

MEETING MINUTES
PORTSMOUTH ECONOMIC DEVELOPMENT COMMISSION

March 7, 2008

City Hall Conference Room A

7:30 a.m.

Members Present: Dana Levenson, Chairman; Robin McIntosh, Paul Harvey Sr., Edward Hayes, William Gladhill, Ken Smith, Jack Blalock, , John P. Bohenko; City Manager

Members Excused: Everett Eaton, Vice-Chairman; Lisa DeStefano, Michael Murray

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

Minutes

Draft meeting minutes of February 1, 2008 were unanimously approved as written.

Presentation on Seacoast Commercial Real Estate Market - Susanne E. Dailey, Marketing & Research Coordinator and David Choate of Grubb & Ellis|Coldstream Real Estate Advisors, Inc.

Ms. Dailey, Marketing & Research Coordinator and Mr. Choate of Grubb & Ellis|Coldstream Real Estate Advisors, Inc. provided handouts and gave a powerpoint presentation of the commercial and industrial market for properties in excess of 10,000 square feet in greater Seacoast NH and in Portsmouth. The report covered the 4th quarter of 2007 as well as a projection for the current period.

The Portsmouth market has done well in absorption of both the commercial and industrial space. Currently it is a “tenants’ market.” Pease Tradeport has been the beneficiary of tenants outgrowing their space in the city’s downtown. It also skews the vacancy figures because there is a significant amount of square footage available at the former Flextronics buildings at Pease Tradeport. Vacancy rates in the downtown have improved since the occupancy of the former Police Station on Penhallow St. and the former Bottomline office at 155 Fleet St.

In the industrial market there is demand for smaller spaces in the 1,000-3,000 square foot range. The scarcity of land in Portsmouth makes it difficult to meet the demand for both office and smaller industrial space. Projected trends in the office market include continued absorption of office existing space through 2008, decreased new construction and strong demand for smaller spaces. In the industrial market, projected trends include a tightening of the market, demand for flex space for R&D, demand for owner occupied space and increased new construction and modification of larger space into smaller units. Mr. Choate suggested that the city look into the Brownfield Program in the event there is a site suitable for environmental remediation. Chairman thanked the presenters for the informative program.

Presentation on Little Bay Bridge Expansion Project – NH DOT Project Manager Chris Waszczuk

Mr. Waszczuk distributed a project summary and maps and explained the state DOT’s plan for a 3.5 mile section of the Spaulding Turnpike extending north from Exit 1 (Gosling Road) in Newington to the Dover Toll Plaza just north of Exit 6, including improvements to the Little Bay Bridges and several on and off ramp to the system. The current project effort has concluded required engineering and environmental studies and evaluated a range of reasonable alternatives within the framework of an Environmental Impact Statement (EIS). A Preferred Alternative has been recommended to meet the project purpose and need. The project is included in the state's Ten-Year Transportation Improvement Program. The Seacoast Metropolitan Planning Organization (MPO) has established the need for the Newington-Dover Turnpike improvements as a top long-term priority. Three general purpose lanes and one traffic management lane are proposed between Exits 3 and 6 to provide a satisfactory level of traffic service for the design year (2025) and beyond, as well as allowing traffic to safely enter, change lanes or exit the Turnpike between Exits 3 and 6. Exits 3 (Woodbury Avenue) and 6 (US 4/Dover Point Road) are being reconfigured to allow full access from the north and south to both Woodbury Avenue and Arboretum Drive (Pease Tradeport). Reconfiguration of Exit 6 allows full access from the north and south to US 4 and Dover Point Road and improved local connections between

Spur Road and Boston Harbor Road, and between US 4 and Dover Point Road. These new interchanges will eliminate some of the circuitous travel that presently occurs on the Turnpike. Exits 2 and 5 will be closed to improve traffic, operational and safety needs and to minimize negative impacts on Hilton Park and the Wentworth Terrace neighborhood. The old General Sullivan Bridge will remain for use as pedestrians and bicyclists. Noise barriers, Park and Ride accommodations and other intermodal transportation concerns are included in the preferred alternative.

