

MEETING MINUTES
PORTSMOUTH ECONOMIC DEVELOPMENT COMMISSION

March 7, 2003

Conference Room A

7:30 a.m.

Members Present: Tom Ferrini, Chairman; John Hynes, Cliff Taylor, Dana Levenson, Edward Hayes, Everett Eaton, Steve Alie, Paul Harvey Sr., John Bohenko, City Manager

Members Absent: Mark Simpson (excused), Scott Pafford (excused)

Minutes of February 7, 2003

Commissioner Cliff Taylor moved and Commissioner Hayes seconded the motion to approve the February 7, 2003 meeting minutes as amended. The motion passed unanimously.

Chamber of Commerce- Request to Renew the Partnership with the City on Tourism and Business Development

Peter Hamelin, President of the Chamber of Commerce, Ms. Quinlan, Chamber Business Development Manager and Steve Weiler, Executive Manager of the Sheraton Hotel and Conference Center and Chamber Board of Directors member, attended the meeting to discuss the city's partnership with the Chamber on Tourism and Business Development. Mr. Hamelin presented highlights of the three-year history of the City/Chamber partnership and requested a continuation of the city funding that enables the partnership. With many other local other communities undergoing major downtown revitalization efforts, he stressed the importance of maintaining a vital downtown district that is attractive to residents and visitors. Mr. Hamelin noted the need to take steps to sustain our unique retail/restaurant mix in the downtown all year, especially during the shoulder seasons of the tourist months.

Mr. Hamelin noted several changes in the Chamber's program of work that would improve the effectiveness of the economic development by the chamber. Included in the chamber's new goals for are a focus on arts and culture, the central business district, a renewed e-coast technology roundtable, small business development and tourism. Activities included in these goals are stepped up promotions of the Portsmouth area to local residents in the seacoast as well as travelers through specialized packages and promotion of the city's arts and cultural amenities including Arts after Hours events. On the technology side, the goals are to connect technology businesses with capital through venture capital connections and angel investors, a MIT forum and increased public information of the e-coast initiatives. For small businesses, the chamber has planned a series of free workshops to deliver practical information businesses need to grow and stabilize. A business resource fair is also contemplated to connect businesses with business support.

On the tourism side, the chamber has a long list of goals for collaboration with tourist businesses. The objective is to act as one voice in promoting the area through joint promotions and events, through web page features, and through packaging of Portsmouth trips that feature several Portsmouth-based business amenities.

Again this year, the Chamber's request is \$10,000 for the production of the *Guide to the Seacoast* and \$30,00 to support the Chamber's tourism and e-coast program of work.

In discussing the request, Commissioner Levenson asked how the chamber is pro-active in recruiting business to the area and in the follow-up. Ms. Quinlan responded that she assists businesses by providing relocation information and referring business to Ms. Carmer for assistance with questions on the need for city services and utilities. Ms. Carmer and Mr. Bohenko provided several examples of how the city follows up on inquiries and leads regarding businesses relocating to Portsmouth. All agreed that there are areas where the City and the Chamber can be more proactive and more public about the positive outcomes of such efforts.

Commissioner Hynes said he supports the partnership request because it is not prudent in a down economy to stop spending money promoting the area and the local businesses. Commissioner Taylor echoed Commissioner Hynes' support for a continued partnership and stated he felt that it is very unique and important. He thinks that the Chamber's appeal for funds is improved by articulating which of the current programs would suffer without the City's support.

Mr. Weiler offered his view of what would be lacking without the support. He said that Ms. Hubbard's efforts have made a significant difference in the hotel's efforts to maximize its marketing budget. She has also managed to bring together local lodging and restaurant businesses in the areas to address many issues of common concern. He said that the quality of the Chamber's marketing materials rivals that of any other community this size in New Hampshire. In his opinion, *The Guide to the Seacoast* is a fantastic lure piece.

Ms. Carmer provided her perspective on the value added of having two individuals working the technology and tourism sectors for economic development. She provided two examples of how the city followed up on leads that originated from contacts from the chamber staff. Both businesses ended up relocating to Portsmouth.

A discussion ensued on the partnership request and on the presentation at an upcoming City Council meeting. Following this discussion, Commissioner Levenson moved and Commissioner Harvey seconded a motion to recommend that the City expend \$10,000 from the UDAG budget to support production of the *Guide to the Seacoast*. The motion passed unanimously with Commissioners Eaton and Hayes abstaining.

Next, Commissioner Hynes moved to endorse and recommend to the City Council that \$30,000 in UDAG funds be allocating to support of the Chamber's tourism and e-Coast technology programs. Commissioner Taylor seconded the motion. The motion carried unanimously with Commissioners Eaton and Hayes abstaining.

FY 2003/04 UDAG Budget

Ms. Carmer distributed a packet of budget information to the Commission including a year-to-date update on the interest accrued from the UDAG principal and a FY 02/03 UDAG budget expenditure summary. Income on the UDAG account to date totals \$64,780. A conservative estimate of interest earned through year-end is \$110,000. Ms. Carmer also submitted a proposed budget for FY 03/04 of \$86,284 based on the UDAG budget policy and the income earned in this fiscal year. After

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discussing each item in the proposed budget, Mr. Taylor moved and Mr. Eaton seconded a motion to recommend the UDAG budget to the City Council. The motion passed unanimously.

Other Business/Updates

Sheraton Owner – re: Northern Tier – The memorandum outlining the proposal to expand conference space and rooms on the Deer Street parking parcel owned by the Sheraton Hotel and Conference Center is still a work in progress and will be brought to the EDC upon submission.

McIntyre Building – This project is still going through the national legislature. In response to a question from Commissioner Eaton about how a project such as this would be funded, the City Manager said he has spoken to some consultants familiar with similar type projects. He described a hypothetical scenario where, following a series of public input forums on the project; the city would work with a consultant on alternative development proposals. A developer would be selected and funds would be borrowed initially for the development process. In the end the developer hired to do the work would be required to recover the city's planning and development costs.

Public Comment Session

No members of the public present wished to comment.

Adjourn Meeting

The next meeting will be April 4, 2003. The City Manager urged all members to attend, as there will be a roundtable discussion on economic development with the city's master plan consultant. With no other business, the meeting was adjourned at 8:40 AM.

Respectfully submitted,
Nancy M. Carmer
Community Development Program Manager