MEETING MINUTES OF THE PORTSMOUTH ECONOMIC DEVELOPMENT COMMISSION November 6, 2020

Members Present: Bob Marchewka, Chairman; Philip Cohen, Vice Chairman; Assistant Mayor Jim Splaine, Sarah Lachance, Tom Watson, Alan Gold, City Councilor Cliff Lazenby; Dana

Levenson: Ron Zolla

Excused: Everett Eaton; Katelyn Kwoka

City Staff: City Manager Karen Conard, Economic Development Program Manager Nancy

Carmer

Zoom meeting statement

Chairman Marchewka began the meeting by reading the following statement:

Per NH RSA 91-A:2, III (b) the Chair has declared COVID-19 outbreak an emergency and has waived the requirement that a quorum be physically present at the meeting pursuant to the Governor's Executive Order 2020-04, Section 8, as extended by Executive Order 2020-18, and Emergency Order #12, Section 3. Members will be participating remotely and will identify their location and any person present with them at that location. All votes will be by roll call.

Minutes- Approval of draft meeting minutes of October 9, 2020

Commissioner Lachance moved, and Commissioner Lazenby seconded a motion to approve the draft meeting minutes of October 9, 2020. Via roll call vote, the motion carried unanimously.

Presentation on Parking Management System/Revenues and pandemic response

City Parking Director Ben Fletcher gave a presentation on the financial impact on parking revenues from closing the Bridge Street lot and the metered on-street parking for al fresco dining and performances. For the period ending October 31st, 2020 actual revenues were 30.9% (or \$1,530,566) below projections in the original FY 21 budget. There was a 15% decrease in the city's highest value spaces due to re-purposing for restaurant use. And there were fewer citations. These losses were partially offset by users switching to the garages, although garage rates are lower than high demand on-street spaces. On a positive note there has been a 24% Increase in revenue/transaction for remaining on-street inventory since stay & pay was enacted.

When accounting for an increase in parking revenues from displaced parkers at other lots, metered spaces and garages as well as from the boost from the new Stay and Pay options, the net loss through October 15th was estimated to be \$25,000. He stated that the City is hoping to make up some of the overall losses in the remaining FY 21 quarters.

Pandemic Economic Recovery Response

COVID19 Citizen Response Task Force (CRTF) report

Commissioners Gold and Lachance summarized recent CRTF activity including the end of the Popup NH venue for the season and breakdown of the infrastructure at the Bridge Street lot in mid- November. Mr. Gold reported on metrics of activity generated by the venue including the financial support and sponsorship, revenues earned, job retention, and non-profit arts organizations participating. The Health Subcommittee continues its research and presentation of pandemic infection rates, research and support

of face coverings, a primer on "How to Stay Safe," and HVAC best practices for indoor air quality. At the last meeting, based on its research, the task force voted to recommend to City Council an extension of the face covering mandate beyond year end.

There will be a November 9th City Council work session to discuss continuation of the CRTF beyond 2020. The task force drafted a recommendation to the Council to continue the task force through the summer of 2021 at a minimum and to broaden the task force's focus to encompass all business impacted by the virus.

In response to a question from Commissioner Zolla, Commissioners debated the impact of the face mask ordinance on local economic vitality. Most Commissioners thought that the public is now accustomed to mask requirements and are not deterred from conducting business locally while wearing a face covering. Greater Portsmouth Chamber of Commerce President Valerie Rochon added that the majority of public facing businesses she has communicated with favor and support a mask ordinance. Commissioner Zolla dissented noting that he predicts a significant economic downturn in the next year and feels that imposing too many restrictions on businesses is negative and a deterrent to customers. Requirements such as the construction of plexiglass barriers requires a capital expense at a time when revenues are threatened. He feels there are less onerous measures to ensure safety (temperature checks, etc.) that do not require capital outlay and are more welcoming to customers.

EDC Statement of support for extension of Citizen Response Task Force (CRTF) As a follow up to the October 9, 2020 EDC vote to send the City Council a statement supporting the extension of the Citizens Response Task Force (CRTF) beyond December 31, 2020 with continued EDC member representation, staff drafted a statement of support for review. Commissioners discussed the draft memo with most members in support. Councilor Lazenby moved to approve the statement and send it to the City Council prior to the November 9, 2020 work session. Motion seconded by

The City Manager said that the Task Force has been helpful in its work with staff in responding to the needs and concerns of local businesses. She reported that Severino Construction has offered to sell the 60 barriers and the lift that the City is currently renting from them at a unit price of \$300 which is significant discount. The task force is recommending that the City purchase the barrier and lift as the pandemic will most likely be impacting local businesses in summer 2021.

Commissioner Cohen. Motion passed 8-1 (Zolla in the negative) by a roll call vote.

Council Representative Report on Upcoming Business that Warrants EDC Attention or Action Councilor Lazenby reported that the McIntyre project is going well. The Committee continues to work with partner Redgate Kane on plan modification concepts and costs. Portsmouth Listens will be facilitating study circles to gather input on the project the week of December 7th and 14th, and it was suggested that the EDC engage in the effort. Assistant Mayor Splaine suggested perhaps an EDC member might facilitate a business study circle. Chairman Marchewka will reach out to City Councilor Tabor from the subcommittee to see how the EDC can best engage in the process.

Other Business

EDC Retreat Planning

Chairman Marchewka asked for feedback on the timing of the EDC retreat. His preference is wait until after the New Year to plan the retreat. Others agreed citing that as an advisory committee to the City

Council, it would be good to wait until after the City Council holds its retreat later this month and until the McIntyre listening circles are held.

Commissioner Watson urged the EDC to be thoughtful in planning the retreat agenda. While he thought last year's retreat was very good, he felt development of the action items going forward was rushed at the end.

Colliers International Q3 2020 Office and Industrial Market report

David Choate from Colliers International commented on the third quarter of 2020 market report noting that demand for industrial properties is still tight, especially for smaller sized spaces. There is still much uncertainty in the office markets as companies determine what their needs are for remote versus on-site workers. He predicts vacancies will increase if the pandemic languishes or spikes this winter and workers remain remote or companies close. One bright prospect is if Moderna/Lonza gets a virus production contract, this area may see some spinoff of the industry such as occurred in Rochester with Saffron in the precision aerospace manufacturing sector.

He also predicted there will be a shift from the retail use of malls such as the Fox Run Mall where vacancies are high and conversations have started on repurposing some of the space. In general, asking rents will likely decline especially in the downtown where the prospects for the retail and hospitality properties are worrisome.

Public Comment - There were no members of the public present to comment.

<u>Confirm Next Regular Meeting</u>: The next meeting is scheduled for December 4, 2020 7:30 AM via zoom conference call.

Adjourn

At 9:05 AM Commissioner Watson moved and Commissioner Cohen seconded a motion to adjourn. Via roll call vote, the motion carried unanimously.

Respectfully submitted, Nancy Carmer Economic Development Program Manager