

Exeter Economic Development Commission

November 11, 2013

1. Call meeting to order

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

2. Approval of past minutes

In review of the October 8, 2013 EEDC meeting, the misspelling of a local industry was noted. Mr. Chartrand motioned to accept the minutes with correction; seconded by Mr. Benjamin. Motion passed unanimously; Ms. MacDonald and Mr. Stauber abstaining. (Mr. Proulx and Mr. Dean were not present for the vote.)

3. Town updates

- Ms. Corson announced the Planning Board approved a non-residential site plan and Conditional Use permit for a 4500 sq. ft. retail/service facility at 146 Portsmouth Ave (the vacant lot between McDonalds and Wentworth Motors on Portsmouth Avenue). There is no definite tenant at this time.
- Ms. von Aulock reported the Welcome Center (Baggage Building) committee is working with a new engineering consulting firm, DuBois and King of Bedford, NH, who are experienced in working with DOT grants and anticipates having a contract signed soon to begin the engineering study.
- Mr. Chartrand relayed the BOS approved moving forward with the RSA 79-E provision but reduced the EEDC suggested 11 districts to 4 districts; Water St, C-1 district, Lincoln St. and a portion of Portsmouth Ave (from High St. to just past Walgreen's). It will appear as a warrant article on the March 2014 ballot.
- On the proposed Economic Development Director position, Mr. Dean said it is an agenda item for discussion at the Budget Recommendation Committee meetings this week.
- Ms. Hamel, chairperson of the **Business Retention and Expansion subcommittee**, announced the group continues to meet monthly and recently finalized the letter of outreach to be sent to a dozen of local businesses. In this round a mix of businesses will be the recipients; banks, credit unions, and retail businesses. Follow up calls will then be made to schedule visitation meetings. Again, she invited any members to join her, Mr. Hampson and Mr. Proulx in the visits. Hopefully will be completed by end of year; depending on schedules.

The committee would also like to develop marketing/informational material to leave behind after their visit. Presently, material consists of a card outlining ER Zone and an introduction to EEDC; would like to develop material more flexible and appropriate for their audience/business i.e. outlining 79-E, TIF. Ms. Tokos has joined the group in assisting in the design of such material and a presentation folder. Ms. Hamel requested funds to proceed with the development of the material. After discussion, Mr. Chartrand moved to allocate up to three-hundred dollars (\$300.00) from the EEDC budget for the subcommittee to develop the new materials for the outreach and expansion work group; seconded by Ms. Corson.

Discussion determined there are no existing Town presentation folders and design is to be done in house. Ms. von Aulock had suggestions of existing materials that perhaps could be adapted/modified. The Chairman called for the vote on Mr. Chartrand's motion. Motion passed unanimously.

4. Presentation

Intern Mark Manganiello, through a PowerPoint presentation, acquainted the Commission on a program he came upon while doing research on economic development programs available to Exeter; New Market Tax Credits. He admitted it can be a complicated financial tool with various federal, state agencies involved before it gets to the developer in the form of a loan. Ultimately, the recipient receives a federal tax credit based on the investment into a project and can be applied to the investor's federal income tax liability. In NH, the only agency certified to accept and disperse these funds is the NH Business Finance Authority. It is available for projects in a community designated as a low income community as defined by a census tracking formula; meaning a community with a median income 80% less than its' surrounding communities or 20% designated as in poverty according to federal guidelines. Using a graph depicting the eligible census-tracks areas in town, they are east of the railroad tracks, west of the Squamscott River. This makes almost all of the down town eligible as well as Lincoln Street. He cited the example of the IOKA Theater as a possible beneficiary if a developer wished to do a major restoration/renovation.

Many variables factor into the availability of these funds as they must be renewed annually by the Congress and the census tracks have a set time before reevaluation. With Exeter labeled as a low income community its median income is 76% of the surrounding census tracks and the threshold is 80%. With this ratio, there may be competition from other towns with a greater need/in distress. But it remains as a possibility and worthy of being watched and sought out, if applicable, as it generally is used in combination with other economic development programs; Historic Tax credits (if applicable), the adoption of 79-E and a TIF district. However, at this time properties in the ER zone are not eligible for this program or any development on Chestnut St (The Mills). A link to the program will be added to the web site and incorporated into marketing material.

Mr. Manganiello was thanked for his presentation and for bringing this new development program to the attention of the Commission. As to the application process, the potential user would initially contact the NH Business Authority for more information. Mr. Chartrand commented in spite of the perception Exeter is "prosperous" he used the example of the downtown and Lincoln St. as the perfect candidates for upgrade.

