

## MINUTES OF THE ECONOMIC DEVELOPMENT COMMITTEE

March 20, 2018, 4:30pm

Committee Members present: Councilor Martin Dumont  
Councilor Denis Messier  
Councilor McCallion  
Councilor Dale Sprague

Administration/Staff present: City Manager, Bob Belmore  
Development Services Director, Shanna Saunders  
Assessing/Code Clerk, Christien DuBois

Others Present: David Choate III-Colliers International  
Victor Pisinski-Spectex  
Steve Rossi-Spectex  
Kevin Stanley-Spectex

Councilors Dumont and Messier had an informal discussion with Commercial Broker Choate and representatives from the Spectex Company including the new CEO. Spectex explained their operation in detail and what their plans were for the future.

The meeting was called to order by Councilor Dumont once a quorum was obtained at 4:50pm.

### MINUTES OF THE PREVIOUS MEETING

Approval of the Minutes were deferred to the next meeting.

### BUSINESS INTRODUCTION-SPECTEX

David Choate and Victor Pisinski provided an overview of the corporate history of the business and its previous locations. They explained Spectex's business model and why they are looking to expand. David Choate from Colliers International explained that Spectex was looking for a large industrial property. Choate explained that the property needed a significant amount of work for it to become fully functional again. Choate stated that it would be beneficial to Spectex if the City adopted RSA 72:81 / HB-316 as a means of providing tax relief once the building becomes specifically rehabbed, and he suggested it would generally place Somersworth in a good position for other new industrial development.

Dumont asked what the number of employees currently was for the business. Pisinski stated that currently they employ about 20 people and they project adding another 5-8 over the next several years. The employees would have an engineering and technical background.

McCallion expressed a concern that if the City adopted HB-316 it would be a City-wide program. Choate stated that the program was offered over a fixed time period and you could limit it to just industrial like Laconia has. Sprague expressed concern over the impact to infrastructure and the relationship to how HB-316 would impact the City's budget in the future.

Messier asked about the approval process needed to adopt HB-316. Sprague stated that the approval would reside with Council as the State allows the municipality to adopt the program or not.

Choate specified that the provision can be adopted for commercial, industrial or both and the City is allowed to make the provision more stringent. McCallion stated that the hardest part of this proposal is that it's a "blanket" provision across the City.

Messier asked what the current tax bill the property receives. Pisinski stated the bill is currently \$36,000. Messier stated that the Council should do something to attract new businesses.

Choate stated that the assessments for theoretically, the same building, in surrounding communities would be roughly the same, but because Somersworth has a higher tax rate, they would end up paying more than other communities. HB-316 is a means of providing relief from that. Dumont stated that adopting HB-316 allows Somersworth to compete with surrounding communities.

Choate invited the Council to tour the Spectex property in Rochester or the property at 15 Centre Road at the Malley Farm Park. Dumont thanked the representatives of Spectex for coming and they left the meeting.

Discussion ensued about the pros and cons of the City adopting this legislation. Sprague warned that allowing development without the benefit of taxation would have a detrimental impact to the City, especially when it's adopted across the City. McCallion stated that there is no real way to predict what other property owners will or will not do, and it's important to be business friendly.

Committee decided to bring this topic up for discussion at this Saturday's Council goal session.

#### FORM BASED CODES

This item was moved to the next Economic Development committee meeting

#### MISC

Sprague suggested amending the submission dates between Zoning Board and Planning Board and explained why. Staff will examine this further to see if it could be streamlined to benefit project approval timelines.

McCallion motioned to adjourn, seconded by Messier motion carried 3-1 (Sprague – no) and the meeting ended at 5:40pm.

Respectfully submitted:

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Christien DuBois Assessing/Code Clerk