The estimated construction cost of the "Preferred Alternative" is \$198 M (2007 dollars). The total cost, including right-of-way acquisition, engineering, TDM/TSM measures, and mitigation is estimated to be \$236 M (2007 dollars). Construction is planned to occur from 2010 to 2016. During construction, two lanes of traffic flow in each direction will be maintained and expanded bus service, as proposed, will be provided.

Presentation on Pay and Display Parking Meters – Jon Frederick, Parking Manager

Mr. Frederick provided an update on the trial pay and display parking meter system on Bow Street and at the Worth Parking Lot. The overwhelming response has been positive. Some modifications such as constructing a rain shelter have been made in response to user suggestions.

The trial period is for one year. The long range plan is to install the meters citywide. They will be a component of the Market Square to Bow Street sidewalk improvement project. A brief discussion ensued about the impact on the city budget and on how to get the word out about the user comment survey and about other parking program such as Park Magic.

EDC Project Updates

Joint Work Session with City Council and Art-Speak Representatives March 10, 2008 on Islington Street Corridor Action Plan

The City Manager reminded the EDC of the upcoming work session on the Islington Street project. Ms. Carmer said that there will be three improvement plan options presented and encouraged the EDC members to attend.

Exit 7 Gateway Project Conceptual Plans

Ms. Carmer stated that the Cecil Group has presented a draft plan to staff and will revise the plan based on staff feedback. It will be presented at a public meeting in April (date yet to be determined) and then to the EDC at its may 2, 2008 meeting.

Business Breakfast Forum Update

Chairman Levenson said that the plans are evolving for inviting a group of the city's major employers to a breakfast economic development summit. The plan includes a speaker that would be germane to the large employers that the city. The breakfast is a business retention initiative to show appreciation to the employers for their contribution to the local economy and to learn how the city can enhance the local business climate. Dates and speakers are being reviewed.

New Business

National Historic Trust Distinctive Destination Designation

The City is one of two NH communities to receive this distinctive designation from the NH Historic Trust (Keene received the designation previously). The city has put a link on its website to the program which describes the unique qualities that led to the city's designation.

Naval Prison RFP

Mr. Bohenko distributed materials on the Navy Enhanced Use Lease for the Portsmouth Naval Shipyard Prison. An industry forum is scheduled for April 16, 2008 at the New England Center to provide information on entities interested in submitting re-use proposals for the historic structure.

Mayors Blue Ribbon Committee on Housing

The Mayor has established a Blue Ribbon Committee on Housing to develop concrete action items focused on the local level. The timeline is for the Committee to convene in April and terminate after 180 days.

Committee shall report back to the City Council at the first meeting in October 2008.

Charge of Committee:

- Develop (or frame) a “white paper” on housing options and issues in Portsmouth, including existing data about available housing, existing types of support/programs for housing available in the City, and identification of issues related to housing
- Identify creative solutions that other communities have used to address the housing issues Portsmouth is facing and which are relevant to the local setting, including preserving existing affordable housing stock and creating additional affordable opportunities
- Determine a short list of local opportunities for future policy and actions by the City and other local stakeholders, e.g., financial institutions, nonprofit organizations, etc.
Identify necessary topics for state legislation that affect the ability to increase affordable housing options.

Recommended Committee Members:

- Two members from the City Council selected by the Mayor
- One State Legislator selected by the Mayor
- One Economic Development Commission Member designated by the EDC Chairman
- One Portsmouth Housing Authority Representative
- One representative from The Housing Partnership
- One representative from Rockingham Regional Planning Commission
- One representative from the real estate/development community
- One representative from the finance/banking community
- Mayor (ex-officio)
- City Manager or his designee (ex-officio)

Public Comment Period

No members of the public wished to comment.

The meeting adjourned at 9:00 AM. The next meeting is April 4, 2008.

Respectfully submitted,

Nancy Carmer
Economic Development Program Manager