

Nashua Business and Industrial Development Authority

Meeting Minutes
March 26, 2009

1. Opening:

The regular meeting of the Nashua Business and Industrial Development Authority was called to order at 8:35am on March 26, 2009 in City Hall Room 208 by Chairman Jack Tulley.

Present: Chairman Jack Tulley, Vice Chairman Don Zizzi, Dean Jackson, Donnalee Lozeau, David Fredette, Michael Monks, Mark Prolman, Bradley Vear, Carl Andrade

Absent: Hollis (Buzz) Harrington, Steven Michon, Robert (Skip) Myers, H. John Stabile, Brian McCarthy

Other Attendees: Thomas Galligani, Julie Walker, Donna Upson, Tom West

2. Approval of Minutes

MOTION BY CHAIR TULLEY TO ACCEPT MINUTES OF FEBRUARY 20, 2009. THE MOTION WAS SECONDED BY VICE CHAIRMAN ZIZZI. APPROVED UNANIMOUSLY.

3. Old Business

RLF Update

D. Upson stated that they currently have two clients who recently paid their loan off, leaving about \$230,000 left to lend. There are currently three loan recipients who are late or going to be late with their payments, but she is working with them to get them caught up. She thinks they should all be caught up in the next six months. The loan recipients, like other businesses are feeling the effects of the struggling economy.

T. Galligani described the role of BIDA in relation to the RLF. The BIDA provides the City with advice about policy direction and a network into the Nashua business community. BIDA member Steve Michon is the BIDA representative to the RLF Loan Committee.

T. Galligani mentioned that, given the changing economy, staff is evaluating the role of the RLF plays in the lending community in Nashua and determining what markets are not being served by local lenders. Local banks do not like to service smaller lending needs. Staff is evaluating if the City could be a financial intermediary for the SBA Micro-loan program. Currently, there is no SBA Microloan Intermediary that serves southern New Hampshire. Staff is also looking at other opportunity for securing funds from the ARRA (Economic Stimulus law) to benefit local businesses.

D Upson expressed concern over the types of businesses that are seeking loans. The RLF was set up to target manufacturers and high tech companies. Lately, more service and retail firms are seeking funding. Staff would like the help of the BIDA to identify solid loan prospects. Vice Chair Zizzi asked about what kinds of businesses are being rejected. D Upson indicated that some of the deals are not financeable, some applicants are asking for too much funds and others are business types that are not consistent with the goals of the RLF Fund. Vice Chair Zizzi mentioned a smaller fund being set up for more commercial businesses, like downtown.

4. Bridge Street Update

Mayor Lozeau explained that Mayor Lozeau, T Galligani and Corporation Counsel J McNamee met with the Board of Alderman Infrastructure Subcommittee last night. The Subcommittee reviewed the draft resolution which would clarify the role and authority of the BIDA with respect to the Bridge Street parcel. The 2005 resolution transferring the property to the BIDA was determined to be invalid as the BIDA does not exist separately from the City of Nashua. The revised resolution would provide the BIDA with authority to negotiate the sale of the property. The Infrastructure Subcommittee discussed the draft resolution and asked many questions about the resolution and the Bridge Street property. Changes to the resolution were proposed.

The resolution would be reviewed next by the Board of Public Works on April 13th and then by the Board of Alderman on April 14th.

D Upson and T West left the meeting.

MOTION BY CHAIR TULLEY TO ENTER INTO NON -PUBLIC SESSION UNDER RSA 91-A:3 II (D) "TO CONSIDER THE ACQUISITION, SALE OR LEASE OF RENTAL PROPERTY WHICH, IF DISCUSSED IN PUBLIC, LIKELY WOULD BENEFIT A PARTY OR PARTIES WHOSE INTERESTS ARE ADVERSE TO THOSE OF THE GENERAL COMMUNITY." THE MOTION WAS SECONDED BY VICE CHAIR ZIZZI.

ROLL CALL VOTE: DEAN JACKSON, MICHAEL MONKS, CARL ANDRADE, MARK PROLMAN, BRADLEY VEAR, CHAIRMAN TULLEY, VICE CHAIR ZIZZI ALL VOTED IN FAVOR OF ENTERING NON-PUBLIC SESSION UNDER RSA 91-A:3 II (D).

