

**DRAFT
MEETING MINUTES**

PORTSMOUTH ECONOMIC DEVELOPMENT COMMISSION

April 3, 2009

City Hall Conference Room A

7:30 a.m.

Members Present: Dana Levenson, Chairman; Everett Eaton, Vice-Chairman; Jack Blalock, William Gladhill, Dr. Paul Harvey, Ken Smith, Susanne Delaney, Josh Cyr
Members Excused: Tim Allison, Lisa DeStefano

Chairman Levenson opened the meeting at 7:30 a.m.

Approval of Draft Meeting Minutes of March 6, 2009

Following a motion by Mr. Smith and a second by Dr. Harvey, the draft meeting minutes of March 6, 2009 were unanimously approved as written.

Old Business

EDC Project Updates Group Parking License Policy Modification - On a motion by Mr. Smith, the EDC took up Old Business prior to the Chamber of Commerce Report. A handout of proposed modifications to the current Group Parking License Policy was distributed and the City Manager explained that the current parking ordinance provides discretion to the City Council in applying group license requests and there is a need to upgrade the policy for clarification and for consistency. The proposed modification creates a monthly 12 or 24 hour weekday discount for companies locating corporate headquarters to the downtown. He noted that the proposed discount schedule does not represent significant savings until the 30% range outlined in the policy modification.

Ms. Delaney asked if would there be adequate space available in the High Hanover Garage if the Timberland Company located to Portwalk. The City Manager said that a new garage would have to be built to accommodate the number of jobs needed by Timberland. There is an underground garage proposed as part of the Portwalk project, but there would still be a need for additional public parking beyond that. Eight years ago, the EDC recognized the need for more parking when it funded the Worth Lot Parking Garage Feasibility Study. And, the project has been included in the City's Capital Improvements Plan (CIP) for the past five years. In addition to a garage in the center of the City, the Manager said that the City Council has approved funding for a study of a parking facility in the Parrot/Court St. area.

Mr. Eaton asked how to move the dialogue on the Worth Lot garage forward because he feels a new garage is critical to economic vitality in the Central Business District. Mr. Bohenko stated that it is up to the City Council to revisit the topic. The City Council has tried to increase parking through the recent public private partnerships with HarborCorp and Portwalk. Mr. Bohenko feels the Worth Lot is considered a last resort for a garage because there are covenants on the Worth Lot and there are alternate sites downtown for a public parking garage. Also, many people object to the loss of open space from placement of a garage adjacent to Vaughan Mall.

Mr. Smith said that there is the prospect of subsurface parking at the McIntyre Building, but thinks that it may be necessary to revisit the Worth Lot. In the meantime he feels that the proposed group parking license policy is a tool for business attraction. Mr. Blalock noted that every recent public conversation involves parking and that it is important to confront the parking needs. Mr. Eaton moved to recommend that the City Council adopt the proposed Group Parking License Policy modification. The motion was seconded by Mr. Smith and passed unanimously. City Manager Bohenko will put the item on the April 20, 2009 City Council meeting agenda.

Chamber of Commerce Quarterly Report for the period 1/1/09 through 3/31/09

Chamber President Doug Bates and Tourism Nicki Noble reported on the tourism activity and metrics for the period January 1, 2009 to March 31, 2009. Ms. Noble reported that the recent Seacoast Restaurant week was deemed a success. Having a broader geographic range (i.e. the Seacoast vs. just Portsmouth) brought more diners to the City

from surrounding towns. The kickoff party raised \$500 for the NH Food Bank. The next restaurant week will be in November.

The Guide to the Seacoast is complete and copies will be available within a week. The Chamber was awarded a State JPP grant of \$69,650 for destination marketing. The website is being upgraded by Brown and Company with a launch planned for June. Currently the most viewed section is the events and calendar section with 43,000 hits for the quarter. Total hits were 294,000. Hotel occupancy was level in January compared to 2008, but down in February and March. Reasons cited are the economy with fewer conferences booked due to lower business travel budgets. Confirmed bus trips are also lagging.

Ms. Noble noted that she is on the State Council on Tourism Board and in May the State Tourism Conference will be held at Waterville Valley. She encouraged EDC representation at the conference as Portsmouth is going to be the host next year and it is good to have representation from the future host city. Interested members were instructed to contact Ms. Carmer who will coordinate conference registrations and costs for EDC members.

