

Approved Dec. 5,  
2003

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

November 7, 2003

Conference Room A

7:30 a.m.

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

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**Minutes of October 3, 2003**

Commissioner Taylor moved and Commissioner Pafford seconded the motion to approve the October 3, 2003 meeting minutes as amended. The motion passed unanimously.

**Workforce Housing Coalition**

Lisa Fisher Henderson, Program Coordinator for the Workforce Housing Coalition (WHC) provided an overview of the organization. The WHC promotes a diversity of housing types suitable for people of different income levels, including market rate and affordable apartments, condos, and starter homes. To introduce the local housing climate, Ms. Henderson noted that in September 2003, there were 59 homes for sale locally in the \$400,000 range. By mortgage lending standards, the income required to afford a home in this price range is \$90,000. Generally, a moderate-income household income earning closer to the local median household income of \$60,000 can afford a home costing approximately \$167,000. This price is currently 30% below the cost of a home in the Greater Seacoast region.

There are many reasons why the housing market is becoming less and less affordable locally. Including greater demand than supply of housing, state tax structure, and greater number of new employees and retirees seeking homes in the area. Some potential solutions to the issue include flexibility on the part of local boards, in-fill of multi-family units, employer-provided housing, and legislative action. Ms. Fisher Henderson praised the Portsmouth Listens process for raising public awareness of the issue.

Mr. Bohenko asked Ms. Fisher Henderson to talk briefly about Senate Bill 95. The bill established a study commission under the Shaheen administration to examine workforce-housing issues and recommend what role the state has in developing solutions to the problem. What resulted was an effort to codify a procedure for expediting appeals of denied applications for workforce housing. The bill will effect many of the small towns that do not have professional planning staff and that deny or delay residential development applications.

The problem is regional in nature and, if left unresolved, could negatively impact economic development. Ms. Fisher Henderson discussed a survey given to 264 human resource managers at NH businesses. Seventy-one percent of the 100 respondents said that housing was an issue for their employees. The greatest impact has been on wage pressure and on the ability to recruit workers to the area from outside New England. Chairman Ferrini thanked Ms. Fisher Henderson for the enlightening presentation.

### **Update on Activities at the NH Port Authority**

Geno Marconi, Port Director for the New Hampshire Port Authority provided an overview of the organizational structure of the NH ports as well as the regulations that the port enforces with respect to navigational aids, mooring, pier maintenance, state fish pier and dredging of harbors. He also discussed the fees associated with these responsibilities and how they relate to the overall port budget. He told the EDC that the foreign trade zones at the port and at the Portsmouth Industrial Park provide a significant economic advantage to exporters and importers at the port.

Mr. Marconi explained how the operation of the Market Street terminal has changed since the port is operating under the administration of the Pease Development Authority (PDA). Prior to this change, cargo operations at the Market Street terminal operation were contracted out to other firms such as Bulkholder and prior to that John T. Clark. In all instances the primary bulk material at the port was scrap metal and salt. Since the PDA took over the Port operation it no longer contracts out this activity and the PDA negotiates all cargo contracts.

There are currently two contracts for bulk cargo at the Market Street terminal, one with International Salt for salt and one with Grimmel Industries for metal. These contracts are good until mid-2004. In response to a question from Commissioner Eaton, Mr. Marconi discussed the current challenges the port faces with respect to attracting either container or bulk cargo to the port.

Mr. Bohenko noted that the City residents have expressed their desire to keep the port a working port, but inherent with that use is the need to control the truck traffic to and from the port as well as the aesthetics of this important gateway to the city. Within this context, the city has taken a “do no harm” approach tot port activities.

Chairman Ferrini thanked Mr. Marconi for the enlightening presentation. Mr. Marconi invited the commission to schedule a tour of the facility when the weather is better.

### **Portsmouth a la Carte Program**

Jennifer Slade, owner of Attrezzi Fine Kitchen Accessories gave a presentation on the Portsmouth a la Carte program. The program started as a way for downtown restaurant owners to attract customers to their businesses at a time when many chain restaurants were locating outside the downtown. Essentially the program is an opportunity for customers to centrally purchase gift certificate that are redeemable at participating restaurants downtown. The merchants pay a small fee for the materials and program oversight and are reimbursed for coupons submitted to the program.

The goals for 2004 are to expand the certificate program from restaurants to all merchants in the central business district, to market the program, to upgrade the website and to eventually go to a swipe card redeemable at all stores.

Mr. Bohenko thought the program would be of interest to the EDC as an example of a downtown initiative and perhaps something worthy of support in the future as the EDC develops their budget. Chairman Ferrini thanked Ms. Slade for her presentation.

**Other Business**

*GACIT Hearing* - Mr. Bohenko summarized the comments made at the GAIT hearings on the schedule of state transportation projects. The Little Bay bridges were the topic of presentations by the City and the Chamber of Commerce. Mr. Bohenko complimented the Chamber on an excellent statement at the hearing highlighting the negative economic impact of delaying widening of the bridges.

*ArtSpace Forum* - To be held November 12<sup>th</sup> in City council Chambers with a national consultant experienced in developing creative financial solutions to developing affordable space for cultural institutions for office, performance and gallery space.

*ECoast Award* – Went to Pixel Media, a Portsmouth-based technology company serving Fortune 500 companies and located at Pease Tradeport.

**Public Comment**

David Choate suggested that at the city should use its efforts to create/subsidize affordable housing to encourage other communities in the region to do their fair share at the upcoming hearings on SB 95. Also, Mr. Choate announced that on November 12<sup>th</sup> there is an important scoping hearing on widening of the Little Bay Bridges. Mr. Bohenko said that city staff would be there to present comment.

**Adjourn Meeting**

Next Meeting – The next scheduled meeting is December 5th.

With no other business, the meeting was adjourned at 8:45 AM.

Respectfully submitted,  
Nancy M. Carmer  
Community Development Program Manager