

**MEETING MINUTES**  
**PORTSMOUTH ECONOMIC DEVELOPMENT COMMISSION**

February 3, 2006

Conference Room A

7:30 a.m.

Members Present: Dana Levenson, Everett Eaton, Chairman, Cliff Taylor, William Gladhill, John Hynes, Michael Murray, Edward Hayes, Robin McIntosh, Paul Harvey Sr., Thomas Ferrini, Ned Raynolds, John P. Bohenko; City Manager  
Staff present: Nancy Carmer, Economic Development Program Manager

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**New Members**

Chairman Levenson welcomed new Commissioner Ned Raynolds as a new City Council representative to the EDC. He also welcomed Lisa DeStefano, Portsmouth resident and principal of DeStefano Architects P.A. located in Market Square. Ms. DeStefano appointment to the EDC is pending City Council approval on February 13, 2006.

**Minutes**

Commissioner Hayes made a motion to accept the minutes of January 6, 2006 as written. Motion was seconded by Commissioner Eaton and passed unanimously.

**Update on Transportation Projects – Transportation Engineer Debbie Finnigan, Steve Parkinson**

Ms. Finnigan and Mr. Parkinson reviewed the status of on-going transportation projects. Ongoing projects include:

- New Castle Avenue seawall and sidewalk project
- Intersections of Sagamore and Miller Avenues
- Court Street sidewalk improvements
- Realignment of Spinney Road Islington Street
- Lower Congress Street Streetscape Improvements
- Overlay of Gosling Road
- Pleasant to Marcy Street – replace water and sewer and reconstruct sidewalk, and install period lighting.

Future projects include rehab and widening of sidewalk and street re-paving of Market Street between Bow Street and Market Square, construction of intermodal transportation facility at High Hanover Garage (partnership with Hilton Garden Inn) and improvements to the alley behind the Gaslight including handicapped access to garage.

Mr. Parkinson answered questions about the Islington corridor noting the constraints of the artery such as traffic volume, number of curb cuts, utility pole locations, and lack of viable street landscaping sites. He also responded to questions about the repair of the Memorial Bridge and improvements to Exit 7 and Market Street extension.

Mr. Bohenko said that it is important to involve the local business community in the construction options for the Memorial Bridge repair work as it has the potential to close the bridge for several months.

**Chamber of Commerce Quarterly Report on Business Development**

Ginny Griffith, Business Development Manager for the Greater Portsmouth Chamber of Commerce reported on business activities for the period October 1–December 30, 2005. She distributed a written summary of activities for the period reviewed. She summarized the data of free Wi-Fi users in Market Square, eCoast's Angel Investor Summit and the joint Software Association of NH/ High Tech Council meeting, business education activity and the Seacoast Shipyard Association ongoing effort to

secure work in the long-term.  
Chairman Levenson thanked Ms. Griffith for her report.

### **Old Business**

#### *HarborCorp Update*

City Manager Bohenko said that the development team is refining its approach to the land use boards for permitting. The first Board review will be the Board of Adjustment for the height variance request, followed by the Historic District Commission and Planing Board. In January, a local hospitality firm asked the City Council to reverse its decision on the \$15 million Bond Resolution passed in December 2005. The City's bond counsel and City Attorney do not feel this request has merit.

#### *City Council Referral – Unmet Parking Need Credit*

The members of the parking impact fee subcommittee met with stakeholders on January 12, 2006. Those in attendance provided input on four alternatives suggested to the current unmet parking credit. The subcommittee will meet following the EDC meeting to review the comments and determine the impact of a change in the ordinance on the taxpayer, the property owner and downtown patrons. The goal is to have a recommendation for the EDC in March.

#### *Discussion of 2006 EDC Action Plan*

City Manager Bohenko distributed copies of the draft EDC priorities and the 2006 EDC Action Plan. The 2006 priorities are: the Islington Street Corridor Feasibility Study, The Schultz Brewery Redevelopment project, The Northern Tier Redevelopment partnerships, McIntyre Building Redevelopment project, the Chamber of Commerce Partnership and Workforce Housing.

Mr. Bohenko explained that in order to accomplish some of the priority items it will be necessary to work in concert with the Planning Board as it implements the changes in the Zoning Ordinance as outlined in the Master Plan. This process applies to the Islington Street Corridor Study and the Schultz Brewery. Commissioner Taylor moved to adopt the Action Plan as written. Commissioner Gladhill seconded the motion, which passed unanimously.

