

MEETING MINUTES
PORTSMOUTH ECONOMIC DEVELOPMENT COMMISSION

September 9, 2005

Conference Room A

7:30 a.m.

Members Present: Dana Levenson, Chairman, William Gladhill, Cliff Taylor, John Hynes, Edward Hayes, Robin McIntosh, Paul Harvey Sr., John P. Bohenko; City Manager
 Members Excused: Everett Eaton, Mark Simpson
 Members Absent: Scott Pafford
 Staff present: Nancy Carmer, Economic Development Program Manager

Minutes

Commissioner Taylor moved and Commissioner Hynes seconded the motion to approve the meeting minutes of June 3, 2005. The motion passed unanimously.

Updates and Discussions

Save Our Shipyard – The long awaited BRAC decision was a favorable one in that it reversed the Secretary of the Navy’s decision to put the Portsmouth Naval Shipyard on the base closure list. City Manager John Bohenko praised the efforts of the shipyard employees, the seacoast community, and the Seacoast Shipyard Task Force. Chairman Levenson had special praise for the work accomplished by the Greater Portsmouth Chamber of Commerce for their efforts in organizing and establishing a Save our Shipyard website and in coordinating much of the community efforts.

BIA Regional Business Roundtables - Portsmouth Business Input – Ms. Carmer distributed a summary of the Portsmouth business roundtable held by the Business and Industry Association (BIA) in July at the Pease Tradeport offices of Pierce Atwood. The roundtable was one of several held throughout the state in conjunction with local Chambers of Commerce to determine legislative priorities for BIA lobbying on behalf of its member businesses and other firms in the respective regions statewide. About fifty local businesses attended the roundtable and the three top priorities expressed were health care costs, transportation infrastructure and workforce housing costs. The next step is for the BIA to narrow down the issues raised by businesses to a manageable and representative work plan for addressing the state legislators this year. The local Chamber of Commerce Government Affairs Committee will be following the BIA’s work. The EDC will invite the Committee to a future EDC for an update after the legislative session begins.

Graffiti Program Requests - The graffiti pilot project conceived by the EDC subcommittee has made three referrals to ServPro for removal of graffiti. In addition there have been two arrests related to graffiti incidents indicating the program has raised awareness as intended. A press release was distributed to EDC members and representatives of the press.

Pease/Port Update

- PC Connection – Moved to Pease Tradeport this summer from Dover with over 70 employees. This is a Fortune 1000 company that serves small to medium-size government and education firms and medium to large corporate firms. They are capitalizing on larger office space and on the ability to capture workers from a broader area as the company

- grows its workforce in the seacoast
- New Airline Service – Allegiant Airlines announced its pending opening at Pease Tradeport in late October. The company will fly to Orlando, Florida four days a week with introductory fares of \$39 each way. It will evaluate opening other flight destinations in the future.
- Seacoast Newspapers – The Company has received approvals and plans to break ground September 20, 2005 on its new offices at Pease Tradeport. The City staff is working with prospective owners of the Maplewood Ave. site on a mixed-use concept that complies with the Northern Tier study. The Herald will continue to occupy the site for another year while its new offices are being constructed.

HarborCorp Conference/Hotel/Parking Project Update - Project now has 207 rooms, 21 condos and 657 parking spaces. The additional rooms will require a variance from BOA. Site Feasibility Study was completed in early August and the City is currently working on a Joint Development Agreement to outline the terms of the public/private partnership. John Rice has requested a joint work session with the EDC on October 5, 2005 from 6:30 pm to 7 pm to discuss the Northern Tier report in light of all the proposed activity in that section of the city. Ms. Carmer will send out copies of the Northern Tier Feasibility Report to the EDC prior to the work session.

New/Other Business Activity

- *Progress on Hilton Garden Inn* – Project is proceeding on schedule. Condos are being constructed first. This topic raised questions about other projects under construction downtown. It was decided that Building Inspector Rick Hopley and David Holden will be invited to the October 7, 2005 EDC meeting to discuss current building activity in the city.
- *Shultz Brewery Sale* – City Manager Bohenko said that King Weinstein has purchased the former Schultz property and he will be meeting with city representatives soon regarding future redevelopment of that site. The area is zoned which requires a 1/3 retail 2/3 residential mix. The fact that Mr. Weinstein owns other large contiguous parcels in the area is an opportunity for the city to look at a larger area for infrastructure improvements in accordance with the goals of the Master Plan. The EDC is interested in doing a site walk at a future meeting.

Mr. David Choate of Grubb and Ellis Real Estate who handled the sale indicated that the property sold for \$3million dollars. He told the EDC that part of the property has already been rehabbed and occupied by Hawthorne Publishers and by Gateway Funding. Two offices are still available for lease in that structure. The other buildings on the complex will be rehabbed in what he anticipates will be a slow process.

- *MyIntyre Federal Building* – City Manager Bohenko informed the EDC that he had met this month with representatives of Senator Gregg's office to discuss the relocation of the federal offices to Pease Tradeport and the transfer of property for \$1.00 to the City of Portsmouth. The retail post office will most likely remain in downtown. The City Manager will be meeting with US Post Office next week. Mr. Gladhill asked if the federal government will own the land that it is building on at Pease and the City Manager responded that indeed it will whereas other tenants at Pease Tradeport are only able to have ground leases for their respective property.

- *Comprehensive Economic Development Strategy (CEDS) Project* – Ms. Carmer reviewed the CEDS process for eligibility for federal EDA funds for local Economic Development Projects. She informed the EDC that she and representatives from the Rockingham Planning Commission (the entity that administers the CEDS process) had met with EDA representative Rita Potter earlier in the summer to discuss the Industrial Road off Greenland Ave/Rt.33 owned by the Griffin Family Properties. Ms. Potter recommended that the project be submitted for funding.

Public Comment

Mr. David Choate of Grubb and Ellis Real Estate Advisors informed the EDC that they would be bringing to market 31 Raynes Ave. (the former Radio Shack site). It is a key 2-acre parcel in the Northern Tier and will be transferred through a sealed bid sale. This method was chosen because downtown property values are currently difficult to price because they are so “hot.” He is working with the City on putting together bid packet information including building setbacks requirements, wetlands, HDC review and the Northern Tier recommendations.

He also raised a concern regarding large office spaces that have been vacant for extended periods (such as space in the old Bottomline building, the old police station and at HarborPlace. He would like to pull together the owners, realtors and perhaps Ms. Carmer to discuss marketing these properties for movement. Members thought this was an excellent idea. Mr. Choate will coordinate the meeting.

Lastly, Mr. Choate informed the EDC that the Shaines McEachern law offices on Hanover Street were leased to a single tenant.

Other Business

Mr. Hayes announced that October 1st is the annual Paddle on the Pond event from 9-11 am and encouraged anyone interested in kayaking on the pond to join the fun.

With no other business, Mr. Hynes moved and Mr. Hayes seconded the motion to adjourn the meeting at 8:45 am.

Next Meeting

Next EDC Meeting is scheduled for October 7, 2005.

Respectfully submitted,
Nancy M. Carmer
Community Development Program Manager