

Economic Development Committee

Meeting Minutes

October, 24, 2008

Present: Susan Fuller, Jim Campbell, Jason Lenk, and Doug Clark, and Chris Mueller

- I. Meeting called to order at 7:34 am  
Meeting Agenda was adjusted. Southeast Economic Development Corporation was moved to item VII and moving all other topics up.
- II. There were no public comments
- III. Approval of the Minutes  
Minutes of 8/8 approved with one abstention; motion to accept by Susan Fuller, second Jason Lenk  
Minutes of 9/26, approved: motion to accept by Susan Fuller, second by Jason Lenk  
Minutes of 10/10, approved motion to accept by Susan Fuller, second by Jason Lenk
- IV. Zoning Amendment Update  
Mr. Clark explained that the Spruce Woods Zoning extension of ORLY to Residential B was passed without the conservation easement. The easement was dropped due to some potential legal concerns. Ms. Fuller explained that the easement and zoning are usually two different processes. Mr. Clark stated that the work on this is not done and the Council intends to work to ensure that the owner will take care of the land that way the current owner does.  
  
Mr. Mueller asked about the Aquifer protection zone. Mr. Campbell stated that consultants were hired to look at all of it and found a conflict between the ordinances and the standards created in other areas. He will be working to resolve this matter.  
The shoreline area is still waiting on the zoning or land ordinance to create the extra buffer. It is currently 125 foot no build, and it is proposed now to go to 150 foot no build but it was noted that perhaps it can a 250 foot no build which Mr. Farrell suggested.  
Mr. Clark reiterated the need to get as much vetting done before items go to the Council.  
Mr. Mueller stated as Council is moving through the process, the planned unit development ordinance could have been helpful and raised concerns about the other ordinances do they explode or retire? Mr. Campbell stated that they were taken during the rezoning effort and don't exist anymore.  
Mr. Mueller reiterated the need to finish the PUD.
- V. Strategic Plan  
The strategic plan was tabled to the next meeting
- VI. Other Business  
Mr. Lenk met with Professor Marsuuchi on the SWOT analysis survey. Funding

is still needed. Lenk offered to approach Durham Business Association for a joint project. Mr. Campbell stated he had some funding for this.

**Summary of Durham Business Association meeting.**

Jason attended the meeting. Alternative position will work. The person will be at every EDC meeting but can't make motion or vote. Erica Maas encouraged the Committee to find a UNH/Durham resident to help bridge the gap. Mr. Mueller suggested someone with economic background, banking or another planner. Mr. Doug Banks was suggested.

Mr. Lenk spoke to the group about the revaluation stating it was not just business and Town was reviewing the entire process, they were a little less panicked.. The group encouraged the committee to look at internet and mail order big impact on buying trends.

Job descriptions for what an EDC committee member was requested. Mr. Campbell stated he will put it together.

**VII. Southeast Economic Development Corporation (SEDC) Ute Luxem**

Founded 11 years ago, the regional office provides assistance locating financial assistance for businesses in southeastern and south central New Hampshire. They are the point of contact for state and federal agencies as well as other interested investors. The office provides money through revolving loan funds, which allows money to flow to one business, then the money is used by others. Their focus is on businesses that lead to job preservation and creation.

SEDC is one of the biggest in the state and primarily helps seacoast businesses. Most of them are business who have outgrown the house and garage. If they get past the growth phase, they are bigger companies providing good paying jobs and benefits for the area. Multiple businesses in mature markets have sudden problems due to market turn around and it is not easy to find the financing with regular bank due to the industry concerns. SEDC has a variety of tools to help: grants, bridge loans and subordinator loans are just a few tools. Subordinated Loans used the portfolio of the corporation as collateral for the loan.

As an example, SEDC helped Middleton Building Supply change their sawmill operation to become energy independent. SEDC helped them install a boiler to dry wood in the kiln and helped them apply for USDA grant to put in equipment that allows them to burn their waste making them energy independent. Had they not made these changes, the high energy bills would have put them out of business costing 130 jobs.

**New Market Tax Credits**

Ms. Luxem spoke about a new program through the state and federal government called New Market Tax Credits. The State was extremely successful receiving got

65 million of the 72 million requested. Only 29% of projects were funded at all- and the average allocation was 50 million so the State did very well.

The target of this program is to improve the situation of low to moderate income people through economic development. Parts of Durham qualify because of the low income tract of its population. The specific rules and criteria are not available from the state yet. Generally business owners can invest money in business in these targeted areas and receive a tax credit worth 30% of net value of the initial investment distributed over 7 years. 85% of the money must go into make the investment. The enclosed map shows that a good portion of downtown is eligible and the Durham Business Park. Businesses could really benefit.

UNH is a non-profit, and Durham as a town could generate some money from them too. There is a request for hotel in the Mill plaza. If UNH redevelops its sport facilities, others will come here to do their regional sports tournaments- swimming is already held here on a regular basis. The people stay overnight in town then it would generate business in the retail which could use it right now.

Mr. Mueller asked about the process.

Ms. Luxem stated that a business must determine a project and then it must go through a “for profit” agency or investor. The money goes to the investor who in turn gives it to the business for development. How it is structured from deal to deal depends on the rules the state sets and the project.

Ms. Fuller asked how long will it take to write the rules.

Ms. Luxem estimated that it will take 2-3 months until they are written and approved and pass through legislature. She noted that the money needs to be used in five years so it is in the interest of the state to get the money out as fast as policy.

Mr. Mueller noted that if the town interested in development they could find the vehicle and the map shows where the development has to happen.

Mr. Lenk asked if there were any limits on the maximum or minimum amount for the new market tax credits.

Ms. Luxem noted that it would depend on how the applications come in. Not everyone will need all of the funds.

As a follow up Mr. Lenk asked if there are projects that don’t get funded.

Ms. Luxem noted this is a new program so there are no stats, but she is confident they will be able to place all 65 million.

Mr. Mueller noted that New Hampshire is listed as one of seven states growing economically right now. Ms. Luxem noted that the Carsey Report stated NH replaced manufacturing jobs with lower paying retail jobs so people are actually working for less.

#### VIII. Adjournment at 8:27 am

Motion to adjourn Susan Fuller and seconded by Jim Campbell.