#### *Worth Lot Agreement*

City Manager Bohenko summarized the details of the Worth Parking Lot agreement adopted at the January 23, 2006 City Council meeting. In the agreement, the Worth Development Corporation proposes to abandon its claim for air-rights on the Worth Parking Lot and will deed the lot to the City in fee simple subject to the existing easement deeded to Shaines and McEachern P.A. The Worth Development Corporation predicates this arrangement on the City's provision of 110 public parking spaces on the lot with 35 of those spaces for use by the Worth Development Corporation. If a public garage is constructed on the site, the city must maintain ownership of the facility for 40 years from the conveyance of the lot to the city. The agreement also outlines parking fees to be paid by Worth Development Corporation and provision for several design elements to any parking facility built on-site.

Councilor Reynolds informed the EDC that he is glad to see the future of the Worth Parking Lot mentioned in the EDC Action Plan. And, he has given considerable thought to its future use and the opportunities for the space. To that end, he provided the City Council with information about the Portland Public Market as well as public markets in general for consideration by the Council at its February 13, 2006 meeting. It is his personal idea that the Worth Lot is an appropriate space for this type of use as opposed to a facility that encourages more vehicle trips into the city's central business district.

#### *Islington Street Corridor Feasibility Study*

Ms. Carmer provided a summary of two studies done on Islington Street that recommend both safety and streetscape improvements to the corridor. The streetscape improvements are the result of a CDBG-funded study of the corridor in 1998. The safety recommendations were the result of a study done for the City last year. All of these recommendations will be reviewed as part of the Islington St. Corridor Study. Before

that can happen, the City must first make the zoning changes described in the Master Plan. It was the consensus of the Commission to draft a letter to the Planning Board from Chairman Levenson expressing the EDC's desire to work with the Planning Board in this effort.

### **FY 07 UDAG Budget**

City Manager Bohenko reviewed the current UDAG policy of allocating up to 75% of the interest earned on UDAG principal in any given year for economic development activities in the subsequent year. He then presented the draft FY 07 UDAG Budget provided to the Commission in their packets. He said that an activity such as the Islington Street Corridor Study that will cost in excess of the funds available from UDAG interest income would require approval from the City Council.

Chairman Levenson said that the Commission may wish to request that the UDAG budget policy be reviewed because there may be projects that support small businesses that are not currently possible given the budget policy limitations. Examples given were small business assistance with unmet parking credits or a business façade improvement program. Chairman Levenson also reminded the Committee that the UDAG Budget policy allows for loans to business. And, he noted that the Development Agreement between the City and HarborCorp for the Westin Hotel and Conference Center/Parking Garage includes the provision of a \$800,000 loan from the UDAG Budget to the developer.

Chairman Levenson called the Commissioners attention to the roughly \$38,000 available for projects and contingency. He said that in the past these funds have been spent on a variety of activities including the City/Chamber partnership on tourism and business development. He asked Dick Ingram, President of the Greater Portsmouth Chamber of Commerce, who was present to submit a formal proposal to the EDC for continuation of the program if the Chamber is contemplating renewal of the partnership.

Mr. Eaton noted that when the UDAG Budget Policy was adopted the prevailing interest rates provided a higher return. Commissioner Harvey moved and Commissioner Gladhill seconded the motion to approve the draft UDAG Budget as presented. Discussion on the motion included a comment by Commissioner Eaton encouraging the EDC to continue the City/Chamber partnership. He said that the partnership resulted in stronger programs on tourism and business development which the City could not duplicate with the funds provided to the Chamber. Mr. Bohenko agreed and cited the hard work done by Ms. Griffith on the Save the Shipyard effort and Ms. Hubbard in promoting the City to visitors. The motion passed unanimously.

### **Public Comment Period**

City Councilor Chris Dwyer informed the EDC that she received a phone call from the Director of the Americans for the Arts regarding the Economic Impact Study of the Arts. He encouraged Portsmouth to repeat its participation in the study as it did in 2000. To date no other communities from New Hampshire have expressed interest in the study. In an effort to get 100% geographic representation from all states, Americans for the Arts offered to waive the fee if Portsmouth agrees to participate. Councilor Dwyer encouraged the EDC to support this concept and suggested that the funds previously earmarked by Art-Speak from the EDC and The Provident Bank for the study could be used to augment the non-profit data collected. The funds could go to a survey by UNH graduate students of the local for-profit cultural organizations to complement the Americans for the Arts Economic Impact Study of the Arts' data on the non-profit organizations.

### **Next Meeting Date**

Due to a conflict with February School vacation, the next meeting will March 10, 2006 instead of March 3, 2006 as originally planned.

Respectfully submitted,  
Nancy M. Carmer, Economic Development Program Manager