

Approved - October 25, 2010

**Durham Economic Development Committee
Monday September 20, 2010
Durham Town Hall – Council Chambers
7:00 PM**

MEMBERS PRESENT: Susan Fuller, Thomas Elliott, James Lawson, Doug Clark, Ute Luxem, Jim Campbell, Yusi Wang Turell

MEMBERS ABSENT: Richard England

OTHERS PRESENT: Ann Lane, Todd Selig, Bill Hall

I. Call to Order

Chair Elliott called the meeting to order at 7:06 pm.

Mr. Elliott made a request to elevate Ute Luxem from alternate to standing member for the meeting due to the absence of Richard England.

Doug Clark MOVED to have Ute Luxem serve as a voting member for this meeting due to the absence of Richard England. This was SECONDED by Jim Campbell and APPROVED unanimously.

II. Approval of the Agenda

Susan Fuller MOVED to approve the agenda as written. This was SECONDED by Doug Clark and APPROVED unanimously.

III. Public Comments

Mr. Elliott opened the meeting to public comment and advised that public comments could be made during the meeting as well.

There were no comments from the public at this time.

IV. Approval of the minutes: August 23, 2010

A minor correction was noted to the draft minutes.

*Ute Luxem MOVED to approve the amended minutes. This was SECONDED by Susan Fuller and APPROVED unanimously.**

**Note: Doug Clark abstained from voting on the minutes since he was not present at the August 23, 2010 meeting.*

V. Committee & Staff Roundtable

Mr. Elliott asked Jim Campbell to begin the roundtable.

Jim Campbell reported that the visioning process for the Master Plan updates would begin shortly. He noted the Town received a grant from the New Hampshire Cooperative Extension for assistance in organizing and facilitating this process. Mr. Campbell explained that a Master Plan Advisory Committee (MPAC) is being formed with representatives from the different Town boards, commissions and committees as well as several citizens represented by the ZBA and the University of New Hampshire. He explained these members will also serve on one of two subcommittees; 1) planning of the visioning forum or 2) writing of the citizen survey. Mr. Campbell noted the visioning forum will be scheduled for November and the citizen survey will be web based with hard copies available as well. He said the committee would like a representative from the Economic Development Committee.

The members asked when the committee and subcommittees would meet and how much of a time commitment this would involve. Mr. Campbell responded that the whole committee would meet once a month and the subcommittees will meet biweekly.

The members had a lengthy discussion regarding the role of the Master Plan Advisory Committee (MPA) and the subcommittees. Mr. Elliott said it was his impression MPAC's purpose is not to steer the language of the Master Plan but to guide the public engagement aspect of the planning process. Jim Campbell said MPAC's work this year is the visioning work and next year the writing of the chapters for the Master Plan will begin. Mr. Elliott noted that the concern of the subcommittees is not what the vision of Durham should be, but how does the town get people to tell us their vision for Durham and manage that public engagement process.

Yusi Wang Turell said she feels the questions asked in the survey can steer how the public engagement proceeds. She said she feels the Committee needs regular updates regarding the process. Ms. Turell encouraged the Economic Development Committee representative to volunteer to work on the visioning forum. She said she feels the questions that are asked will shape the dialogue the citizens of Durham are engaged in.

Doug Clark said that when he was a member of the Energy Committee they were in the process of writing a chapter to the Master Plan. Jim Campbell said that would be addressed when the writing of chapters for the Master Plan gets underway.

Tom Elliott said he sees the committee role as managing the process. Jim Campbell said the subcommittee will be responsible for organizing the forum (when to have it, where to have it, what facilitator to use, etc) and the second subcommittee will be responsible for writing the survey.

Doug Clark noted he feels this process is inefficient but hopes the Economic Development Committee will be fully involved when the process moves forward to the point of the chapters being written.

Tom Elliott said his experience with other Master Plans is that the process begins with a wide scope.

Ute Luxem said the Master Plan should have a broad vision. She noted the Economic Development Committee has a streamlined thought and is outcome focused; there are others in the community who might have a different view. She said she feels everyone needs to be brought together to find the direction that we as a community want to go.

Ute Luxem volunteered, noting that she would not be available for the first meeting. Jim Lawson volunteered to be the alternate to this committee.

