockey volunteer coach, I see the impact of families who have made the difficult choice not to participate because of COVID impacts on health and income. Many businesses have either reduced hours or even days of operation or closed entirely because of the impacts. Once we get through the other side of this pandemic, it will be very important to financially support our business community to help them get back on their feet.

It appears that we will begin the process of replacing Berlin Fire Department's Ladder 1 truck. The current truck was purchased in 1994 and put into service in 1995. Then Chief Paul Fortier, department firefighters and various other city employees helped to develop the necessary specifications for this unit. We fully expect that this process will repeat itself as there is a long lead time from order to delivery. I was on the City Council for two years when we made the decision to purchase and the price then was in the \$600,000 range delivered. We estimate the price to be \$1M plus, though no decision has yet to be made. In the interim, the rear axle/shackle assembly will be repaired so we can buy the necessary time and we will lease a ladder truck to cover our needs for the estimated 8 weeks+- the truck is out of service.

My report would not be complete without informing you of the pending retirement of Sue Tremblay, currently the Administrative Assistant to City Manager Jim Wheeler. Then City Manager, Mitch Berkowitz hired Sue to be a part time secretary to BEDCO and then Development Director Dennis Cote way back in 1993. She was in her mid-30s then and seems not that long ago. Sue has a very unassuming personality but is fiercely loyal to Berlin's taxpayers and other staff members alike. Sue's clerical skillset is unmatched and has always made my job easier to perform. When the New Hampshire Legislature is in session, I have asked Sue to write up most of my testimony letters, giving her only my bullet points that I wanted to include. Please join me in congratulating Sue on her pending retirement and hope her and husband Marc enjoy life in the "slow" lane.

Paul R. Grenier, Mayor