

**MINUTES OF THE
ECONOMIC DEVELOPMENT COMMISSION**

February 21, 2014

Conference Room A

7:30 a.m.

Members Present: Everett Eaton, Chairman; Eric Spear, Dana Levenson, Ron Zolla (via telephone), Josh Cyr, Bob Marchewka, John Pratt, Philip Cohen, Eric Gregg

Excused: Stefany Shaheen, John Bosen

City Staff: City Manager John P. Bohenko, Program Manager Nancy Carmer

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

Welcome new City Council EDC representatives Stefany Shaheen and Eric Spear

Chairman Eaton welcomed new City Council EDC representatives Stefany Shaheen and Eric Spear.

Approval of draft meeting minutes of December 6, 2013 and January 7, 2014

Commissioner Cyr moved and Commissioner Levenson seconded a motion to approve the draft meeting minutes of December 6, 2013 and January 7, 2014 as written. The motion carried unanimously.

Old Business

Report on December 10th Market Street Gateway Project Public Input Meeting

Ms. Carmer reviewed an excerpt of the power point presentation made at the December 10th public meeting and summarized feedback received there and on the City's webtool and via email. EDC members expressed enthusiasm about the long awaited project and asked questions about the traffic calming methods, complete streets elements, the proposed waterfront park, neighborhood pedestrian connections and new transit opportunities. Project funding and the proposed timeframe for construction were also discussed. When asked about project funding, the City Manager explained that the project is in the City's Capital Improvement Plan (CIP) and it is anticipated that the project will be funded and constructed in phases through bonding and possibly grants. The consultant will provide cost estimates and a bid package at the conclusion of the design phase. Construction could potentially begin in spring 2015.

2014 EDC Action Plan approval

Having previously received the 2014 Action Plan for review, the Commission reviewed the following new objectives:

- Revise public/private partnership with Chamber of Commerce to shift promotion to shoulder season tourism and to other high growth business sectors.
- Explore tax increment financing districts as a means to promote private investment in targeted development areas.
- Strengthen Regional Economic Development Alliances to promote seacoast for advanced manufacturing and knowledge-based industries.
- Promote the development of additional public parking in the Central Business District through all emerging opportunities (public/private partnerships, leases, new construction, etc.).
- Connect local business with the NH International Trade Resource Center programs for export readiness and/or participation in Governors trade missions etc.
- Establish subcommittee to develop a strategy to position and promote Portsmouth as an excellent location for high growth, business start-ups.
- Actively participate in Master Plan development process.

A brief discussion ensued on the use of Tax Increment Finance (TIF) at the Bartlett St./Schultz Brewery area and at the Gary's Beverage area off Deer St. Both areas were cited as places that could benefit from public infrastructure improvements. Members expressed interest in restarting the Commission's TIF subcommittee to explore these options once the outcome of conditional use, current height restrictions and character zoning issues are determined. It was suggested that the Planning Director attend the March EDC meeting to brief the Commission on Planning Board positions on these issues. Given the impact these issues have on future

development in the city, Commissioner Gregg would like the EDC to play more of an advocacy role.

Commissioner Pratt moved and Commissioner Cohen seconded a motion to approve the draft 2014 Action Plan as written. The motion carried unanimously.

New Business

Election of Commission officers

Chairman Eaton turned the meeting over to Vice-Chairman Marchewka. Commissioner Dana Levenson nominated Everett Eaton to continue as Chair of the EDC. The motion was seconded by Commissioner Gregg and motion carried unanimously. Next, Vice-Chairman Marchewka turned the meeting back over to Chairman Eaton and thereafter Commissioner Cyr nominated Commissioner Marchewka as Vice-Chair position. The motion was seconded by Chairman Cohen and carried unanimously.

January 21, 2014 City Council Referral on Downtown Parking Garage (Action below)

City Manager Bohenko restated the City Council EDC referral:

“To request the Economic Development Commission to report back with a suitable location for a downtown parking garage that is not the Worth Lot or Parrot Ave. Lot. The Commission will consider privately held properties and municipal properties and/or a public-private partnership. Further, the City Manager is permitted to initiate negotiations with private parties to achieve the same.”

