

MEETING MINUTES
PORTSMOUTH ECONOMIC DEVELOPMENT COMMISSION

April 1, 2011

Conference Room A City Hall

7:30 a.m.

Members Present: Everett Eaton, Chairman; Lisa DeStefano Vice-Chairman; Dana Levenson, Nancy Novelline, Clayburgh, Josh Cyr, Ron Zolla, Robert Marchewka,
Excused: Tim Allison, Christine Dwyer, Eric Gregg

Chairman Eaton opened the meeting at 7:38 a.m.

Approval of Draft Meeting Minutes of January 7, 2011

Following a motion by Commissioner DeStefano and a second by Commissioner Marchewka, the draft meeting minutes of February 4, 2011 were unanimously approved as written.

Greater Portsmouth Chamber of Commerce Quarterly Reports on Tourism for the period 1/1/11 through 3/31/11

Chamber President Doug Bates and Tourism Manager Valerie Rochon were present to discuss the Chamber's partnership request for an additional \$10,000 and to provide the quarterly tourism report. Mr. Bates summarized the changes that have been implemented in the three and one-half years since he has been Chamber President. He mentioned efforts to better serve the retail and restaurant business communities by spearheading "Restaurant Week" and "Shop Portsmouth on Friday Nights." One outcome of the Retail Committee's efforts is downtown businesses learned that sales between 5 and 9 PM on Friday evenings exceed Friday daytime sales. He informed the EDC that with City Councilor Dwyer's help, the Chamber is currently working with local historic houses to encourage collaboration to boost visits.

Mr. Bates summarized changes to the Chamber's collateral, which he said is crucial key to attracting visitors. He noted recent changes made to reflect the fact that visitors are using web-based media more than printed documents. Through collaboration with Brown and Company, information previously included in the *Guide to the Seacoast* has been consolidated into an updated "official" *Harbor Guide to Portsmouth & the Seacoast*. Combining the two Guides has reduced overall printed material and reduced advertising costs. A May 2011 publication of 75,000 guides is anticipated. In addition to the Guide, a new map and lure piece are underway and changes are planned for the tourism component of the website.

The additional \$10,000 funding requested from the EDC for the City/Chamber FY 2012 partnership would be dedicated to the revamped tourism website geared for travelers considering a Seacoast visit. It will be user-friendly, allow hotel and event reservations and be crisp, clean and easy to navigate. The cost for this type of site is considerable which is why the Chamber intends to develop the site in phases. The Chamber is committed to hiring local professionals to assist in these efforts.

Tourism Manager Valerie Rochon presented the quarterly tourism report for the period 1/1/11 through 3/31/11. She reported that the Chamber has met the advertising goals for the Harbor Guide and are now working on the lure piece that will be distributed to regional visitor centers and at trade shows. She summarized trade shows attended, public relations efforts, media articles, tourism grants (\$41,000 received with another \$8,000 committed for the lure piece), visitor and hotel occupancy metrics, advertising efforts and website/social media hits.

Commissioner Zolla said he is impressed with the Chamber's marketing effort and in particular the efforts to collaborate with restaurants and retailers. Commissioner Marchewka agreed, but feels much of the focus is on the downtown and should include the greater Portsmouth business community. Mr. Bates responded with a list of business activities that the Chamber is performing for businesses such as Business after Hours events, seminars such as the export seminar, Tech World, and the Bank of America Speaker Series. Commissioner Levenson responded that he feels although the Chamber is a multi-faceted organization, the partnership with the City is for marketing the city to visitors rather than on enhancing business to business connections so the partnership focus should remain on

marketing the whole city; which he feels, is being done well.

The City Manager addressed the request for additional partnership funding. He said that, starting last year, the process whereby the Chamber partnership was approved by the City Council at the recommendation of the EDC has changed. Now, the request is included in the UDAG budget and approved by the City Council as a part of the overall city budget. He said that a \$40,000 partnership request has been submitted to City Council in the FY 12 City Budget and complies with the Council's charge to keep level program funding. The request for additional funds for the website would need to go directly to the City Council in the form of a letter. Mr. Eaton suggested that the request be sent after the website cost is determined. Commissioner Zolla suggested that the accrued benefits be included in the letter to the City Council. Commissioner Cyr volunteered to review the proposals and costs and report to the EDC before the letter is sent to the City Council requesting additional funds.

Old Business

Update from EDC Subcommittee on Film Industry

Commissioner Marchewka reported that in March subcommittee representatives met with Senator D'Allesandro at his office in Concord to discuss support for the NH Film and TV Office, the economic impacts of film production, and tax credits for filming in NH. Although this tax credit mechanism has increased film production in other states, the fiscal climate in NH and the state's tax structure make the concept of a tax credit incentive for filmmakers highly unlikely. The subcommittee will continue to exploit opportunities to market Portsmouth as a film-friendly location as well as provide a local database for film/media professionals on the city's website and in other areas.