Jim Campbell reported that several student housing projects have received temporary certificates of occupancy through September. He also noted that the Planning Board approved attic space for 6 Jenkins to be used for permitted non residential uses and that an application was received for 9-11 Madbury Road requesting a fourth story (the project had previously been approved as a three story mixed use project). Mr. Campbell noted there were a few zoning change requests brought to the Planning Board:

1) Town Council asked the Planning Board to consider a change to eliminate gas stations and convenience stores in the ORLI district --- the Planning Board voted to keep this zoning as is --- if the Town Council wishes to initiate this change they will need to hold a public hearing;

2) Town Council asked the Planning Board to initiate a change that would make residential subdivisions in ORLI and MODOR subject to Conservation Subdivision review. The Planning Board did not recommend this change. If the Town Council wishes to move forward with this they will need to have the Council initiate a change and send it to the Planning Board; the Planning Board would have 60 days to make a recommendation to the Town Council at which point the Town Council would have a first reading and then schedule a public hearing. Mr. Campbell noted that this proposed change came about after discussions to allow single family/duplexes in both the ORLI and MODOR district.

3) Request to eliminate contiguous lot area (Chapter 175 section 55E) – Jim Campbell noted that a change to this has been discussed for many years. He said the wording is hard to understand and the Planning Board felt there were other regulations in place (such as minimum lot size, setbacks, and overlay districts) to provide protection. Mr. Campbell said the Planning Board felt this was no longer needed and a public hearing will be held on the 27th.

Mr. Campbell reported that the Inclusionary Zoning Implementation Program has been productive and there will be a public forum in Town Council Chambers on Tuesday September 28th to discuss findings and recommendations for possible zoning amendments to assist the town in complying with State law regarding workforce housing.

Susan Fuller said a consultant reviewed the zoning ordinances chapter by chapter and made recommendations in the report. She noted the report is available through the Planning Board and is on the website. Ms. Fuller said the public forum would point out the highlights in the report. The members asked if the report would be in the “Friday Updates”. Todd Selig said the report would be on “Friday Updates”.

Jim Campbell reported they have been working on the market analysis. He said comments were sent to the consultant who redid the scope of work (which was received August 31st), changes were made to that version and sent back to the consultant. Mr. Campbell said Phase I will be completed in 60 days.

Doug Clark noted there are three phases and asked for some idea of what Phase I would consist of. Jim Campbell responded that Phase I will involve:

- 1) demographic trends
- 2) market segment research
- 3) collecting information indicating health sustainability and growth potential for key real estate market segments
- 4) looking at employment and economic trends
- 5) talking to realtors, business owners, university officials, civic leaders, key town staff and residents
- 6) growth forecast for real estate market segment
- 7) growth projections from employment section
- 8) detailed growth analysis for focused sectors (business, professional services, medical and health services, high technology, biotechnology, UNH community).

He said the final task would be the final report. Mr. Campbell said he envisions a couple of meetings – one with the subcommittee for review and then a draft of the final report will be submitted to the Economic Development Committee as a whole.

Doug Clark asked if the report would be available by November 20th. Jim Campbell said it would be.

Mr. Campbell said while Phase 1 is being undertaken the subcommittee will meet to review Phase 2 and Phase 3 to ensure they are on target.

Doug Clark asked if there is funding available for all three phases. Mr. Campbell responded that funding is in place for Phase 1 and Phase 2. He noted Phase 3 is the implementation phase and there will need to be a discussion to decide if that phase will be accomplished with the consultant.

Jim Campbell reported that a section of the plan is dedicated to working with the consultant on getting a contract to do “quick fixes” which will be broken into three groups.

Mr. Campbell reported that the September 29th Planning Board meeting will be dedicated to planning discussions which will focus on the capital improvement program, discussing the master plan and the commercial core.

Doug Clark reported on Town Council matters, noting that the last Town Council meeting was dominated by a public hearing to discuss the proposed Disorderly Housing ordinance. He said the next Town Council meeting would be mostly deliberations and decisions regarding this issue. Mr. Clark encouraged the members and public to keep abreast of this issue and forward any feelings or comments on the issue.

Jim Lawson reported on Traffic Safety Committee matters saying that preliminary data from Pettee Brook will be reviewed on Thursday. He said while looking at the preliminary data it appears there has been a calming effect on traffic with a cost of only 4 or 5 seconds in travel time.

Doug Clark asked if there have been traffic backups as a result of the change to Pettee Brook. Jim Lawson responded that he has been downtown on a regular basis and has not witnessed traffic backups other than when there is heavy pedestrian traffic at the intersection of Madbury and Pettee Brook.

Doug Clark asked if the line of sight issues coming out of Jenkins and the parking lot have been resolved. Jim Lawson said adjustments were made to improve the line of sight, but this will be assessed further. He said the volume of traffic has increased significantly, the average speed has decreased slightly, but when the excessive speeds are reviewed, the data shows they have decreased dramatically. Mr. Lawson said the Traffic Safety Committee will review all this and he will report further at next month's EDC meeting.