Following the report Ms. Woodland asked if there is a suggestion section on the Chamber's website. There is not and Ms. Noble will suggest that one be added. Mr. Cyr asked the status of the eCoast which is no longer referenced on the Chamber's website. Mr. Bates responded that he recently convened the original eCoast group and, based on their discussion, the eCoast will be added back to the site. With respect to other technology business development, the "ebrews" continue on the first Thursday of the month at the Press Room. Also, the first phase of the free WiFi is complete and hopefully the second phase will be completed this summer. Mr. Levenson thanked the Chamber staff for the report and complimented them on the metrics report.

Presentation on Proposed Gateway District in Zoning Ordinance- Rick Taintor

Incoming Planning Director Rick Taintor gave a PowerPoint presentation on proposed zoning amendments that create a Gateway Planned Development regulation. The purpose of amendments is to promote sustainable development in the Gateway District by permitting additional uses and density as incentives for developments that meet specified standards. The new development standards are intended to promote economically and environmentally sustainable land use in the Gateway District. Specific objectives include:

- Promote environmental and energy sustainability in site and building design;
- Promote improved site and building design in order to enhance the character of existing commercial areas;
- Encourage developments that include multi-family dwellings in combination with nonresidential uses in order to expand housing opportunities for moderate-income households;
- Promote site planning that incorporates safe, comfortable and convenient access and circulation for pedestrians and bicyclists, and site amenities such as plazas, walkways and bicycle racks; and
- Use transportation infrastructure efficiently by mixing uses and providing internal circulation between uses to minimize turning movements on major arterial streets.

Using images from other communities that have employed similar planning strategies, he illustrated and explained how the zoning incentives might change the appearance of the Lafayette Road corridor as well as the mix of business and residential uses.

In follow-up discussion to the presentation, the Commissioners commented that the vision and opportunities created by Gateway Planned Development were excellent and respond to the EDC Action Plan goal of improving the city's major arteries. The "village center" concept with residential use mixed with business opportunities were well-received. Mr. Levenson thanked Mr. Taintor and said that he feels that a similar concept could be applied to the Brew Yard area off Islington Street and that zoning will be instrumental in accomplishing the economic development goals for that area.

New Business

Economic Revitalization Zone Tax Credits

Ms. Carmer distributed a handout on the State's Economic Revitalization Zone (ERZ) Tax Credit program. She stated that the Economic Development Economic Revitalization Zone is an incentive for new and existing

businesses to relocate, expand or create new jobs in New Hampshire. With the ERZ Business Tax Credit Program, businesses may be eligible for tax credits to be used against Business Profit Tax and Business Enterprise Tax up to a maximum of \$40,000 annually for a five year period. Qualifying ERZ zone projects must create new jobs and expand the economic base for the state and can range from the creation of new facilities to the rehabilitation of existing structures. There are \$825,000.00 in tax liability credits available each fiscal year.

To implement the program so that local businesses are able to qualify for the tax credits, the city must identify a revitalization area and apply to the state for approval of the designated area. After state approval from the Division of Business Resources, businesses can apply for tax credits. Ms. Carmer noted that the City could designate the Northern Tier as an ERZ so that there is an incentive for businesses to locate there. The Brew Yard area is another option. The EDC consensus is to pursue designation of local zones where appropriate. The City Manager suggested that the staff bring four or five options to the EDC for discussion and recommendation to the City Council.

Update on Islington Street Action plan Meeting

Ms. Carmer thanked the EDC members who attended the March 25th joint committee meeting on the Action Plan Project and provided feedback on the same. She said that it was clear that the City could improve its communication on the reason for keeping the street two-way in the new concept plan and on illustrating how the current plan integrates elements of alternatives previously presented. She also noted that there is an opportunity to provide more detail on the visionary elements proposed farther out in the project timeline and to better present the façade improvement component of the action plan.

City Manager Bohenko agreed that the meeting provided good comments on moving the project forward. He reminded the EDC that the project intentionally has a long term implementation scheme. This allows for specific action items to be completed in a realistic manner rather than having a plan that sits on the shelf due to the high costs associated with it. He reminded the EDC that the Northern Tier Feasibility Study is a concept plan with a twenty year outlook.

Mr. Eaton said he likes the plan but agrees that the city needs to better explain conclusions regarding the traffic counts completed as part of the planning. He felt that there is confusion about why the one-way alternative was eliminated. Chairman Levenson agreed and said that he would like to see some visual representation of how the Brew Yard area could be improved using images similar to those provided by Mr. Taintor in the village center illustrations presented earlier. He feels that a grander vision for improving the economic vitality of that area and the corridor would improve the action plan.

Public Comment Period

No members of the public wished to comment.

Confirm Next Meeting Date: May 1, 2009/Adjourn

With no further business, the meeting adjourned at 9:08 AM.

Respectfully submitted,
Nancy Carmer
Economic Development Program Manager