

Exeter Economic Development Commission

May 14, 2013

1. Call Meeting to Order

Chairman Barry Sandberg convened the meeting at 8:05 am in the Nowak Room of the Exeter Town Office building. Members present were: Selectman Dan Chartrand, Brian Lortie, Len Benjamin, Kathy Corson, Brandon Stauber, Lizabeth MacDonald, Madeleine Hamel Jason Proulx and Town Manager Russ Dean. Also in attendance: Building Inspector Doug Eastman and Town Planner Sylvia von Aulock.

Guests: Selectwoman Julie Gilman

2. Approval of February and March minutes

Noting at the March EEDC meeting a request was made and granted to defer the approval of the February 12, 2013 minutes as Mr. Stauber wished to have more of his comments (on a TIF study group) included for the record. The minutes with the highlighted additions were electronically mailed to members prior to this meeting. Mr. Stauber moved to approve the February minutes with the additions; seconded by Mr. Benjamin. Motion passed.

In the review of the March 14, 2103 minutes it was noted the Southern District YMCA will be applying for funding from the *Community Development Finance Authority*. With that correction noted Mr. Benjamin motioned to accept; seconded by Mr. Stauber. Motion passed to accept the March 14, 2013 minutes as amended; Mr. Chartrand and Mr. Lortie abstaining.

3. Report: TIF work group presentation

The TIF subcommittee has worked for the past two months on preparing a report as requested by the BOS on the feasibility of establishing a TIF (Tax Increment Financing) district in Exeter. Ms. von Aulock, a member of the working group reported the subcommittee has focused on two products to date; a document outlining the elements of a TIF suitable for educating the public and a second report more technical following the State RSA's pertaining to establishing such a program. .

The PowerPoint presentation prepared for this meeting was designed for an informal discussion; to invite questions and comments from the members present. Ms.von Aulock added she attended a Planner's convention on the benefits of creating and attracting businesses, workers and visitors re-enforcing the idea investment yields attraction. The group felt the concept to create a town the next generation would want to live in could be an attainable goal and mindful of the concept investment yields attraction. Using that as a basis for this presentation and the groups' guidelines, the topics highlighted include: Benefits of Investment, Other Towns in NH using TIF for Improvements, Why TIF-Why Now, Exeter's proposed central district and examples of other TIF communities' improvements.

Mr. Chartrand supplied the history of the Town citizens' rejecting bond articles for downtown improvements. A TIF district creates a direct funding source to provide for making specific downtown improvements. Various projects accomplished in other surrounding towns using this source of funding were included in the presentation. Again, he re-iterated what attracts visitors also attracts businesses thus strengthening and broadening the commercial tax base which can provide some residential property tax relief. Adding, he felt the town was at a point if nothing was done we might repeal businesses from locating to the town because of the present deteriorating infrastructures.

Responding to a question on Town funds for such improvements, Mr. Dean replied there are no funds so designated in the Town operating budget. He noted the current budget is approximately 70% public safety and public works and a good portion for debt service. What he feels is attractive about a TIF is that it is based on incremental value; doesn't look at current tax base/value/rate. It is all based on what will come; in capturing tax monies on the incremental value (for a limited amount of time noted by Mr. Chartrand). It does create a funding source for some of these improvements.

Ms. von Aulock presentation illustrated the timing is crucial because of the number of vacant lots and properties available at this time. Using recent improvements to commercial properties, she used figures from the Tax Assessor's office to illustrate if the Town had had a TIF district in place some 10 years ago when some of these improvements occurred the amount of funds derived because of the increase in value would be substantial and would have accomplished some major downtown improvements.

A map denoting the multiple zoning districts depicting the proposed TIF district was shown and explained. The proposed central area district conforms to the specific regulations stated in RSA's; this is only a schematic presentation; future presentations will go into those specific details.

As for including the Train Station area in this proposal, Mr. Chartrand acknowledged it was considered but as there are plans in progress to address this area it was not included; may be a separate district at a later time. Potential scenarios may occur as improvements occur; there may be a spillover effect with support being forthcoming for other projects.

In looking at the Town Master Plan, Ms. von Aulock noted there are a number of chapters that support various aspects of the downtown improvement plan. Two specific recommendations were cited and gave examples of what possible downtown improvements could be: crosswalks, kiosk, signage, tree replacement, traffic circulation assessment, utility assessment and street furniture. Visual examples were provided of present conditions and what "could be" as developed for the previous study for downtown improvements.

With the conclusion of the presentation, Mr. Sandberg thanked the member of the TIF working group for their efforts. Ms. von Aulock stressed it is a work in progress. Mr. Dean further offered some steps that must happen (an actual TIF designated district) before it goes to the voters for a vote. A warrant article is to be written for voters to approve the adoption of the RSA 162-A that permits the formation of a TIF and the plan for establishing a TIF advisory board (as stated in the RSA). There is to be established a 7 member board with a majority of its membership being property owners within the district; other representatives and means of selection have not been established. This advisory board will be the directing force as to what projects go forward and the specific dollars allocated. Ms. Corson added any specific improvement must be adopted by the Town. Any amendment(s) also come back to the voters for approval; a very town-driven article.