The members discussed the future of the parking spaces on Pettee Brook and the proper procedure for changing their usage. Todd Selig said traffic continues to flow smoothly on Pettee Brook Lane. He said the goal of the spaces was to calm traffic not to add spaces, but fortunately the two goals coincided. Mr. Selig said he has the authority to create parking spaces but the Town Council needs to pass an ordinance change to memorialize how the spaces are enforced. He said the goal is to assess the Town's entire downtown parking strategy along with these spaces at the same time. Mr. Selig noted there will be a meeting tomorrow with the traffic engineer and one of the topics of discussion will be the Pettee Brook Lane parking spaces.

Tom Elliott congratulated Town government, staff and volunteers for accomplishing the task of creating these new parking spaces in a relatively short amount of time.

Jim Lawson said he would be at the meeting with the traffic engineer. He said he took a month to collect parking data, look at some recommendations, and make comparisons against estimates regarding parking demand and supply to provide this as a base of data for the engineer to begin with.

Tom Elliott asked if there was an update regarding the feasibility of a parking garage and new Fire Department. Todd Selig said several months ago the Fire Safety Engineering Team was asked to see if a combined parking structure/fire station would be feasible on the site of C Lot (across from Market Place entrance). He said 6 design concepts were brought forward. Mr. Selig said one of these was featured on last Friday's "Friday Updates". He said this design featured a Fire Station fronting Mill Road and a new structured parking garage behind the station. Mr. Selig said this was not the specific vision of the committee – which favors a combined structure on Mill Road to service downtown users as well as University users. He noted the C Lot site is narrow and to create the design of a Fire Station surrounded by a parking garage would require more width, which would require the purchase of the neighbors land to the right. Mr. Selig said they are also looking at the possibility of having the parking garage fronting Mill Road and the Fire Station on Quad Way. He said UNH is interested in working with the Town on this and envisions it as a combined structure jointly financed with the possibility of a private entity as well.

Mr. Selig reported that Capstone is still expressing interest in the community for a 600-650 bed facility. He said they are moving forward with the engineering of the site and have hired Appledore Engineering as their engineering firm to do wetland mapping and have hired wetland delineation and aquifer expert Tom Ballestero to assess if the present aquifer delineations on the site are accurate. Mr. Selig said Capstone has also hired Peter Lockman as their attorney. He said the team met with town staff and walked through some preliminary ideas for the site and believe the Planning Board can expect an application in October.

Mr. Selig reported that an RFP for the Grange property on Main Street was sent out the beginning of September and has a deadline of 4 pm November 12th. He said the owner of the "Tin Palace", Jesse Gangwer has been contacted by a pharmacy company interested in purchasing the site for a pharmacy. Mr. Selig said Mr. Gangwer has been in touch with the Town to express his interest in a hotel at this location. Mr. Selig said a discussion with Michael Kane of the Kane Company (which had expressed interest in a hotel at the ATO site) was held to see if there was any interest. He said Mr. Kane said he feels there is a strong hotel market in Durham and is interested in speaking with us regarding this. Mr. Selig said there would need to be active involvement by the town to work with Mr. Gangwer, ATO and possibly the bank to combine these three sites. He said the thought at this point is to leave ATO as is but adjust the lot line to use some of the vacant land on ATO property and meld it into a bank site as part of the hotel/conference facility in that location. Mr. Selig said he has invited the EDC Chair, Diana Carroll, Neil Niman, Jesse Gangwer and representatives from Kane Co to come together to discuss this.

Mr. Selig reported that there is new signage above Pettee Brook Lane to delineate the Main Street area and the University of New Hampshire. He also reported that the Public Works Department has moved forward with an advertisement program to promote downtown Durham within the train trestle at Depot Station. Mr. Selig noted they are looking for businesses that would want to rent space on one of these boards at a very

reasonable price. He suggested anyone interested contact Katie Muth of the Durham Business Association.

Mr. Selig discussed ways of financing significant infrastructure projects for the downtown. He suggested considering the creation of a Tax Increment Finance District (TIF) for the downtown core so that when new construction comes on line the Town can capture the added tax increment, bank it and then use it in the future to support the downtown. Mr. Selig encouraged the EDC to discuss this and if it is in favor of the idea, take steps to move this forward. He noted the Town Council adopted provisions to allow a TIF and the Stone Quarry District was created but never went forward due to issues with the developer. Mr. Selig said a new TIF can be created and he feels the downtown is the perfect site. He explained that the EDC wrote the proposal for the Stone Quarry District and thought the EDC would be the proper place to work out details for a Downtown district. Mr. Selig suggested using the Stone Quarry District TIF as a model for the language and edit it to reflect the realities of the downtown area and talk about the kinds of infrastructure that might come about – such as roads, lighting, sidewalks, intersections, etc. He also noted that Municipal Resources Inc was utilized when initiating the Stone Quarry District and they could be utilized again.