5. Reports

- RSA 79-E

Mr. Dean distributed a prepared handout outlining the presentation to the BOS and summarized what was ultimately approved; Mr. Manganiello then continued the presentation. Debate at previous meetings focused on the RSA definition of town center but the EEDC wanted to be as expansive as possible and recommended 11 districts be included as potentially available for the program. The BOS sought legal consul on the proposed draft and it was felt best to adopt a more conservative approach then possibly having to defend the different "town centers" as stated in the statue. The BOS consequently reduced the

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11 proposed districts to 4 districts. A map outlining the districts located the C-1 districts of Central downtown, Lincoln St, the WC waterfront commercial area and Portsmouth Ave. from Walgreen's to High St. intersection crossing over to include the High St. Market and the former Foster's building. This program will be discussed at deliberative session and on March 2014 ballot.

If there are any questions on this program or any of the other programs forward the queries along to mmanganiello@exeternh.gov. It was noted the domain name for Town is in process of being switched over to @exeternh.gov.

Ms. Hamel asked if the newly proposed economic provisions may be "packaged together" and appear on the warrant as one; felt citizens might be overwhelmed with the possibilities of each program. It was determined each program must be voted on separately but every effort will be made to educate the voters. Mr. Dean referenced an informational pamphlet prepared prior to the deliberative session and available on line. Further discussion provided additional suggestions of conveying educational information using the Town web site and public TV channels. Ms. Tokos suggested preparing a poster board display to be placed in various downtown locations outlining the programs; expand the locations was noted as the programs benefit all of Exeter not just the downtown.

Mr. Hampson confirmed the EEDC is on the Chamber's calendar for hosting the Business After Hours event in February 2014; exact date has not been set by Chamber. To date, a co-sponsor has not been found. Mr. Hampson will obtain the necessary permit to serve wine and beer at the event set to be held on the third floor of the Town Hall. Again, this will provide an opportunity for additional educational outreach.

- **TIF work group**

Mr. Chartrand, chair of the TIF subcommittee, turned to Mr. Dean for an update on the TIF work plan. Mr. Dean distributed a prepared copy entitled Downtown Tax Increment Finance District; Development Program and Financing Plan Draft dated 10/28/13. Mr. Dean commented on the Commission's approval of funds to bring in a consultant to review the draft report. The services of Mr. Donald Jutton and his firm Municipal Resources Inc. were engaged. Mr. Jutton has worked with other NH communities in formulating TIF programs. The draft prepared by the subcommittee was assessed and redrafted to comply with the RSA's that must be met (for a TIF). This was re-distributed to the subcommittee for comments and those comments will be forwarded onto Mr. Jutton to be incorporated into final document. A completion date is anticipated for the middle of December and will be brought to BOS for discussion and feedback.

Initial contact has been made with the school district regarding the TIF program and a meeting is anticipated with them soon as well as the County Commissioners. When a public hearing is scheduled they all will be given an opportunity for comments. If supported, it would mean the adoption of the RSA and subsequently the formation of a TIF advisory board as outlined in the plan. It would then be in place ready for implementation be it 2 months or 2 years.

Mr. Chartrand felt it best for the consultant to finalize the draft based on the feedback from subcommittee, then, come back to EEDC in December for a vote deciding if the TIF program should go

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on to the BOS for approval and ultimately to appear on the 2014 warrant. Ms. MacDonald asked if additional funds were needed to complete this final phase. Mr. Dean was unsure of the amount remaining from the initially approved two thousand dollars (\$2000.00) but felt it was close to being expended. Because of the time schedule, Ms. MacDonald motioned to approve up to two thousand dollars (\$2000.00) from the EEDC budget to be allocated for the services of Mr. Jutton to complete the report; seconded by Mr. Chartrand.

In discussion Mr. Dean noted it was just not the final report that could use additional funding but having Mr. Jutton come and speak to the various groups and the public hearing is an important component for the support of the program. Also, if members in reviewing the draft have any further comments or questions to please pass on to Town Manager's office so they may be addressed in final document. With no further discussion the Chairman called for a vote on the expenditure of up to \$2000.00 for the use of the TIF subcommittee to finalize the document and possibly the public presence of the consultant in presenting the document. Motion carried unanimously. (Ms. Corson and Mr. Stauber were not present for the vote.)

Mr. Dean did raise the awareness of spending public monies for advocating and monies for education; was cognizant the Commission's concern was education. Remainder of meeting was discussion of the different avenues for education and what has been done and what can be done. It was determined there are multiple opportunities available for educational programs; perhaps hold a public forum on each of the programs. Mr. Hampson noted the Chamber's Lunch and Learn series as a possible venue but was unsure how far out they are scheduled. Also noted there is a month between the deliberative session and the Town voting day for targeted messages. Mr. Chartrand offered his advice "to trust the system" and Mr. Dean added to remain positive.

Mr. Sandberg and members of the Executive Committee will formulate the Dec 10, 2013 EEDC meeting agenda

With no further business, Mr. Chartrand motioned to adjourn; seconded by Mr. Lortie. Meeting adjourned at 9:35 am.

Respectfully submitted,

Ginny Raub
Recording Secretary