Ms. Hamel asked what time frame is anticipated to bring this before voters and would it include specific improvements and dollar amounts. Ms. von Aulock referred to the Table of Contents of the report generated to date and the topics discussed and who or what department would be formatting. Continuing discussion focused on that second warrant article for approval and how the specific improvements would be listed if they had not been vetted out in detail. It was reiterated this is just a plan and the source for revenue doesn't appear until

development occurs. With funds, voters would be asked to approve the expenditure of a certain amount of dollars for said project.

Mr. Lortie stated in his opinion if this plan/report were to be presented to voters it would not pass; feels it needs more financial details; questioned are the monies (for improvements) going to be borrowed and possible debt service incurred or wait until funds are in place or a combination of the two.

With Ms. MacDonald emphasizing a TIF district does not benefit a particular developer; the developer will do whatever they need to do to see their project come to fruition. Discussion continued when a situation might arise where necessary infrastructure improvements for the project are needed/required be in place that might require assistance/support from the town. Mr. Dean explained that might not be a direct benefit to the developer but can act as a catalyst to help something happen.

Returning to financial implications, it was stressed there are no specific projections for projects at this time. Ms. MacDonald replied the Town has the benefit of knowing there at two potential happenings but if a district isn't in place the (opportunity) will be lost. When municipalities put in TIFs it is not for the short term but a long term plan thus making it difficult to quantify.

Ms. Corson stressed this study is not something the group has done before and feels there is the need for perhaps an outside source who has implemented such a plan to review what the group has done and suggest areas for further development.

The Chair commented on what he was hearing was a need for additional financial and economic analysis and could that be done in-house or is there a need for outside assistance. Mr. Dean replied the numbers in the report were derived/based on assumption and have been looked at and re-worked but stressed they could only be based on assumptions.

Discussion ensued on who was responsible for submitting the report to the Board of Selectmen (and any financial expenditures for a consultant); the working group-a subcommittee of the EEDC- or the EEDC and when does the report go to the BOS. It is hoped the report receives the support of the EEDC before it submits the report at the end of June to the BOS, but it needs only to be an informational report. If the BOS decide to move forward it will be then submitted to various departments and commissions for comments/review before the final wording for a warrant article is formed.

Ms. Corson commented with the EEDC meeting only monthly and with the impending time schedule there is not the time to wait until additional topics/figures are added or subtracted before bringing in experienced professional. A compromised suggestion was to bring in an expert to look at what the working group had and make suggestions/comments the group should explore or expand.

After further discussion, Ms. Corson moved to budget up to \$2000 to hire an expert to review and advise the subcommittee on the status/content of the present report; seconded by Mr. Benjamin. Discussion on the motion focused on who would be authorized to commit the funds and a suggestion the working group reach out to other

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towns that have gone through the process for referrals as there seems to be some areas of concern that warrant the engagement of a consultant for assistance.

The Chair calling for the motion as stated: to authorize the TIF working group to spend up to two thousand dollars to have an expert review and “polish” the plan and for the group to reach out to other communities having gone through this process. Motion passed with Mr. Stauber in opposition.

4. Guest presenter

Ms. Gilman, representing the Heritage Commission, was originally scheduled to present to the EEDC at this meeting the recently completed Town wide mapping survey but deferred for the TIF presentation. The report outlined the areas (with colored maps) of growth in the Town, the years occurring and conditions influencing the development. The funding came from a grant made available to Certified Local Governments (CLG) towns (which Exeter is) from the NH Division of Historic Resources. The next round of applications for grant funding is coming up and Ms. Gilman was at this meeting to ask for a letter of endorsement for their proposed survey.

She asked the map outlining the boundaries of the proposed TIF district be again displayed to better illustrate the area the Heritage Commission is proposing to focus on in this survey. The Franklin Street area was chosen as recommended area of further study by the consultant of the Town Mapping survey in his report. Also, it is an area not readily known to Town residents but its history includes carriage making, wood working shops and work force housing. Basically the survey will be an overview history of this area: “these houses were used for...”. She felt it could be a supporting document when presenting the TIF proposal in helping to educate the citizens on the history of this area. Today she was seeking a letter of endorsement from the EEDC to submit with the application.

Ms. MacDonald motioned the Commission endorse the proposal for the survey; seconded by Mr. Benjamin. Motion carried with the addition for the Chairman is authorized to sign the letter of support. (Mr. Chartrand and Mr. Stauber were not present for the vote)

5. Agenda for June 11, 2013 meeting

Consensus was to continue the discussion on the TIF proposal. Mr. Dean stressed if any member had specific items/concerns you wished addressed to please email any member of the working group. Ms. von Aulock stated she had from today’s presentation a list of specifics to be addressed. The challenge will be to incorporate the specific into a working document that isn’t overwhelming to the audience. The comments and possibly those of the outside consultant will be incorporated into the presentation for the June 11 meeting.

It was noted the meetings of the TIF subcommittee are posted on the Town web site.

Mr. Benjamin reminded the Chair the nominations for the officers of the EEDC 2013-2104 were to be addressed at this meeting. The Chairman will schedule for the June meeting.

With no further business, Mr. Lortie motioned to adjourn; seconded by Mr. Dean.

Meeting adjourned at 9:28 am
Respectfully submitted,
Ginny Raub, Recording Secretary