

**MEETING MINUTES OF THE PORTSMOUTH
ECONOMIC DEVELOPMENT COMMISSION**

September 8, 2017

City Hall, Conference Room A

7:30 a.m.

Members Present: Everett Eaton, Chairman; Bob Marchewka, Vice-Chairman Josh Cyr, Philip Cohen, Ron Zolla, Dana Levenson, John Pratt, Sarah LaChance, Alan Gold

Absent: Eric Spear, Jen Zorn

City Staff: Economic Development Program Manager Nancy Carmer

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

Approval of draft meeting minutes of June 2 and 14, 2017

Commissioner Pratt moved, and Commissioner Cyr seconded a motion to approve the draft meeting minutes of June 2 and 14, 2017. The motion carried unanimously.

EDC Member Transitions

Chairman Eaton welcomed new EDC member Alan Gold who is replacing outgoing member John Bosen. Mr. Gold provided a brief description of his background, civic service and reasons for joining the EDC.

Project Updates

McIntyre Federal Building Project

Acting City Manager Nancy Colbert Puff provided an update on the City’s efforts to acquire the federal McIntyre Building under the Federal Historic Monument Program. Throughout the summer City staff has issued a Request for Qualifications (RFQ) and most recently a Request for Proposals (RFP) for the project. Seven development teams responded to the RFQ, all of which were invited to submit proposals for a public private partnership with the City for acquisition and redevelopment of the site under the U.S. Secretary of the Interior’s standards for preservation of a historic monument property.” The City has also has contracted with a consultant knowledgeable in reviewing applications for the program and is currently interviewing partners to assist the City in reviewing development team proposals from a real estate finance and from a legal perspective.

The City has met recently with representatives of the General Services Administration (GSA), National Park Service (NPS) and the State Historic Preservation Office (SHPO) to discuss the process going forward. The GSA has indicated that they likely will vacate the property in December 2018. Upon acceptance of the City’s application by the NPS and the GSA, the City anticipates receiving the deed to the property with a preservation covenant on it. The City will in turn enter a long term land lease with chosen development team for redevelopment of the project in exchange for a “reasonable profit” per the federal regulations. All excess profits must be returned for stewardship of the building or other historic properties and parks in the City.

On September 9th, there will be a meeting at the Portsmouth Public Library to allow the prospective development teams to introduce themselves to the City Council and the public. To date five development teams remain interested in pursuing the project and two firms have dropped out.

The schedule going forward is:

Proposals Due	November 6, 2017 2:00 pm
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City (staff/consultants)team Reviews and Evaluates Proposals for Responsiveness	November 6 – November 13
Council Shortlists Proposals – Chooses Team(s) for Interview	November 13, 2017
Proposer Interview(s)	December 2, 2017 (Alternate: 11/27)
Council Selects Preferred Partner	December 4, 2017
Council Approves Application to Historic Surplus Property Program; Application Submitted to NPS	December 18, 2017

Foundry Place Redevelopment and Municipal Garage

Chairman Eaton informed the EDC that after multiple years of effort to find a site for a second public parking garage, the City hosted a groundbreaking ceremony this week at the new Foundry Place site. The project is scheduled for completion in late fall 2018.

Business Retention and Expansion Project – Final Report and next steps

The City received the final report in mid-August and the Leadership Team is reviewing the document and will meet next week to establish a roll out strategy. After this the EDC will receive copies of the report. Ms. Carmer distributed and reviewed potential EDC action items developed by the Leadership team based on its review of the draft report. Commissioner LaChance suggested that an additional area of focus should be strategies to increase workforce housing options.

Vaughan-Worth-Bridge Revitalization Planning Committee Progress

Chairman Eaton updated the EDC on the work of the Mayor’s committee on revitalization of the Vaughan Mall, Worth Parking Lot and Bridge St. Parking Lot. To date, the committee has gathered input from residents, businesses and abutters. Much of the discussion has centered on improving the aesthetics of the sites and for some combination of future open space and parking in the public lots. The Committee is taking a long-term view of the potential improvements to allow for the existing public parking inventory to be increased at the Foundry Place facility and to allow for repairs to the High Hanover Public Parking Garage.

Other Business

Second Quarter 2017 Office and Industrial Real Estate Market Report – Colliers Int’l

Copies of the report were distributed and current vacancy rates and absorption in the office and industrial markets were discussed along with the continued demand for additional industrial and warehousing space in Portsmouth and environs.

HB 316 Legislation

Ms. Carmer provided an overview of new enabling legislation that was recently passed in Concord, NH. The legislation essentially extends to the entire state a business attraction incentive that was previously restricted to Coos County. The provisions allow communities to offer relief of up to 50% of property taxes for up to 10 years. Some communities are poised to bring the legislation to their governing bodies in order to have the new economic development tool. Councilor Cyr stated that in light of the recent City property revaluation, it may be difficult to pass such enabling legislation.

Confirm Next Regular Meeting and summer schedule: Friday, October 6, 2017, 7:30 AM.

Public Comment

David Choate from Colliers International spoke on several topics:

- 1) He asked about the permanency of the recently erected Eversource utility poles on Bow St.

- 2) Mr. Choate feels HB 316 may create a negative business attraction environment in the state.
- 3) On code interpretation and enforcement, Mr. Choate urged the City to examine its Inspection and Code Enforcement practices as he feels that they are negatively impacting decisions by companies to undertake projects in the City and causing much business consternation and cost.
- 4) On Gateway zoning, he urged the EDC to hold a forum to discuss the proposed zoning and achievement of workforce housing goals as written.
- 5) On Bridge St. lot he said that view sheds should be considered during any modifications to the current lot.

Karen Marzloff of Seacoast Local introduced herself to the EDC. Seacoast Local's mission is to build a more local, green and fair economy on the Seacoast. They accomplish this by providing opportunities for people to connect, share ideas, and get involved in building a stronger local economy. They are interested the EDC's work and engaging wherever possible.

The meeting adjourned at 8:45 a.m.

Respectfully submitted,
Nancy Carmer
Economic Development Program Manager