

MINUTES OF THE ECONOMIC DEVELOPMENT COMMITTEE MEETING
EXECUTIVE CONFERENCE ROOM

December 1, 2016 – 4:00 PM.

Committee Members present: Councilor McCallion, Chair
Councilors Martin Dumont
David Witham
Dale Sprague

Administration/staff present: City Manager Bob Belmore
Shanna Saunders, Dir, of Economic Development
Trish Harris, City Clerk
Jeanie Wood, Code Compliance Officer

Other: Erik Chinburg

Chairman McCallion called the meeting to order at 4:01 pm.

MINUTES OF PREVIOUS MEETING

Councilor Dumont, seconded by Councilor Witham, made a motion to approve the minutes of October 27, 2016 meeting. Motion passed unanimously.

MISCELLANEOUS

City Manager Belmore introduced Jeanie Wood, Property Compliance Officer. She has been here 4 weeks. She has previous experience in code enforcement in Lansing Michigan. She said she would like to be a little more proactive to keep houses from going into disrepair.

There was lengthy discussion about code and code compliance in Somersworth.

Councilor McCallion said he was happy with Joe Divine. He asked Jeanie Wood how the job could be easier. She explained that in Lansing, everything was computerized. She could process tickets and update files while in the car. She has written 5 tickets so far in Somersworth, and she will be doing her best to follow in Joe Divine's footsteps.

There was discussion about contractors having to be licensed to work in the City. City Manager Belmore said he may have misspoken previously; he meant contractors need to be licensed in the City to work in the road, not on private property.

HILLTOP REUSE PROPOSAL

Erik Chinburg entered the meeting at 4:19pm and introduced himself. City Manager Belmore said all have received a copy of the reuse proposal for the Hilltop School. Chinburg is proposing approximately 30 high rate apartments at Hilltop, with a space for community groups, and a community park.

Councilor McCallion asked about the timeframe and approximately when the project is expected to be completed. Mr. Chinburg said approximately 2 years depending on the approvals.

Councilor Witham said a few years ago, the closure of the school was a raw issue. Time heals wounds and time has gone by. Chinburg's project has a different timeframe and plans than a previous proposal. The community has an appetite for it now.

There was lengthy discussion about the assessed value of the property. Councilor Sprague questioned if it was still assessed as a school.

There would be a change in the property assessment. It is currently assessed at \$1.59mil. City Manager Belmore asked for a ballpark value of the property, once the project is done. Mr. Chinburg said it would be similar to Great Falls School and an approximate assessed value around the \$2mil range.

City Manager Belmore explained that the City Assessor said the assessed value would be around the \$2mil mark and taxes would be around \$60,000.

Councilor Dumont asked if Chinburg reviewed the presentation from the Hilltop Commission. He said he did, and sees no issues.

Councilor Dumont said a Historic District plaque will be installed this Saturday.

Councilor Dumont asked what the cap rate is on what they can charge for apartments. Mr. Chinburg explained that a 1000 sqft apartment would be about \$1300. The average size of these apartments would be about 700sqft. This would include heat, hot water and wifi.

Chinburg has 68 apartments in the mill and they are all full. There are parking constraints so it isn't easy to expand.

Councilor Sprague said he is worried that the market is saturated. He is worried about what this property will become. He'd like to consider a caveat that the 79e isn't transferable.

Chinburg said he has learned that mezzanine type buildings are not encouraged and may not qualify for the credits. The 20% federal tax credit is really important in making this work.

Councilor Sprague said he would have liked to see a hospice home similar to what is in Berlin or a 55+ home. Timeframe, park area, and assessed value, are his areas of concerned.

Councilor Witham, seconded by Councilor Dumont, made a motion to have the City Manager formulate language to develop a purchase and sale agreement. The motion passed unanimously.

MISCELLANEOUS

They are waiting for report from HDC about the resizing of the district.

Councilor Dumont said they have appointed a new chair, Laura Barry. The HDC is hoping for a joint meeting with the Mayor. There needs to be more direction.

Councilor Sprague said he would like the committee disbanded and restructured.

Councilor Witham said the Council can make a change to the ordinance and have HDC review it. Dumont said HDC would be receptive to that. They are hesitant to make the change or suggest it.

Councilor McCallion asked what the incentive is for being in the HDC. There is no incentive. The incentive is for the community at large; historic preservation.

Councilor Witham excused himself at 5:08.

Councilor Dumont said the HDC is much more qualified now than it has ever been. The committee has some talent who can do some work.

Motion to adjourn by Councilor Dumont, seconded by Councilor McCallion. Motion passed, 2-1. Meeting adjourned at 5:10pm.

Respectfully submitted,

Trish Harris, City Clerk