

**MINUTES OF THE
ECONOMIC DEVELOPMENT COMMISSION**

November 7, 2014

City Hall Conference Room A

7:30 a.m.

Members Present: Everett Eaton, Chairman; Bob Marchewka, Vice-Chairman; Eric Spear, Dana Levenson, Philip Cohen, Ron Zolla, Josh Cyr, John Pratt

Excused: Stefany Shaheen, John Bosen

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

Approval of draft meeting minutes of October 3, 2014

Commissioner Cyr moved, and Commissioner Marchewka seconded, a motion to approve the draft meeting minutes of October 3, 2014 as amended. The motion carried unanimously.

Greater Portsmouth Chamber of Commerce Semi-Annual Report on tourism for the period 5/1/14 through 10/31/14

Valerie Rochon, Tourism Manager, Greater Portsmouth Chamber of Commerce distributed and reported on the tourism metrics and activity highlights for the second and third quarter of 2014. She said the Chamber's Retail Committee has increased its efforts and there has been a positive response in the level of excitement and activities. The *Shop Portsmouth* initiative during May – October was a huge success as was the *Project Runway* effort.

A summary of the marketing efforts during the reporting period included attendance at travel shows such as The Boston Globe Travel Show and the familiarization tours that the Chamber undertakes. Dovetailing on the State of NH Tourism efforts, the Chamber purchasing a booth at the NY Times Travel Show which C&J Bus Lines is sponsoring including transportation to the City and booth cost assistance.

A successful frontline staff training initiative was a product of the annual Tourism Summit at which a need was identified for hotel front desk workers and restaurant staff to have a better understanding of all the City has to offer its guests. An interactive training event was developed that included class time and a scavenger hunt to familiarize frontline staff with the depth of activities and cultural assets that the City has to offer.

NH Rooms Tax Revenue for Rockingham County remained the highest of all NH counties at 24% of the statewide total. Meals tax revenues also remained at the top for the County with 33% of the state total.

Restaurant Week continues to grow with additional restaurants participating each year. Surveys have revealed a 158% spike in business that week compared to the prior week and 81% over sales the week after the event.

The Chamber is planning to launch the new tourism website by year end. It is funded privately, thus the Chamber will not use the loan offered by the City. However, it will take advantage of the \$5,000 grant for launch expenses. The biggest challenges which have delayed the launch is the online calendar and member data input.

A question on Chamber efforts to focus on promotion of non-tourism business such as technology and other sectors followed. Ms. Rochon described the seminars that the Business Development Committee has done and the opportunity to boost the eCoast efforts now that there is Chamber staff to support it. She also noted a new opportunity to partner with Google on its *Put Our Cities on the Map with Google* initiative. Chamber staff and Ms. Carmer attended an event this week to roll out the program. Google selected Portsmouth and Nashua as beta locations for the State of New Hampshire. The program goal is to provide free guidance to small businesses on how to get found online and connect with customers, to build a free website, and to register a

domain name. The program also covers tools to help increase online exposure. Google wishes to partner with organizations like the Chamber and the City in launching the program. In discussing the opportunity, EDC members agreed it was a good idea to be a Google partner.

Old Business

Economic Development Commission initiatives discussion - This agenda item was deferred from the October EDC meeting. Chairman Eaton said that the topic of parking has consumed an inordinate amount of the Commission's time over the past two years and that he would like to see the EDC concentrate attention on other economic development initiatives outside of the downtown. He referenced the 2014 EDC Action Plan Priorities and members to select up to three items on which to focus going forward.

Commissioner Zolla feels that the City is becoming more of a tourist location and locals tend not to go downtown anymore unless it's a special event. He is concerned that local diversity is threatened as the City becomes more upscale. He attributed some city policies such as expanded parking meters and times as restricting access to locals. He mentioned the recent closure JL Coombs on Market Street as an example of small business challenges. He would like the EDC to advocate for local policies that promote local commerce and continue to advocate for more affordable parking in the downtown.

Several EDC members countered the notion that local residents do not go downtown. John Pratt, speaking as a local and someone who serves on the Board of Directors for the Strawberry Banke Museum, said that he encounters "a significant number" of local residents at museum events and elsewhere. Both Chairman Eaton and the City Manager agreed citing local patrons for restaurant week and the Prescott Park Arts Festival. As a response to Commissioner Zolla's concerns, Commission Cyr suggested supporting initiatives such as Seacoast Local, which serves seacoast businesses in creating a more local and fair economy.

Other Action Plan items discussed for EDC concentration were:

- Concentrate EDC business development/retention efforts to areas outside the Central Business District (CBD), specifically Pease International Tradeport, Islington Street corridor, Heritage & Constitution Avenues and Commerce Way.
- Develop a strategy to position and promote Portsmouth as an excellent location for high growth, business start-ups. Collaborate with educational institutions and local business accelerators and development centers to create the support network and workspace necessary for success of this for this business ecosystem.

Ms. Carmer will follow up and members to discuss further.

Other Business

North End Design Charrette November 10-13, 2014 – Information on the upcoming charrette was distributed and members were urged to participate and weigh in on future development in the North End.

Sarah Long Bridge Construction schedule - The bridge construction will commence in January 2015 and continue through March 2018. Most of the time the existing bridge will be open, but it will need to be closed for 10-12 months near the end of the project to make the land connections.

Restaurant Week November 6-15, 2014 - Rack cards were distributed for the upcoming event.

Google eCity selection & *Let's Put our Cities on the Map* effort – see discussion on this item earlier in the meeting.

SBA Small Business Awards – Nomination forms for small businesses in a variety of categories were distributed and suggestions for nominees were requested. Deadline for nominations is November 15th.

2nd Parking Garage Subcommittee - City Manager Bohenko requested a nonpublic meeting with subcommittee

members on Wed., November 12th at 7:30 AM to discuss real property negotiations.

Public Comment

David Choate from Colliers International made the following points:

- The vacancy rate for commercial/office space is currently 14%. This is due in part to the large vacancy of the former 35,000 square foot Sprague office building at Pease Tradeport.
- The large amount of new construction is contributing to the high per square foot lease rates of the new properties. (\$30-\$40/sq. ft.)
- The landlord of JL Coombs took advantage of high lease rates and tripled the rent for that property prompting the closure of the business. There is a need to work with landlords to work with tenants on restructuring leases to in order avoid additional independent retail shop closures.

Confirm Next Regular Meeting: Friday, December 5, 2014

Chairman Eaton asked for a motion to adjourn. Commissioner Marchewka moved and City Councilor Spear seconded the motion to adjourn. The motion passed unanimously. The meeting ended at 8:50 AM.

Respectfully submitted,
Nancy Carmer
Economic Development Program Manager