Ute Luxem said her boss would be a resource as he has experience with these issues. She noted she would not be at the October meeting, but could invite Mr. McCann to present at the November meeting. She also noted that the downtown area qualifies for new market tax credits, which is a good way for potential major investors to write off the investment.

Tom Elliott said before the October meeting the committee would find a way to move this forward.

Tom Elliott said he has been asked to report to the Town Council on EDC activities and he will do that on November 1st. He said he will prepare a one-page draft for the members to review and comment on which will be sent to the Town Council

Tom Elliott reported that the Comcast Franchise renewal hearing would be held tomorrow evening. He said Mr. Selig informed him that there is a 60-day comment period following the hearing. Mr. Elliott welcomed any input regarding this issue from members as well as Durham residents and said he would like to draft a statement from the EDC for the committee to review at the October meeting and have that statement put into the public record. He asked if there was any objection to receiving input on this issue from town resident. There was no objection from any of the members.

Tom Elliott reported that Richard England attempted to engage UNH in a discussion about surveying the students regarding their housing preferences. He said this attempt was unsuccessful.

Tom Elliott suggested allotting some time at the October meeting to review and evaluate the workings and effectiveness of the committee.

VI. Discussion of committee budget and spending priorities for 2011

Tom Elliott said there was a discussion at the last EDC meeting regarding spending opportunities on two levels: 1) under \$10,000 which would include, consultant, minute taking, reimbursement for professional development and 2) larger financial commitment to include the addition of an economic development staff member. He said there is a growing consensus in the committee, as well as pockets of the community and some councilors that the economic development capacity is less than it could be. Mr. Elliott said he spoke with Todd Selig and Jim Campbell about the possibility of putting forward a request for such a position in the 2011 budget. He said their suggestion was the request could be made to the Council but the Committee should have adequate reasons as to why it would be a good investment and why it is necessary in 2011.

Todd Selig said the idea of having a staff member to assist with economic development has been discussed off and on for 10-12 years. He noted that the title of the present planner is "Director of Planning and Community Development". Mr. Selig said this created a position which is inherently opposed to itself. He said on the community development side, the role is for the planner to actively recruit people who would like to invest money in town, convince them that the town is right for them, and then work on their behalf to smooth the way and to facilitate development. While on the planning side, the goal is to make sure someone is adhering to the rules and advise the planning board in terms of what the ordinances state. He said Mr. Campbell has done a good job balancing this dynamic, but notes it is very challenging. Mr. Selig said this has been discussed over the years, but the town has never felt it was in the financial situation to split the position. He said he feels servicing the planning board is a full time job, adding updating the master plan, zoning rewrites, the affordable housing initiative and economic development issues creates a job that is more than anyone person can do. Mr. Selig said if the EDC believes that the time is now to fund an economic development position it should be discussed what that would mean and if it should be a part time or full time position. He suggested beginning with a part time position (20 or 30 hours) and develop consensus about the importance for this role.

Tom Elliott asked if there are dollars being budgeted for other contracts that could be accomplished by this position and those dollars used to pay for this position. Mr. Selig said that would depend upon the skills of the individual hired and the scope of the position.

Doug Clark said he feels the skills of the personnel and the scope of the job would need to fit two criteria: 1) eliminate or reduce the need for outside contracts and 2) the outcome would exponentially increase the town tax base or revenue in a finite period of time.

Ute Luxem said she feels the town of Durham is long overdue for an investment of this type. Ms. Luxem said she feels a part time position would only cost the town \$20-25,000. She said this position could create outreach to businesses in town and work on strategies to keep relationships with the businesses, as well as provide a guiding hand to help with

getting through the town process. Ms. Luxem said it makes sense to have somebody who can devote time and expertise to businesses, not only to recruit but to assist. She said over time, by word of mouth, this could help to turn the relatively bad business image that Durham has into a good business image and would be money well spent.

The members discussed what they felt would be a realistic salary for a well-credentialed part time position. Mr. Selig said there is the possibility of hiring someone who would do this work not only for Durham, but for others as well.

Tom Elliott said he has found that an employer gets more of a benefit from an employee than a contractor. He said he felt the salary range for a half-time well-credentialed person would be closer to \$35,000. Todd Selig said his sense is that if this were a full-time position the salary range would be \$60-80,000 with benefits added to that. He said if the position were part-time there would not be the added cost of benefits.