MOTION BY CHAIR TULLEY TO SEAL THE MINUTES OF THE NON-PUBLIC SESSION UNDER RSA 93-A:3 II (D) BECAUSE DISCLOSURE WOULD RENDER THE PROPOSED ACTION INEFFECTIVE. THE MOTION WAS SECONDED BY VICE CHAIR ZIZZI.

ROLL CALL VOTE: DEAN JACKSON, MICHAEL MONKS, MARK PROLMAN, CHAIR TULLEY, BRADLEY VEAR, CARL ANDRADE, VICE CHAIR ZIZZI. ALL VOTED IN FAVOR OF SEALING THE MINUTES UNDER RSA 93 -A:3 II (D).

The minutes of the non-public session were unsealed and approved at the June 19, 2009 BIDA meeting.

Adjournment:

Meeting was adjourned at 10:00am by Chairman Tulley. The next general meeting will be at 8:30am on April 17, 2009 in Room 208 of City Hall.

Minutes submitted by: Julie Walker

Nashua Business and Industrial Development Authority

Meeting Minutes of Non Public Session
February 20, 2009

Bridge Street Negotiations

T. Galligani described how we have been negotiating with Renaissance Development over the past couple months on a proposed agreement for the Bridge Street properties. Atty. McNamee has also been involved.

The agreement proposes a public-private partnership between the BIDA/City and Renaissance Development. Three phases are outlined:

- Initial Period: review and environmental testing, negotiation with abutter – which will occur within 60 – 120 days;
- Concept Plan: Renaissance working with consultants and the BIDA to develop a concept plan—6 to 12 months;
- Approval of Concept Plan and Final Terms

T. Galligani spoke about the method for determining a price. An appraisal process is proposed where the purchase price will be determined by taking into account the residual land value based upon the concept plan. An appraisal will be conducted following the approval of the final concept plan.

M. Prolman expressed his concerns with the timing of the appraisal and the process itself.

T. Galligani said that it is possible to use the appraisal as a negotiation item in the future, and that a third appraiser could be brought in if it needed to be. M. Prolman said that there was no way that infrastructure costs and market conditions could be determined accurately, and that we should negotiate closer to the approval of the land use permits for more accurate infrastructure and market costs.

B. Vear and T. Galligani made it clear that there would be no transfer of the land without the permits and complete infrastructure costs are determined. M. Prolman said that there would be no way to determine what the traffic patterns and sewer updates, among other variables are. T. Galligani made it clear that the purpose of the concept plan was to get all these variables identified.

The Mayor expressed that the BIDA should have the expertise to guide the development of the deal. She went on to say that this project will really define the BIDA and the value it has to the City. She thought they needed to meet more or with more regularity. Atty. McNamee stated that his expertise with this is with Ad Lorum taxation, which is not really the same thing as land value.

M. Prolman said that there was a sub committee created by Chairman Tulley and that it has met with Renaissance Development a couple times and he thought that the details were worked out at the last sub committee meeting with Renaissance. M. Prolman said

that there was no proposal but a concept was agreed to. He also said that he agreed with Mayor Lozeau and thought T. Galligani and Atty. McNamee were doing a great job.

T. Galligani said that Renaissance would like to come up again and meet with the sub committee. Vice Chair Zizzi said that those meetings should happen in between regular BIDA meetings. M. Prolman said that the sub committee would be available for whatever was needed.

M. Prolman reminded the BIDA that at the November subcommittee meeting with Renaissance he asked for a letter from their banker that confirmed their ability to undertake this project. Mayor Lozeau indicated that no negotiations should continue until this letter is received. T. Galligani will follow up with Renaissance and obtain the letter.

The Bridge Street Sub Committee will meet sometime next week to discuss the agreement in more detail. The Chairman and Vice Chairman will also join the subcommittee at this meeting. T. Galligani will send out the latest draft of the agreement prior to the meeting.

**MOTION BY B. HARRINGTON TO END THE NON PUBLIC SESSION AND RE -
ENTER THE PUBLIC PORTION OF THE MEETING. THE MOTION WAS
SECONDED BY M. MONKS AND UNANIMOUSLY APPROVED.**