

**MINUTES OF THE PORTSMOUTH
ECONOMIC DEVELOPMENT COMMISSION**

November 6, 2015

City Hall Conference Room A

7:30 a.m.

Members Present: Everett Eaton, Chairman; Bob Marchewka, Vice-Chairman; Dana Levenson, Eric Spear, Philip Cohen, John Bosen, Jen Zorn, Josh Cyr, Ron Zolla, John Pratt

Excused: John Bosen, Stefany Shaheen

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

Approval of draft meeting minutes of October 2, 2015

Commissioner Zolla moved, and Commissioner Pratt seconded, a motion to approve the draft meeting minutes of October 2, 2015. The motion carried unanimously.

EDC Focus Areas- Spotlight and discussion on Islington Street Corridor -

Nick Cracknell of Portsmouth Planning Department provided an overview of the final West End vision plan and stated that a draft of the associated character-based zoning for the region will be completed for public review by year-end. He reviewed current development proposals in the area such as the property at the intersection of Cate and Bartlett Streets, the Frank Jones Brewery buildings off Islington Street, the old Public Works property and the former seafood processing property along the North Mill Pond. He also informed the Commission that the City is proposing a multi-purpose path around the North Mill Pond and work is underway to secure the necessary easements for that effort.

The Commission discussed a potential Cate Street connector to the Route 1 Bypass and the street frontage that will result from that road. Also discussed were the potential zoning incentives for workforce housing and the need for shared parking or strategically placed parking structures at or near Plaza 800. With regard to economic development tools and initiatives, the EDC discussed the creation of a Tax Increment Financing District and/or public private partnerships to create the desired outcomes in the vision plan such as civic space, affordable housing, shared parking, and infrastructure improvements.

Peter Rice, Director of Public Works gave an overview of the Islington Street Improvement Design project that is underway and the utility work being completed in the McDonough Street area. VHB has been hired for the Islington Street engineering planning project which is a complex project with a scope of work that includes surveying the properties on the street and the utilities. The engineering plans will include utility upgrades, safety and traffic improvements and streetscape plans. He informed the Commission that there will be a public input session on November 9th for residents and businesses to understand the scope of work and to provide input.

Other Business

2015 Rockingham County Comprehensive Economic Development Strategy (CEDS) Report

Ms. Carmer explained the process for doing a regional economic development “master plan for the purposes of long range planning and distribution of federal US Economic Development Administration (EDA) project funds. The local plan or Comprehensive Economic Development Strategy (CEDS) Report is prepared by the Rockingham County Economic Development Corporation based on economic research and a series of public input sessions throughout the region. The strategy includes goals for the region and then project are solicited from municipalities in the region. The Rockingham County CEDS goals are similar to those of Portsmouth and include actions such as adequate infrastructure development and investment, regional cooperation on local service consolidation, workforce attraction and retention and sustainability measures. Copies of the strategy were circulated and the link to the website will be sent to the commission.

Business Retention/Expansion Program – Agreement and Committee Development

The engagement agreement for the UNH Extension Business Retention/Expansion Program has been received and will be returned with the \$2,500 fee for UNH's program assistance. The program will begin in early 2016 and take approximately 18 months. A subcommittee will need to be established to spearhead the work. EDC members were asked to consider serving on the committee as well as to suggest other appropriate community participants.

Small Business Events

Ms. Carmer reviewed the City's participation in events for small business such as the recent small business roundtable put on by the US Small Business Administration and the use website to list similar to upcoming events and resources for small business

Meals and Rooms Tax Joint Legislative Study Committee Report - City Staff Attorney Jane Ferrini provided a brief overview of the city's participation and testimony at public hearings held by the SB 213 legislative study committee formed to study the formula for distribution of the state meals and room tax. She summarized the information that Portsmouth representatives brought to the committee regarding the number of hotel rooms and restaurants in the city as well as the extra costs for municipal services to tourist communities. Testimony was provided by the Fire and Police Chiefs on the staffing required to respond to incidents at local hotels and tourist events. Staff also provided information on the local hospitality businesses in the city.

Currently, the proration of the meals and rooms tax that is returned to communities by the Department of Revenue Administration (DRA) is not based on the amount sent to Concord, but rather on the basis of population. Also, owners of businesses with facilities in more than one town or city are allowed to file consolidated reports from one location, thereby skewing the proportionate amount returned to the communities.

The committee's recommendations were that legislation could be introduced to enable cities and towns to adopt a local option tax which could be collected by the DRA and returned to the participating cities and towns for related costs.

Alternatively, legislation could be introduced to provide a disbursement above the current \$5 million cap formula. Revenues above \$5 million would be distributed proportionate to the amount generated rather than by the population ratio as is the current process. The additional revenues would be based on the location that generated the tax thereby allowing all communities to receive increased revenues as well as bonus revenues based on location. This recommendation would require a report form change by DRA.

Next Regular Meeting: Friday, December 4, 2015, 7:30 AM

The meeting adjourned at 9:00 AM.

Respectfully submitted,

Nancy Carmer
Economic Development Program Manager