High Speed Broadband Infrastructure Subcommittee Update

This agenda item has been postponed.

New Business

Discussion on Downtown Parking Omnibus

City Manager Bohenko explained that the Parking Omnibus package has twelve components, five of which are zoning related and require amendments to the zoning regulations and seven which are non-zoning related and deal with parking infrastructure and rates. The non-zoning components involve the proposed Worth Garage, the proposed parking enterprise fund (for implementation in 2012), increases in on street parking rates (from \$0.75 to \$1.00), proposed variable on-street parking (from \$0.75 to \$1.25 /hr. in high demand spots), expanded hours for meters on Sunday from noon-7 PM, and installation of parking meters in the Parrot Avenue Lot (at \$0.50/hr), and finally, consolidation of the Parking Committee and Traffic and Safety Committee into a new Transportation Committee. Mr. Bohenko reviewed the proposed rate changes and the public meeting dates associated with each element of the Downtown Omnibus. The Manager told the EDC that proposal was partly initiated by the City Council which had been exploring additional sources of revenues and that parking rates have not been raised since 2004. If all the components of the non-zoning proposal are implemented it would result in approximately an additional \$600,000 in revenues.

Commissioner Zolla has a concern with the process which he feels it too quick for something that strongly impacts downtown vitality. He thinks the EDC should weigh in after having more time to "digest" the proposed changes. Mr. Bohenko responded that the City has been working on these changes for over a year and that the EDC has been a participant in work sessions. Ms. DeStefano echoed the City Manager's point that there have been numerous work sessions on the topic and that the upcoming omnibus process will give the proposal additional input which may result in fine tuning or elimination of some components.

Commissioner Cyr offered that since Commissioners have varying opinions on the matter, perhaps the best way to comment at the 4/18 City Council meeting is as individuals and not as EDC members. Commissioner Levenson said that the EDC's concern is parking that is affordable and available which is why construction of the Worth Parking Garage is critical. He is not sure the EDC should be the entity debating the parking rates and asked the Parking and Transportation Director about elasticity of price. Mr. Frederick responded that there is no industry standard but said the city needs to find a way to increase turnover on the street and increase parking in the garage. Assistant Mayor

Clayburgh stated that the City Council is currently interested in increasing revenues due to the State downshifting additional costs to the cities and towns making it a challenge to balance local budgets; to which Commissioner Levenson responded that the EDC focus is economic vitality not revenues. Commissioner Zolla is fearful that increasing the rates will negatively impact local businesses.

US Post Office Letter of Intent to Conduct Area Mail Processing Study
This agenda item was postponed to the May EDC meeting.

EDC Advocacy Letter for CIP projects that enhance Economic Development (Action Plan Item)
This agenda item was postponed to the May EDC meeting.

Potential UDAG Revolving Loan Program

Chairman Eaton informed the EDC that in the 1980's and 90's the City had a revolving loan fund with Community Development Block Grant funds to assist small businesses in need of gap financing. He would like the EDC to consider reinstating a similar program using UDAG funds to assist certain businesses that have the potential to grow into strong firms that employ skilled workers in Portsmouth. He asked for volunteer to serve on a subcommittee to explore such a fund. Assistant Mayor Clayburgh and Commissioner Marchewka volunteered to participate.

Use of Bridge Street Surface Parking Lot after Construction of Worth Parking Garage (memo from Councilor Coviello enclosed)

The EDC briefly responded to City Councilor Coviello's memo regarding creation of a small park at the Bridge St. lot if the Worth Lot Parking Garage is approved. Commissioner Cyr is interested in the concept as is Commissioner Destefano. Assistant Mayor Clayburgh suggested further discussion be withheld until the vote on the Worth Lot Parking Garage. It was decided that the EDC will invite City Councilor Coviello to the May EDC for further discussion on the matter.

Potential EDC Business Visitation Meetings in July/August (Action Plan Item)
This agenda item was postponed to the May EDC meeting.

Portsmouth Naval Shipyard Economic Impact Report for CY 2010
This agenda item postponed to the May EDC meeting.

Public Comment Period

David Choate asked if there is a narrative in the city budget document or in a presentation about the impact of how departments and services are impacted by level funding. The City Manager responded that there is. When he presents the budget to the City Council he will highlight this information. Similar information is provided by Police and Fire Chiefs regarding the impacts of their respective budgets.

Confirm Next Meeting

Next meeting is May 6, 2011

With no further business the meeting adjourned at 9:15 a.m.

Respectfully submitted,
Nancy Carmer,
Economic Development Program Manager