

**MINUTES OF THE
ECONOMIC DEVELOPMENT COMMISSION**

September 5, 2014

City Hall Conference Room A

7:30 a.m.

Members Present: Everett Eaton, Chairman; Bob Marchewka, Vice-Chairman; Eric Spear, Stefany Shaheen, John Bosen, Philip Cohen, Ron Zolla, Josh Cyr, John Pratt

Excused: Eric Gregg, Dana Levenson

City Staff: City Manager John P. Bohenko, Deputy City Manager David Allen, City Attorney Robert Sullivan, Public Works Director Peter Rice, Economic Development Program Manager Nancy Carmer, Planning Director Rick Taintor

Approval of draft meeting minutes of June 6, 2014

Commissioner Bosen moved and Commissioner Marchewka seconded a motion to approve the draft meeting minutes of June 6, 2014. The motion carried unanimously.

Old Business

Update on Frank Jones Center Tax Increment Financing (TIF) - City Council Referral

City Manager Bohenko said that since the June EDC meeting, staff has met several times with Portsmouth Land Acquisition Holdings, the owner of the 12.2 acre, industrially-zoned parcel Frank Jones Center on the Route-1 Bypass on re-zoning and redevelopment of the area. The City's Master plan has long envisioned a road connecting the Bypass to Bartlett Street. The City is exploring the possibility of a TIF district in the area to construct the road which would create additional frontage and be an incentive for additional development which in turn would expand the tax base and potentially create new jobs.

Planning Director Rick Taintor explained that the current zoning does not allow residential and commercial uses which are what the neighborhood had envisioned during a charrette regarding the area a couple years ago. The City Manager said that initially, the idea was to re-zone the area to the new character-based district CD4, however, the Planning Board reviewed this area for CD4 zoning and determined it was not the best designation for the type of mixed use development desired. Presently, discussions are ongoing regarding crafting an appropriate zone for this type of mixed use developments in the City.

The EDC discussed expanding the potential TIF district to include the area surrounding some underutilized properties in the Islington Street corridor near the old Frank Jones Brewery. The latest thought is to reduce the area to include the same area as the contemplated CD4 re-zoning area between Bartlett Street and Route 1 Bypass. The City has solicited quotes from three consultants for assistance in implementing a TIF district in the area and will be interviewing prospects.

Update on McIntyre Federal Building Divestiture Process

City Manager Bohenko informed the EDC that Mayor Lister formed a working group on this matter consisting of the Mayor and Councilors Lown, Spear and Shaheen. The working group and representatives of the General Services Administration (GSA) have been holding teleconferences every six weeks for updates on the divestiture progress. Currently, the GSA is surveying each tenant to determine their individual program needs and is also preparing a Request for Proposals for a property appraisal. Councilor Shaheen said that the timeline is a key question with regard to divestiture as a decision must be made soon by the City Council if it wishes to purchase the property or be a facilitator of the sale. Mr. Bohenko said that the City will continue with the updates from GSA and that things are looking much "brighter" now than they were four months ago. He publicly thanked Senator Shaheen and the other

legislative delegates for working with GSA officials in Washington and regionally on the divesture decision.

Update on Market St. Gateway Improvement Project

Ms. Carmer updated the EDC that project progress. The construction plans are at the 75 % complete stage and the consultant is in the process of securing the necessary shoreland and drainage permits. A presentation was made at the Trees and Greenery Committee in August and was well received. Another is scheduled for the Traffic and Safety Committee in the near future.

With respect to the timing of the project implementation, Ms. Carmer noted that, for funding purposes, the project will need to be phased. Construction funding is available from this year's Capital Improvement Plan and the recent bonding resolution. However, to make a bigger impact and to avoid traffic inconveniences, the plan is to wait another year for the next Capital Plan installment and until the NH Department of Transportation (NHDOT) completes the Maplewood Avenue Bridge over the Route One Bypass from which NHDOT is currently detouring traffic to the Market Street Gateway. The City Manager noted that NH DOT recently met with the City and stated that there is currently a billion dollars of investment in Seacoast area transportation projects and that one-half of a billion dollars of that work is located in the area from the General Sullivan Bridge area to Portsmouth.

Other Business - None

Public Comment

Paul Mannle asked when the EDC report back to the City Council on potential second parking garage locations will be available to the public. The City Manager responded that it would most likely be available after the September 22nd City Council meeting nonpublic session.

Suspend regular meeting in accordance with RSA 91-A:3,II(d) Consideration of Acquisition of Real Property, and vote to go into nonpublic session to discuss negotiations.

Commissioner Bosen moved to suspend the regular meeting in accordance with RSA 91-A:3,II(d) Consideration of Acquisition of Real Property, and go into nonpublic session. Motion seconded by Commissioner Cyr. On a roll call vote the Commission unanimously approved the motion with Commissioner Marchewka abstaining and recusing himself from the vote and the nonpublic session since one of the property owners that the EDC Subcommittee have been working with is a business client. Mr. Marchewka left the meeting at this point.

Resume public meeting and adjourn

Following an action during nonpublic session to seal the minutes and resume the public meeting, Everett Eaton confirmed the next regular EDC meeting date of Friday, October 3, 2014 after which Commissioner Cyr moved and Commissioner Cohen seconded a motion to adjourn the public portion of the EDC meeting.

The meeting ended at 9:05 AM.

Respectfully submitted,
Nancy Carmer
Economic Development Program Manager