Doug Clark said he feels the dollar amount needs to be justified by what it saves and what it can create.

Yusi Wang Turell asked how the part-time Parks and Recreation position was developed. Mr. Selig said the Parks and Recreation Committee developed a proposed scope of services and worked to sell the need for the position to the Town Council and me. He suggested developing consensus in the community that this is a good expenditure of funds.

Tom Elliott said he was heartened to hear that the staff is open to this suggestion. He asked the members if there is an interest in bringing this issue forward and working to build consensus.

Doug Clark said this should be looked at as an investment instead of an expense and the Committee should be able to show that if this investment is made it will be more than paid back.

Jim Lawson said Durham has a unique position in the combined Planner/Community Developer position. He said the more successful Durham is with economic development, the more demand it puts on the planner and the more his availability as a resource for economic development decreases. Mr. Lawson said a newly created position would not only help with economic development, but help with the function of the planning department.

Ms. Turell said she does hear businesses expressing their wish that the town would be more proactive in the retention of existing businesses. She said if this position is done well it could create a groundswell of business support.

Todd Selig suggested focusing on things that the committee is limited in doing with only volunteer resources and discuss what you have been held back from achieving because you do not have the resources available.

Tom Elliott asked if there were any comments from the public regarding this issue. There were none.

Mr. Selig suggested the committee discuss if they would like the support of a minute taker.

Doug Clark asked what the cost would be. Mr. Selig said between \$3-5000 per year. Susan Fuller asked who would do the minutes. Mr. Selig said the town employs Susan Lucius to take minutes for the Rental Housing Commission, Conservation Commission and the Water Resource Protection Subcommittee to the Planning Board. Jim Lawson asked if all those boards have a minute taker in their budgets. Mr. Selig said they do and explained that the Conservation Commission has taken on a more statutory role and it is important legally to have a solid transcript of the meetings, the Rental Housing Commission has been very high profile so the town has chosen to staff them with a minute taker to have an accurate recording of their meetings.

Mr. Selig spoke to the committee regarding the projected tax rate. He noted that last year the town projected a 1% increase for this year based on a projected assessed value increase of 1%. Mr. Selig noted the assessed value has decreased by 1% because of abatements that were found to be valid (including a large abatement to Goss). He noted the payment from the University relative to children living on tax exempt university property and enrolled in the Oyster River Cooperative school district has decreased in the amount of \$150,000. He estimated the tax rate would increase by 7-8%.

The members discussed the school budget portion of the tax rate. Mr. Selig noted that the school district has yet to determine its rate since they are between business managers.

Public Comment:

Ann Lane (43 Stage Coach Road) said she supports the concept of an economic development director and feels this is necessary since the state does not promote business growth. She said to have someone in the community to promote business would be tremendous.

Tom Elliott asked the members if there were any other items they would like requested in the budget or if they had any questions regarding the current budget. He asked Mr. Campbell if there was any money left in the budget that has not been used this year. Mr. Campbell responded that \$750 was spent from the marketing and legal expense line which was budgeted for \$2500.

Todd Selig noted that expense line was intended to be used to advertise legal notices and to pay for a brochure to market Durham (which was not done this year). He said that an additional \$1600 has been charged to that line for the new signage above Pettee Brook Lane.

Tom Elliott asked if there was any money for minutes to be done for the rest of 2010. Mr. Selig said he would need to see if the minute taker is available to do the EDC minutes.

Jim Lawson suggested using a work-study student to transcribe the information from the video. Mr. Selig said that would be acceptable, however, they have found it difficult to find students available to do this, train and retain them.

Jim Lawson said he feels it is worthwhile to provide as much information about the meetings as possible. He said he feels people from the community should have access to this information and that when he does the minutes he can spend 10-15 hours on a meeting. Ms. Luxem said she spends 5-6 hours at least when she does the minutes. Tom Elliott said he would rather spend the money on video of meetings available as a streaming file on the website. He said he realizes that the minutes would still be required.

Mr. Selig said a written transcript of the meetings are required, even if a streaming file is available on line.

Ute Luxem discussed with Mr. Selig updating the town website to include interactive links to the businesses in town. Mr. Selig said it is possible but the challenge is having someone to monitor the list and keep it current. He said the town does not have someone with the time to do this at the moment and suggested the economic development staff person may have this as a duty. Mr. Selig noted the technology person for the town is Luke Vincent and if there is some concise information to go up on the website it should be sent to Luke.

