

# MEETING MINUTES OF THE PORTSMOUTH ECONOMIC DEVELOPMENT COMMISSION

November 3, 2017

City Hall, Conference Room A

7:30 a.m.

**Members Present:** Everett Eaton, Chairman; Bob Marchewka, Vice-Chairman; Josh Cyr, Eric Spear, Ron Zolla, Dana Levenson, Sarah Lachance, Alan Gold, John Pratt, Philip Cohen, Jen Zorn  
**City Staff:** Economic Development Program Manager Nancy Carmer

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Chairman Eaton opened the meeting at 7:35 a.m.

## **Approval of draft meeting minutes of October 6, 2017**

Commissioner Zolla moved, and Commissioner Marchewka seconded a motion to approve the draft meeting minutes of October 6, 2017. The motion carried unanimously.

## **Presentation - Greater Portsmouth Chamber Collaborative semi-annual report on Tourism and Business Development**

Ben Van Camp and Katti Mowers of the Chamber Collaborative provided a written and oral report on the Chamber's recent strategic planning effort, activities related to destination marketing as well as business development for the period January 1, 2017 – October 30, 2017. Topics covered included the new marketing collateral and online media and analytics, attendance at travel shows and outcomes. The report also included outcomes of quantitative research such as visitor surveys, website analytics, toll booth traffic counts, rooms and meals tax revenues and hotel occupancy data. Finally, the EDC was briefed on the status of the marketing and education effort related to the downtown holiday parking grant and small business initiatives that emerged from the strategic planning efforts such as Executive Lunch Circle, Manufacturers Roundtable, Seacoast Business Book Club, Trend Talks, “#10 to Watch” speakers series, and Pathways for Portsmouth's Future.

## **New Business**

### *City Council Referral on Commercial Valuation*

At its October 16<sup>th</sup> meeting, the City Council voted to request the EDC to report back on ways to increase commercial values. Councilor Spear elaborated on the request explaining some resident's believe past City policies were enacted that put downward pressure on the level of development possible in some commercial districts. Thus, the City Council is seeking policy recommendations on ways to increase the commercial component of the City's tax valuation. He explained that recommendations should be innovative and take a longer term view (i.e. 5+ years) of potential policies.

Councilor Cyr re-enforced Councilor Spear's point that commercial project development and the ensuing valuation process takes time for it to effect the tax rate. For this reason, he feels the timeframe for a report back to Council will extend into the next Council's term. Commissioner Lachance offered thoughts on the referral that could be added to the 2018 EDC Action Plan. She suggested including the practice that for any proposed policy that may impact the commercial property tax, the City Council representatives to the EDC will bring it to the EDC before the City Council vote on the proposed policy. Another item is the need for better collaboration between the EDC and other city boards and commissions on tax implications of proposals, policies and projects.

Commissioner Marchewka reminded the Commission of the important distinction between commercial and residential values. He said that commercial values are limited by the income they produce or the value of the business occupying the property. Unlike residential properties where prospective buyers can drive up costs when demand is high, commercial properties are limited in valuation by the factors noted.

Commissioner Cohen stated that much of the new development has been mixed use with what appears to be a predominance of residential development. He suggested it would be good to get a better understanding of the new residential and commercial inventory in the process of making any recommendations to the City Council.

Going forward, Chairman Eaton suggested a subcommittee of EDC members be established to undertake the Council referral and asked for volunteers. Commissioners Pratt, Cohen, Zolla and Marchewka with potentially a new EDC City Council representative volunteered. A kick-off meeting date will be established via poll of the volunteers.

### **Other Business/Project Updates**

- *Follow-up on Economic Revitalization Zone (ERZ ) Request*  
In response to an inquiry to the State Business and Economic Affairs division, City Staff was advised that it is possible to add the former Frank Jones parcel being redeveloped off Islington Street to the current Downtown Economic Revitalization Zone. However, the EDC suggested that perhaps a new zone could be established that includes that parcel and the Malt House Exchange area extending west to the Frank Jones Conference Center on the Route One Bypass area. Before taking action on either option, staff will prepare a map of the areas under consideration for discussion at the December EDC meeting.
- *Business Retention and Expansion Project- Leadership Team actions*  
The Leadership team met and established the roll-out for the final BR&E report: November 20<sup>th</sup> - An informational memo on the highlights of the report will be provided to the Council in the November 20<sup>th</sup> City Council packet with a link to the report. Following that, a hard copy of the report will be hand-delivered to participant businesses with a thank you letter and giving them the option to participate on specific follow-up actions generated by the report. For residents and non-participating businesses, a press release and link to the report on the City's website will be provided. Ms. Carmer will meet personally with organizations (such as Great Bay Community College) that are key to meeting some of the needs expressed by businesses in the report and provide a copy of the report and review the findings. Commissioner Lachance suggested that in order to better understand the big picture of how to assist businesses and avoid tactical errors, focus groups could be held on a list of areas of interest. Commissioner Cyr concurred and reminded the EDC that the purpose of the project and report is to serve as the beginning of a larger dialogue and conversation about how best to assist our local business expand in the City.
- *2018 Action Plan* – Chairman Eaton suggested that each Commissioner review the previous plan and come up with a list of three 2018 action items for discussion at the December meeting. Commissioner Lachance likes the idea of coming up with three action items but is concerned that without synthesizing and reviewing the list prior to the December meeting, it may not be able possible to develop and finalize a plan in one meeting. She volunteered to summarize and distribute the items submitted prior to the December meeting when the EDC will select action items that align with its capacity. All concurred with this strategy.
- *First Manufacturing Roundtable* – Ms. Carmer notified the EDC that the first meeting of the new manufacturing roundtable initiative that emerged from business focus groups will be November 17<sup>th</sup> at Great Bay Community College.

**Confirm Next Regular Meeting:** December 1, 2017, 7:30 AM

### **Public Comment**

David Choate from Colliers International spoke on the following topics:

1. As a point of fact, he reminded the EDC that the City of Portsmouth has the lowest equalized

- property tax rate of NH Cities with a population over 20,000.
2. Relative to workforce housing, Mr. Choate believes the City should revisit the parcel behind NE Marine off the Spaulding Turnpike previously proposed for workforce Housing by Three Bridges. In his opinion, it is one of a few remaining parcels in the City where this type of development could be successful.
  3. For a high school workforce training model, Spaulding High School in Rochester, NH has an excellent program.

**Adjourn**

The meeting adjourned at 9:05 a.m.

Respectfully submitted,  
Nancy Carmer  
Economic Development Program Manager