

**MINUTES OF THE
ECONOMIC DEVELOPMENT COMMISSION**

April 4, 2014

Conference Room A

7:30 a.m.

Members Present: Dana Levenson, Stefany Shaheen, John Bosen, Eric Spear, Ron Zolla (via telephone), Josh Cyr, John Pratt

Excused: Everett Eaton, Chairman; Bob Marchewka, Vice-Chairman; Philip Cohen

Absent: Eric Gregg

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

At the request of Chairman Eaton, Commissioner Levenson chaired the meeting in the absence of the Chair and Vice-Chair. The meeting opened at 7:38 a.m.

Approval of draft meeting minutes of March 7, 2014

Councilor Spear moved and Commissioner Cyr seconded a motion to approve the draft meeting minutes of March 7, 2014 as amended. The motion carried unanimously.

Presentation by Mark Kaplan, CEO, abi HUB, on Statewide Innovation and Accelerator Organization

Mr. Kaplan introduced himself and summarized his professional background prior to taking on the leadership role at abi HUB. His background includes thirteen years working in venture capital lending, mentoring emerging high growth companies, and working with New Hampshire and Maine-based entrepreneur business incubator/accelerators.

Two years ago, he was hired by the NH Innovation and Commercialization Center (NHICC) to run the organization which is a partnership with University of New Hampshire's (UNH) programs for commercialization of intellectual property concepts. Recently, the NHICC offices in Durham and Portsmouth merged with the abi Innovation HUB accelerator which operates facilities in Manchester and Hanover, NH. The merged organization is now called abi HUB and Mr. Kaplan is the new CEO. The new organization has maintained its collaborative partnerships with UNH and also with the NH High Tech Council and the NH Entrepreneurship Foundation.

The goal of the abi HUB is to be the premier resource for start-up, high-growth, scalable companies. This is done by creating education and networking opportunities, co-working space and one-on-one mentoring. The enterprise is a member-based organization and is supported by the NH Charitable Foundation and through funding from the Community Development Finance Authority and donors.

Mr. Kaplan described the abi HUB Accelerator Program, a competitive initiative that selects a group of entrepreneurs who participate in an intense, three-month program with abi HUB staff and mentors to identify markets, customers and go-to-market strategies. The goal is to produce high growth, scalable NH firms that will create skilled jobs.

He also mentioned the local collaborative effort underway to enhance entrepreneurship in Portsmouth. Initial meetings of collaborative partners have included representatives of education institutions, the City, venture capital firms, angel investors, AlphaLoft, abi HUB and local corporations.

In response to a question on abi HUB membership and client profile he said there are flexible memberships depending on the entrepreneurs needs. Currently, there are about 35 members, with most

being in Manchester. Rents for co-working space range from \$150 to \$300 per month depending on the frequency and number of desks required. Following his remarks, Commissioner Levenson thanked Mr. Kaplan for his presentation.

Presentation by Peter Rice, Public Works Director on upcoming Capital Plan Projects

Mr. Rice gave an overview of thirty-two 2014 City capital projects broken down by maintenance, design, construction categories. He also summarized five local State of NH construction activities. Through maps and lists, he identified the areas of the city in which the projects are located. The cost breakdown for the project categories are \$1.2 million for maintenance projects, \$1 million for design projects and \$34 million for construction projects. The capital projects are primarily funded through the bonding process. A significant number of project costs are leveraged through grant and shared funding.

Old Business

Subcommittee on Downtown Parking Garage location

City Manager Bohenko said that the subcommittee met this week and began reviewing suitable properties for a downtown parking garage. With the City Council excluding the Worth and Parrott Avenue lots and with many of the larger parcels under development, the list of potential public and private sites are few. The group will continue the vetting process at subsequent meetings. Councilor Spear thanked the group for meeting and thought that it would be useful to review, in addition to the parking garage closure data, the current utilization of on-street metered parking to illustrate the need for a parking structure.

Status of pending Zoning Ordinance Amendment for:

- *Increased Building Height by Conditional Use Permit (Central Business A and B)*

City Manager Bohenko informed the EDC that this amendment is on the City Council agenda for third and final reading on April 7, 2014. The outcome of the City Council vote could have a significant future impact on the ability of the land use boards to be flexible in proposed building development downtown.

Councilor Shaheen asked a procedural question about amending the proposed zoning amendment to only include Central Building B which, if approved, would include the proposed HarborCorp project. The Manager said it would require a review and opinion from the City Attorney.

- *Proposed Character-Based Zoning in the downtown area and proposed amendment to the Zoning Ordinance deleting Section 10.535.13*

City Manager Bohenko informed the EDC that at the March 17, 2014 public hearing on the proposed amendment, the City Council passed second reading and moved it to third reading on April 7, 2014. Some language amendments are being proposed for clarification. The amendments require a two-thirds vote. He anticipates approval. He noted that there is also a desire to extend the character zoning outside the current study area down Islington Street and into the Northern Tier. Estimated cost would be \$100,000 and it would take approximately nine months to complete.

New Business

No new business was raised.

Public Comment

Representatives of the local group called *Save our Working Port* made a brief presentation on improvements to the NH Marine Terminal. Robert Hassold commented on the 85 scrap trucks per day that travel from I-95 on Market St Extension to the Marine Terminal and leave a trail of dust, and metal.

The trucks are not covered or contained. He also noted the negative impact of run-off from the scrap metal pile into the Piscataqua River. He suggested that the contract with Grimmel Industries should be terminated and that an alternative use for that space at the port would be parking. About 320 surface parking spaces on three acres could be located there within a five minute walk to downtown. With 24-hour availability and first hour free, he estimates that this use could potentially generate over \$4 million dollars in parking revenue for the City. The facility would remain a working port for the balance of the site. He noted Mr. Mullen from the Pease Development Authority, which oversees the Marine Terminal, has heard the proposal and responded that parking does not meet the marine-related mission of the facility.

Jeff Barnum, who is the Great Bay Water Keeper established by a Conservation Law Foundation program, spoke to the environmental and storm water discharge issues related to the bulk scrap operation. He provided copies of a March 5, 2014 EPA letter to Grimmel Industries requiring specific responses including mitigation measures and best practices implementation to violations of a 2011 Administrative Order for Clean Water Action. He also commented on the Air Quality monitoring that is occurring to register rust dust that he said pollutes the vicinity from the scrap operation.

Tom Carroll of 500 Market St. provided photos of scrap metal imbedded into Market St. and urged the City to undertake independent magnetic removal and analysis of metal found on Market St.

The group would like to see pressure on the Pease Development Authority to not renew the Grimmel lease and to find an alternative marine use for the area consumed by the scrap metal. Until an alternative to the bulk scrap is found, a portion of the port could be used for parking.

Confirm Next Meeting: Friday, May 9, 2014

The meeting adjourned at 8:50 AM.

Respectfully submitted,
Nancy Carmer
Economic Development Program Manager