8:30 pm Joint Meeting with Durham Energy Committee in Council Chambers

The members introduced themselves:

Energy Committee: Filson Glanz, Mike Hoffman, Charles Forcey, Robin Mower, Kevin Gardner, Peter Ejarque

Tom Elliott said he, Kevin Gardner and Robin Mower spoke about ways the two committees can come together to build a stronger Durham economically as well as reduce energy use and increase renewable energy use. He said they discussed that the town of Durham is a renewable energy and clean technology hot bed and that this could be an opportunity for the town. Mr. Elliott said he believes the town needs to actually move towards reducing energy use and increasing renewable energy uses before they begin to brand the Town as a place where this is done.

Kevin Gardner said Doug Clark was the previous Town council representative to the Energy Committee and he recognized the synergy between the Energy Committee and the Economic Development Committee. Mr. Gardner suggested that a lot can be done

from the perspective of the town itself – saying a more efficient town will use less energy and be a more attractive place for businesses to locate. He said there are a lot of opportunities to bring businesses together to save costs on energy. Mr. Gardner said Durham could be a town known for being on the forefront of green technology and clean energy.

Tom Elliott suggested discussing the following topics: 1) the town's infrastructure including natural gas and its role; 2) potential for energy efficiency and renewable energy development on municipal and school buildings; 3) program incentives to get businesses and the community to adopt renewable energy and energy efficiency grant programs (such as PACE); 4) ways to support clean technology businesses and recruit and encourage them to locate in Durham; 5) efforts to educate home owners and residents in being involved in these efforts; 6) exciting news from Goss International regarding wind turbine technology.

Tom Elliott suggested beginning by discussing the town infrastructure and the natural gas line. Mike Hoffman said the natural gas line runs from Dover, down Route 108, services the Faculty Road development and runs through the downtown area. He said most of the businesses have access to natural gas. Mr. Hoffman noted it is advisable to use natural gas because it is and will be a stable heating source for years to come.

Jim Lawson asked why the focus on natural gas and if it is better than alternative energy sources. Tom Elliott said it is a somewhat unusual infrastructure to have in New Hampshire and that it is present in Durham could present an opportunity. Peter Ejarque said natural gas burns cleaner and is an abundant source in the United States. Charles Forcey said it is not an answer long term however.

Tom Elliott asked the Energy Committee to discuss the heating district their committee has been debating. He asked if it will pool resources and lower the cost of energy.

Kevin Gardner said the heating district would utilize a system that would use waste wood as a heating source. He noted that a lot of European cities have central heating districts that have a central facility that supplies heat and hot water needs to all the buildings. He said UNH has a green launching pad local company; Green Clean Heat, who provides boilers that use waste wood, which is inexpensive. The members discussed this concept and some of the advantages and disadvantages of it.

Doug Clark said he was hoping this discussion would be more strategic than tactical. He said he believes the two committees should set some goals. Mr. Clark said that Durham needs an identity other than the University and green could be a good industry for Durham to focus on – so the committees need to talk about how that can happen.

Robin Mower said there is a lot to be said for branding Durham as being forward thinking and acting in terms of energy. Mr. Clark agreed, as long as it can be a tangible magnet for businesses.

Tom Elliott said he is eager to talk about the branding of Durham, but not until the town is what it says it is. He said there is an opportunity to have more energy efficient town offices which would make the branding more credible.

Doug Clark said he does not disagree; it would make sense for the town to find a way to have a sustainable power source that is clean. He said becoming known as a clean, affordable, sustainable energy town that lets you buy energy today and in the future at a price you can predict might overcome the excessive tax rate. Mr. Clark suggested leveraging buying power as a region to cut costs of purchases such as solar panels.

Ute Luxem said the committees need to take stock of what the town has and build on it. She said these meetings are a good way to get started and suggested having future meetings and setting goals.

Yusi Wang Turell said one of her EDC projects is to meet with business owners and they frequently mention that the weight of running a small business and making investment decisions is a burden. She asked if there are any energy based programs that would benefit small businesses and if the energy committee could assist with resources.

Kevin Gardner said the PACE program is an option that is available for businesses and residences. He said this program enables businesses to make energy investments that can be paid back over 20 years as part of tax payments. Mr. Gardner said one requirement is that the business have an energy audit conducted and then the audit is used as a plan of action to ascertain which energy projects to move forward with.

Ute Luxem said that the Community Development Finance Authority in Concord has an energy efficiency program for businesses. She said the program provides cheap money for small businesses that want to do energy improvements. Ms. Luxem said the business needs to have an energy audit and if the business goes forward with the energy audit, 50% of the audit will be paid from the CDFA. She said if the business moves forward and applies for loans to do energy improvements that are recommended from the energy audit, then the entire audit fee will be applied into the low interest loan.

