

STATE OF THE CITY ADDRESS

JANUARY 17, 2022

Before I begin my comments, I would like to a moment of silence for all the citizens who have passed away this year as a result of this dangerous COVID-19 pandemic.

I want to thank Councilor Mike Rozek and Councilor Russ Otis for their many years of service to the citizens of Berlin. Council people by City Charter are paid a maximum of \$750 per year to sit in committees, work the annual budget process and interact with the public on a host issues the city faces. I also want to recognize former Board of Education member Scott Losier for his years of service as well to ensure our schools operate efficiently and our children here receive the best possible education with our available resources.

I want to welcome to the Berlin City Council our two newly elected members, longtime State Representative Robert Theberge and former Berlin Police Chief Peter Morency. Both of these gentlemen together bring over 50 years of public service experience and will serve Berlin extremely well.

The City of Berlin is well into wholesale changes as a community. Some good, some challenging. Some of the challenges we face are daunting. Single family residential property values, as a segment, have risen over 65% since 2019 alone. With commercial and utility values lagging the same percentage increase, we must be vigilant in making sure we have housing that folks can afford. Though I personally have misgivings about open ended construction of small houses or building in dense areas, the City Council and Berlin Planning Board and the ZBA have supported and codified this effort to address this area. So too is the Berlin City Council's effort at putting Brown School on the tax roles. In 2019, pre-pandemic and somewhat before the explosion of housing values, the City Council looked to award the property to a developer who made a good proposal. The council and developer could not come to terms on price and conditions and they withdrew. The city subsequently sat on the property, spending over \$52,000 in only two years for heat and utilities. A recent burglary also did significant damage inside and with the cost of building materials escalating to prohibitive prices, the City Council made its decision to make this a productive property with a developer with a proven track record of excellence.

We will closely follow and advocate on the city's behalf any issues that affects state policy and revenues. Berlin generates 135MW of renewable power within the confines of Berlin. This represents over 37% of taxable property and any hiccup is a fiscal disaster waiting to happen.

A real concern for all of Berlin should be the lack of people entering the work force. Popular Berlin businesses have either curtailed hours of operations or even closed because of a lack of labor. Our response shouldn't be it is happening everywhere. It should be how to make ourselves attractive for middle class folks to live here. Our schools, churches and health care facilities all play an important role in attracting people. Despite the hugely negative comments on social media about our community by a handful of malcontents, our schools do a great job. Kids who want to succeed succeed. Parents need to take an active role in the education of their children and understand guidance begins at home. Parents and grandparents, whether we like it or not, are our kids' frontline teachers. Denigrating our schools is both a cheap shot toward our professionals and shortchanges our efforts at growing our city. Our Police and Fire Departments, and employees, are first rate. Berlin's Public Works Department and related services do a superior job given the small size of their crews and the lack of planning resources. Berlin Water Works, owned by the city but managed separately, has 8 years left of loans to pay on tens of millions of dollars of infrastructure improvements and is paid for by Burgess Biopower's water purchase revenues.

Moving forward, we have a number of immediate must dos. First, we must hire a City Manager. That person needs to be dynamic enough to understand what we've gone through economically in the last 12 years yet skilled enough to lead Berlin through it's two most important initiatives. First, assisting and guiding the North Country Growers project to final completion and operation. Second of all, City Council has committed itself to helping develop the Jericho corridor. All the entities who pleaded with council to extend the compact line now need to follow through and work with the City Manager and Economic Development Director to bring their projects to site plan review.

Once we have a new City Manager in place, I plan to sit with senior city staff to begin tackling an annual infrastructure repair plan. In FY 2026, the last of the Route 110 bond will be satisfied. That has an annual debt service of \$438,815. Along with North Country Growers PILT payments, that should allow for roughly \$700,000 plus annually to begin work. Also, the entrance to the city from the Gorham town line to Green Square is on the NH DOT's 10 year reconstruction plan. Together, Berlin will finally be able to address this critical need.

There is much to be done and Berlin is in a different place than even a generation ago. No longer constrained by the odor of sulphur dioxide, we are a safe community with scores of attributes. If we are all willing to work together, Berlin's potential is limitless.

Paul Grenier, Mayor