

**City of Nashua
Business & Industrial Development Authority
Minutes for Thursday, September 2, 2004 at 4:00 pm
Mayor's Conference Room**

Members Present: Mayor Streeter, Harold Acres, Mike Monks, John Stabile, David Fredette, Gerald Prunier and Vincent Cappasso,

Members Absent: Mark Prolman, Brian McCarthy and Jack Tully

Others Present: Jay Minkarah, Economic development Director, Jennifer Mulstay, Project Coordinator, Mark Sousa and Ricia Velasco, DRED.

I. Call to Order

Jay Minkarah opened the meeting shortly after 4:00 pm and distributed a meeting agenda to those without copies.

II. Approval of Minutes: Meeting of August 5, 2004

Harold Acres made a motion to accept the minutes from August 8th, 2004. The motion was seconded by John Stabile and approved by all members.

Organization of the IDA was discussed. Mayor Bernie Streeter made the motion to nominate Harold Acres as the Chairman of the Industrial Development Authority. The motion was seconded by John Stabile and unanimously approved.

III. Name Change

Mr. Minkarah stated that there is legislation before the Board of Alderman that will allow a name change from Industrial Development Authority to the Business and Industrial Development Authority. It was noted that the scope of the IDA was already changed to allow a broader business focus, but that specific legislation was also required for the name change.

General discussion occurred as to whether the Board could use Industrial Revenue Bonds (IRBs).

IV. CROP Zones

Mr. Minkarah stated that he was expecting Mr. Chris Hodgins of the Chamber to discuss Crop Zones, a state enabled economic development tax incentive program. Due to his absence Mr. Minkarah went on to explain Crop Zoning with the assistance of Ricia Velasco and Mike Monks. It was explained that the City could designate certain areas as CROP zones, such as brownfields, abandoned industrial buildings, low-income areas and others. It was noted that much of the area from the Merrimack River to the Turnpike that

includes the Millyard, Downtown, the Tree Streets and East Hollis Street areas would probably qualify. The Board of Aldermen would have to approve the designations. It was explained that businesses locating with these areas could qualify for tax credits toward their business profits or enterprise taxes. Mike Monk asked for examples tax savings that could be realized. Ricia Velasco replied that she would look into obtaining such examples.

V. Business Improvement (or Betterment) Districts

Mr. Minkarah stated that as requested at the last meeting, he and his staff had done some research into what other IDA's around the state were doing and would discuss that later. Mr. Minkarah noted that the summer intern, Nelson Leese, had looked into IDAs in New Hampshire and found that Claremont seemed to be the only one active. Troy has an IDA, but not presently active. Keene has a regional economic development corporation that is not organized under the same statute. It was noted that Manchester spends money from its CDBG funds on economic development projects. Nashua could do so also, but has increasingly dedicated these funds to social service agencies. Manchester has also used its housing authority as an economic development agency. The City's Housing Authority could expand its scope to include development as well.

John Stabile asked how the new Land Use is going to affect what the IDA can achieve.

Mr. Minkarah responded that the BOA's Planning and Economic Development Committee has been reviewing the Land Use Code moving through it in timely manner. They have already reviewed several portions including the permitted use tables, general use restrictions, wetlands and other sections. Mr. Minkarah stated that the new Land Use would have definite impacts on the City's development potential. While there are some significant benefits such as the proposed transit-oriented development district, it would also result in an overall reduction in the City's development potential. The cumulative impact of changes such as the proposed reduction in allowable building height in the PI, GB and D districts, a significant expansion of the wetlands buffer requirements, increased parking lot landscaping requirements, and other proposed changes would effectively reduce the area available for new development or redevelopment.

Gerald Prunier stated that he believes the new zoning ordinances are more restrictive, especially in an administrative manner. The cost of getting approvals or variances is going to be much higher than they are now. Mr. Prunier stated that he served on the Chamber's committee to review the ordinances and knows that they sent a 16-page letter of recommendations; however, he does not know if any of the recommendations were used. Mr. Prunier stated that it is important for Nashua to look to the future and attract businesses, not discourage them.

Mr. Stabile stated that the city needs to be more flexible. For example, the Burke Street development sites will become nonconforming. Mr. Prunier added that the city

needs to be proactive versus reactive. Mr. Monks stated that with out development opportunities the city's tax base would go down. The city needs to encourage redevelopment of properties.

Mayor Streeter stated that in this case he feels that it is better for the Planning and Economic Development Committee to go slowly in reviewing the new zoning ordinances.

Mr. Stabile asked if anyone has looked into costing out what expenses the new ordinances will cause property owners and what economic impact that could be. Mr. Minkarah noted that the new ordinances actually increased flexibility downtown, however, other areas are not provided similar benefits. The ordinances have a very significant impact on the 101A area and on certain types of businesses such as auto related uses.

Mr. Minkarah distributed a CBRE study of vacant Office and Industrial space in Nashua and other communities along the Rte.3 corridor. Mr. Monks stated that quite a bit of this space is not functional in its present condition and would need redevelopment. Again, some members showed concern that the new ordinances would choke the possible redevelopment of these spaces. Discussion continued about how the IDA could contribute to the review of the ordinances. One suggestion was a case study of 2 or 3 properties that would be a positive use to the City, i.e. The Budweiser development on Northeastern Blvd. It was stated that the IDA should request that Jay Minkarah provide them with a case study that highlights the changes in possible development comparing the old code to the new code.

VI. Other issues of Concern

Ricia Velasco discussed other possibilities for development in the city of Nashua. She discussed tourism, i.e. other cities have Granite State Ambassadors. Developing the cultural arts and higher education was also mentioned. It was noted that the new ordinances do not encourage higher education. Rivier, however, is proposing amendments to the proposed HE overlay that could change this.

It was noted that the Passenger Rail development might be a possible project for the IDA. It is going to be a huge transit-oriented, mixed-use development project.

VII. Adjourn

The meeting was adjourned at 5:25. The next meeting is scheduled for October 7th at 4:00 pm.

Submitted by Jennifer Mulstay