The members discussed how to find a company to do an energy audit. Mr. Gardner said the state can provide a list. Peter Ejarque said PSNH will do an energy audit for free and pay up to 50% of incentives toward recommendations.

Mike Hoffman suggested looking at what the Energy Committee can do for the EDC and vice versa. He asked what steers businesses to come to Durham – he said he likes the idea of branding and likes the idea of offering opportunities where businesses can save money. He said utilities can be a large portion of a business's budget and supports creating some source of large pool in Durham to assist with these expenses. Mr. Hoffman said these are the types of things that these committees together can work on. He suggested steering the conversation towards how both of these committees can help each other.

Tom Elliott said one approach is to use the Energy Committee as the Research and Development and the EDC as the marketing to connect potential businesses with the programs and grants that we can leverage. Mr. Elliott asked if both committees agreed this is a role for the committees. Doug Clark said the possibilities are endless. He said he hopes the town will have a way to connect between neighborhoods, town municipal buildings and schools that does not involve going onto Route 108. Mr. Clark said this would not only be good for the environment and lower energy consumption but it would be great for economic development.

Jim Lawson said the community spends a lot of time talking about the downtown and the desire for economic redevelopment. He said when he views other communities that have been successful in redeveloping their downtowns one consideration is energy and the environment. Mr. Lawson said when he identifies things that impact both it means changing our expectation of our downtown. He said it may mean getting out of the mode of driving from store to store and instead park once and shop by walking from store to store. Mr. Lawson said if this direction is the right direction for Durham, the approach will have a lot more credibility within the community if the Economic Development Committee and the Business Association and the Energy Committee brings this idea forward and endorses it. He said if Durham decides to make those changes it will be important for Durham to market those changes.

Robin Mower said there are businesses that have social values and those businesses might be more oriented toward younger citizens and those would be great to attract to Durham. She said these types of businesses might also have more synergy with the university. Ms. Mower said this could put more value on a more pedestrian and bicycle friendly downtown that is frequently talked about. She said it would be appealing to have a central, walkable square and encourage more public transportation from the neighborhoods. Ms. Mower said the committees should be thinking about more than just updating our downtown.

Peter Ejarque suggested having the town institute a tax incentive for wind, wood heating and hydroelectric power. He said 85 towns across New Hampshire have done this.

Robin Mower said a Council Communication was written about this. Tom Elliott said to let the committee know how they can endorse this move.

Kevin Gardner suggested that another area to work together is the Master Plan update process.

Public Comment:

Bill Hall said the PSNH program is a good one but not one that the committee has a role in. He noted many of the buildings in town are not owned by the businesses that occupy them and therefore the businesses do not have much control over energy issues in the buildings. He also noted that solar and wind-power are not feasible for this area. He

suggested that all hot air systems have a cold air return to the floor required by ordinance to help with energy conservation.

Robin Mower noted that the Energy Committee did conduct an analysis on the potential of wind energy in town and concluded that it is not viable.

Tom Elliott asked if there is a way to grow a culture of entrepreneurship and innovation in Durham and make Durham a place where renewable energy and green technology companies are located. He asked if Durham is a good place to start a renewable energy company and if not, what needs to be done to make it so.

Jim Lawson said at the moment the answer is no. He said Durham needs to be able to answer the question why will your business be more successful if located in Durham. Mr. Lawson said at the moment we do not have a good answer to that question because we do not have the infrastructure (office buildings, light manufacturing, etc) to support a business that wants to come into Durham and grow. He said he feels this is a great vision and that the town can get there, but is not there now.

Susan Fuller said the town of Durham has a reputation for not being friendly to business development and that will take a number of years to turn around. She noted that it costs a developer more money to build in this town than others because of the way the building codes are interpreted by the Code Enforcement Office.

Yusi Wang Terell said the answer to why a business will be more successful in the town of Durham is the proximity to the University, its faculty, their research and students. She said the University excels in the fields of energy and the environment, therefore, startup companies in these areas will value the connection with the University and what it offers. She said the Office of Sustainability at UNH is very active and might be a resource for assisting Durham businesses and startups with sustainability.

Robin Mower said attempts were made in the past to form a connection with the Office of Sustainability that were not fruitful. She said things may have changed and it would be worth pursuing. Ms. Mower suggested the Economic Development Committee or the joint committees making a formal request may be more effective. She said this connection would benefit both economic development and the environment.