He noted that the need for additional structured parking has been established by the increased frequency and duration of downtown public garage closures. He said that even if a new garage is sited this year, it would take two years to design and construct the facility.

Vice-Chairman Marchewka said that the lack of parking is impacting future development opportunities and the ability to attract good companies downtown. The situation is causing companies to consider relocating to Pease Tradeport or other seacoast communities where there is ample free parking for their employees.

Commissioner Spear responded that the “good news” is that eight City Councilors voted in favor of the referral indicating agreement that there is a need for additional parking downtown. He said the Blue Ribbon Committee on a Parking Garage Site Selection Committee did a good job, but it considered a limited number of sites and some people felt there were still viable options. He suggested a comparative analysis of potential sites with succinct reasons why some do and others do not work for structured public parking. Potential reasons for eliminating a site include things such as there is not a willing private partner, cost, access etc. He feels a matrix of sites could be developed in a short time because there are not that many options to consider.

Lack of public engagement by some was raised as an issue in moving forward. Unfortunately some people are not able or chose not to engage in the outcome of efforts such as the Blue Ribbon Committee on Garage Site selection or *Portsmouth Listens* focus groups so they remain uninformed of the impact that the parking shortage has on current and future development opportunities. Some EDC members are concerned that there may not be the political will to spend the needed funds or the considerable effort required to create a second public parking garage.

City Manager Bohenko noted that in the meantime city staff is working on transit opportunities and remote parking concepts to provide some relief to the parking problem. However, these options can be expensive and require regular service intervals to be effective.

The Commission discussed how to deal with the fact that two potentially viable city-owned parcels (Worth Lot and Parrot Avenue) were taken out of consideration when they may be good alternatives. Commissioner Levenson said he personally feels to take those sites off the table is to react to political affectation rather than long-term visioning for the City. Others suggested that they should at least be considered as alternates or as viable comparable options.

Chairman Eaton concurred and suggested that a subcommittee be established to undertake the City Council referral. The group should review the previous Blue Ribbon Committee Report and then develop a comparative analysis and recommendations to be brought back to the EDC before responding to the City Council. A subcommittee was established consisting of the following members: Chairman Eaton, Councilor Shaheen and Commissioners Cyr, Cohen and Pratt.

Entrepreneur/Start-Up Collaboration

Commissioner Cyr told the EDC that a group of representatives from local educational institutions (Great Bay Community College, UNH), technology businesses, the city, venture capitalists, and start-up accelerators and resources are collaborating to strategize on promoting Portsmouth as a great location for innovators to start a business. He noted that currently in New Hampshire there are silos with concentrations in Manchester, in the Upper Valley (Dartmouth) and in the seacoast and that there is not enough cross-collaboration as there could be. The group is brainstorming on ways to support a broader entrepreneurial ecosystem by developing a strategy to enhance the local resource network for emerging businesses and entrepreneurial university graduates. The group is analyzing local and regional start-up resources and assets and discussing space and program needs in order to optimize this effort.

Public Comment

Paul Mannle of 1490 Islington St. urged the EDC when undertaking the City Council referral to adequately “define the problem before going forward” to avoid further “spinning our wheels.” In defining the problem, he encouraged the EDC to analyze how much parking is needed now and ten years from now as well as what the boundary of the downtown will be in the future. He said that as the downtown is built out, the parking needs will increase and the City will need additional structures. Build-out of current proposals and future development will impact parking needs considerably.

Rick Beckstead of 1395 Islington St. commented that in evaluating parking needs, the EDC should review the current policies and practices for leased space in the public garage to be certain that it is being managed optimally.

Next Meeting: Friday, March 7, 2014.

The meeting adjourned at 9:00 AM.

Respectfully submitted,
Nancy Carmer
Economic Development Program Manager