

**MEETING MINUTES OF THE PORTSMOUTH  
ECONOMIC DEVELOPMENT COMMISSION  
July 10, 2020**

**Members Present:** Bob Marchewka, Chairman; Sarah Lachance, Tom Watson, Alan Gold, City Councilor Cliff Lazenby; Assistant Mayor Jim Splaine; Dana Levenson, Ron Zolla

**Excused:** Philip Cohen, Vice Chairman; Everett Eaton

**Absent:** Katelyn Kwoka

**City Staff:** City Manager Karen Conard, Economic Development Program Manager Nancy Carmer

**Invited Guest:** Chamber Collaborative President Valerie Rochon

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**Zoom meeting statement**

Chairman Marchewka began the meeting by reading the following statement:

“Per NH RSA 91-A:2, III (b) the Chair has declared COVID-19 outbreak an emergency and has waived the requirement that a quorum be physically present at the meeting pursuant to the Governor’s Executive Order 2020-04, Section 8 and Executive Order #12, Section 3. Members will be participating remotely and will identify their location and any person present with them at that location. All votes will be by roll call.

**Minutes**

Commissioner Levenson moved, and Commissioner Gold seconded a motion to approve the draft meeting minutes of June 5, 2020. Via roll call vote, the motion carried unanimously.

**Update on Pease International Tradeport Update and Outlook**

Due to impending visit of President Trump, Pease Tradeport Executive Director Paul Brean has postponed his update to the August EDC meeting.

**COVID19 City Council Task Force on Business Reopening Update and Referral**

Commissioners Gold and Lachance represent the City on the task force and reported that to date the group’s focus has been on two activities: 1) open streets proposals to allow for outdoor dining at Portsmouth restaurants in the downtown and 2) the Pop-up Portsmouth outdoor venue for performance events and retail/restaurant sales.

With input from City staff the Task Force has worked with a group of volunteer local design professionals and approved over 45 applications for outdoor dining. The Pop-up Portsmouth group is applying for non-profit approval, has raised significant funds to match city funds allocated for the temporary venue and has evaluated the possibility of creating a temporary venue on the roof of the Foundry Place Parking Garage and more recently switched focus to the preferred site at the Bridge Street surface parking lot.

Other concerns/actions that the group will be looking into include 1) the possibility of extending the parking rate discount to non-resident employees of Portsmouth businesses in the High Hanover Parking Garage, 2) The \$3 million insurance requirement for businesses operating outdoor street dining with alcohol service. 3) Determination of the potential economic impact of the initiative.

Mr. Gold also reported that the Task Force reviewed a request from a group of local restaurant and cultural organizations asking the group to explore a public private partnership for a rent relief assistance program for businesses which have been restricted from generating sufficient revenues to meet rent obligations and other fixed costs because of the mandated shutdown due to the COVID 19 pandemic. Mr. Gold suggested that the request be referred to the EDC for discussion and a recommendation.

The Commission discussed the challenges surrounding the issue of rent relief and the complex web of lenders, landlords and tenants involved in commercial properties. In addition, EDC members discussed the state and federal CARES Act resources that were available to property owners and tenants for rent payment/mortgages shortfalls due to lost revenues such as the Governor's \$300 million Main St. Relief grant Fund. City Manager Conard reported that when this concern was brought to the city by the businesses she raised it in one of the weekly conference calls with the Governor. His response was that the state had provided a CARES Act business assistance grant fund that eligible businesses could apply for to cover rent and mortgage payments. He did not anticipate any specific additional funds for rent relief. She also reported that staff spoke to bond counsel about the suggestion that the city use its bonding authority to create a rent relief fund. The response was that while it is possible to use bonding for an economic development partnership, each individual request would be subject to public input and would have to pass the public benefit threshold for bonding.

Ms. Carmer reported that she reached out to the Rockingham Economic Development Center to determine if federal EDA or other funding might be available for helping business with this fixed cost. Staff also researched other U.S. state programs and funding models that the City might emulate. There were only a few applicable examples and each relied on state resources and had sufficient staffing capacity to develop and administer the program, neither of which exists in the City. Discussion with local representative lenders and landlords and tenants found that many local lenders are providing forbearance of mortgage payments and many landlords were working with tenants on rent forbearance, forgiveness or a payment plan.

Commissioner Zolla raised the issue of equity in a rent relief program noting the difficulty providing a subsidy to one business and not another, especially when many businesses elected to close temporarily or were mandated to close. He said waiving property taxes for landlords might be an option with the mandate that the savings be passed on to tenants. This sounds good on the surface but would not work for highly leveraged property owners and would negatively impact municipal revenues and city services. He feels the request is very well-intended but in practice it is challenging from both an application and equity perspective. The Commission agreed and asked the City Manager and Ms. Carmer to draft a response to the Task Force that summarizes the options explored as well as the response from the state and other entities consulted for the EDC to review.

#### Council Representative Report on Upcoming Business that Warrants EDC Attention or Action

City Councilor Lazenby reported that Councilor Tabor is bringing forward a proposed op-ed and survey to be published in the paper and mailed to residents seeking input on the McIntyre Building redevelopment plan.

Assistant Mayor Splaine reported that he is chair of the City Manager's evaluation subcommittee and that the prior evening the group met and will be making a glowing recommendation to the City

Council next week on the Manager's performance to date as well as some desired initiatives going forward such as a COVID 19 Think Tank, and a city council retreat.

### **Other Business**

- **FY 20/21 Municipal Budget**  
City Manager reported that following an extensive series of work sessions the City Council passed the FY 21 \$118,965,338 municipal budget which is a 1.08% reduction from the prior-year budget and which renders \$0.16 off the estimated tax rate.
- The Clipper Strong initiative fundraising and "Welcome "Back" business re-opening bags are ongoing. There is currently about \$8,800 in funds available net of the cost of the 120 bags assembled. Each bag includes a box of masks, a contactless thermometer, signage for businesses indicating best practices for customers and a bottle of sanitizer. Donations can be made to the [www.ClipperStrong.org](http://www.ClipperStrong.org) website and bags can be requested online at the City's hotline.

### **Public Comment**

Greater Portsmouth Chamber Collaborative President Valerie Rochon reported that local lodging properties are now taking reservations and seeing an uptick in guests. She also spoke about a partnership that the NH Business and Economic Affairs Division is creating with regional Chambers for the building economic development initiatives on the topics of general economic development, workforce acquisition and tourism marketing using of \$2 million of the NH Cares Act grant to be divided among the seven regional chambers.

**Confirm Next Regular Meeting:** August 7, 2020 at 8:00 AM

**Adjourn** At 9:40 AM City Councilor Lazenby moved and Commissioner Gold seconded a motion to adjourn. Via roll call vote, the motion carried unanimously.

Respectfully submitted,  
Nancy Carmer  
Economic Development Program Manager