Kevin Gardner said he is a faculty member at the University and the University representative to the Energy Committee. He said the University has the brand of a sustainable university on a national level and are recognized for that due to a number of different reasons. Mr. Gardner said their efforts in renewable energy research are more modest, but there are pockets of research doing good work in this area.

Charles Forcey said Durham is a challenging town to maintain a business office in. He said there is not a lot of office space to chose from, not a lot of parking, not a lot of turnover in the commercial real estate market. Mr. Forcey noted that employees complain about the parking in Durham and receive parking tickets. He said the draw of

being a small business in Durham is the university. Mr. Forcey said he received support from the Internship Office at UNH which was able to supply him with great employees, half of which were recent graduates who were motivated and talented. He said being able to connect with the faculty was very helpful as well. Mr. Forcey said businesses that would benefit from these resources are businesses that would profit from doing business in Durham.

Doug Clark said he agrees with Jim Lawson that Durham does not have the infrastructure to attract employers. He said the downtown is sparsely developed so it has the potential for future development. Mr. Clark said he agrees the industry that would benefit in Durham is a research related industry. He said he feels it is key to find an anchor tenant – one big company will get things going in the right direction. Mr. Clark said it will take a lot of work and a real plan to get this to that point, but the potential is unlimited if the town is willing to do something different.

Tom Elliott asked what he thought the chances of clean technology/green technology being the industry in Durham are.

Doug Clark said he thinks it is possible in the broadest sense -- that is not just energy but all kinds of things that UNH gets federal grants to research. He said TIFs, tax incentives and other real incentives that are meaningful to businesses are needed as well.

Susan Fuller said if the town wants to see a medium to large size business locate here it will need to be a targeted effort. She said an Economic Development Director would need to go out and recruit a business. Ms. Fuller said in New Hampshire most businesses are small businesses.

Doug Clark said the town needs a business large enough to buy property and not rent.

Robin Mower said the town not only needs to create an environment that will attract a business but an environment that will be attractive to the employees.

Ute Luxem said one approach is to offer businesses that the town wants to attract to develop office space and lease it to them with the option to purchase after five years. She said this defrays the initial investment and gives them operating capital to grow. Ms. Luxem said if a business comes along that will offer quality jobs and employees that will spend money and help the retail base the Town needs to offer them incentives.

Kevin Gardner said the other element within our control is the quality of life in the town. He said Durham has a lack of parking, infrastructure and office space which is not offset with other incentives like quality of life. Mr. Gardner said a quality of life that would be appreciated would be having a town that does not require use of a car to get around. He said this is more achievable and within our control. Mr. Gardner said the University just hired a new Director for the Office of Research Partnerships and Economic Development. He noted one of the major focuses of the university president is economic

development. Mr. Gardner said it would be wise to consider the advantages that the University represents.

Charles Forcey said affordable housing in Durham is another problem. He said Durham is not affordable and employees need to commute to Durham from other communities because of this.

Mike Hoffman said commercial real estate is more expensive in Durham and suggested looking at zoning changes. He also said an Economic Development Director would be a great thing for Durham. Mr. Hoffman said someone to guide and help business people through the process in Durham would be very helpful. He said it is essential in selling the town of Durham. Mr. Hoffman said the University is an asset Durham has and it should be utilized.

Filson Glanz said he wouldn't sell short the green energy type of companies. He said these companies would garner a lot of interest from the University and its students.

Tom Elliott said he recently learned that Goss has made a major investment into the manufacturing of turbines. He said Goss is looking to make 50 million in revenue in 2011 from turbine manufacturing in Durham. He suggested the committee being encouraging of this.

Kevin Gardner said the PACE program will come before the Town council on October 4th. He said it would be helpful to have the Economic Development Committee support this program and spread the word about it to business owners in town.

Susan Fuller asked Mr. Gardner to explain the PACE program. Mr. Gardner said people and businesses from town can band together -- the total cost of their needs are bonded by the town, the home or business owner receives funds for needed projects and then repayment occurs over a 20 year period through the tax bill. He said the clean energy stays with the house and the lien/loan stays with the house when it is sold. Robin Mower said there is a separate assessment on the tax bill and that this program is cost neutral to the town. She said if anyone is interested in receiving information on the program they can email the Durham Energy Committee through the website.

x. Next Agenda and Assignments

The next meeting of the Durham Economic Development Committee will be held on Monday October 25, 2010 at 7:00 pm

The September 20th, 2010 meeting of the Durham Economic Development Committee adjourned at 10:10 pm.

Respectfully submitted by,

Susan Lucius, Secretary to the Durham Economic Development Committee