

ECONOMIC DEVELOPMENT COMMITTEE

REPORT TO THE TOWN COUNCIL
December 12, 2005

EDC Membership

Bob Hamilton – Chair

Harry McCarthy – Vice Chair

Rich Talipsky - Secretary

- ***Bob Andrews***
- ***Frank Bruno***
- ***Steve Grant***
- ***Gary Gump***
- ***Keith Humphreys***
- ***Roger Moriarty***
- ***Steve Senteio***
- ***Chris Taber***
- ***Bill Clark -- Ex- Officio member***
- ***Town Council Liaisons – Len Katzman and Bill West***

Outline for This Report

- ***Status of Tax Base,***
- ***PEDC Project Update,***
- ***Business Development Director Summary***

Status of the Tax Base

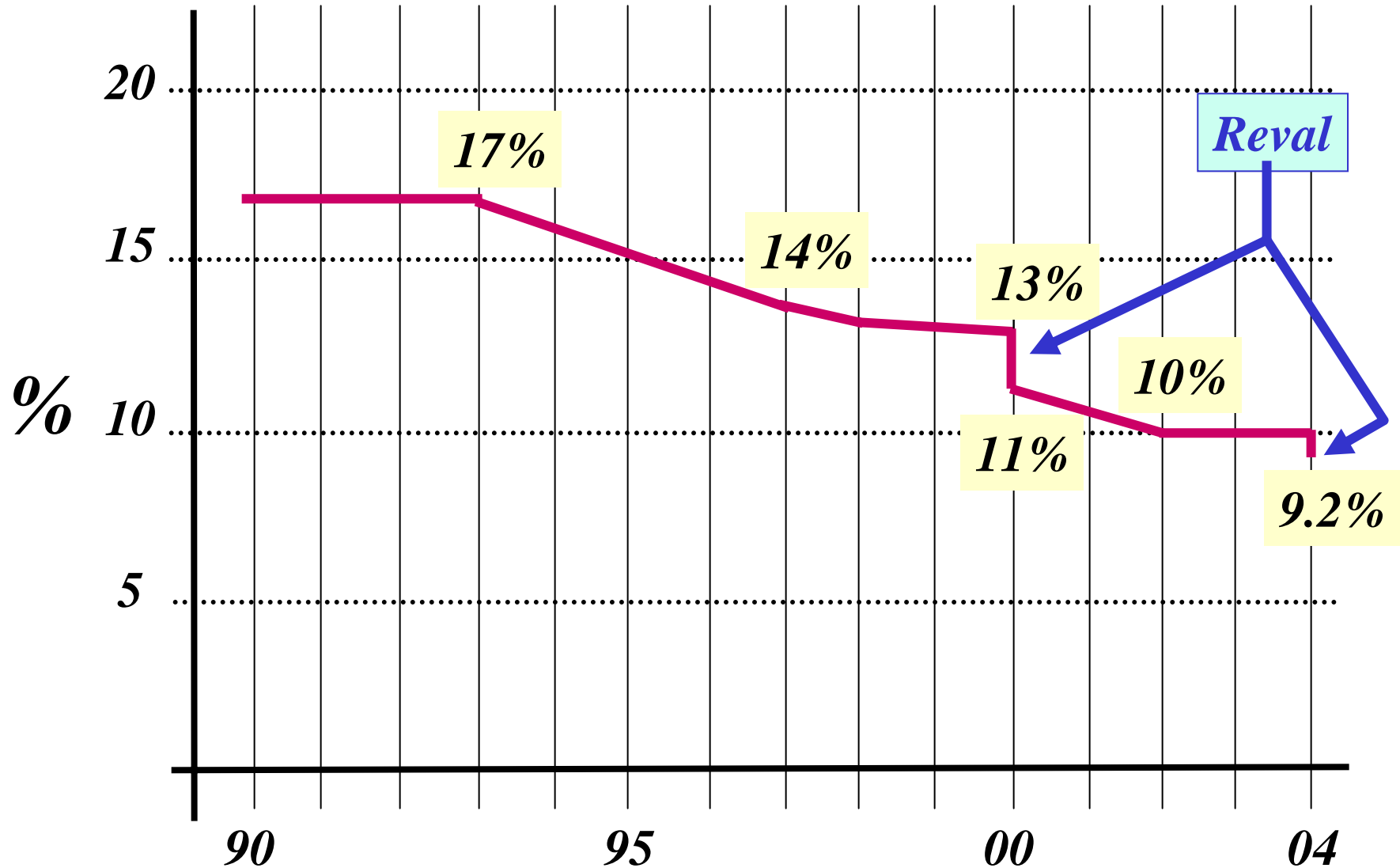
- *Net Assessed Value Base for 2004 Tax Year*
- *Revenue Summary 1990 - 2004*

Portsmouth Net Assessed Value Base

Date	Certified 12/31/03		Certified 12/31/04 (w/ reval)	Change (w/reval) \$/%
Total Net Assessed Value	\$1943M		\$3233M	+1290/+66%
Residential Net Value	\$1699M		\$2880M	+1181/+69%
Coml, Ind, Util	\$140M		\$241M	+101/+72%
Tangibles	\$54M		\$56M	+2/3.7%
Motor Vehicles	\$51M		\$56M	+5/9.8%
C,I,U,T as % of Total	10.0%		9.2%	-0.8%

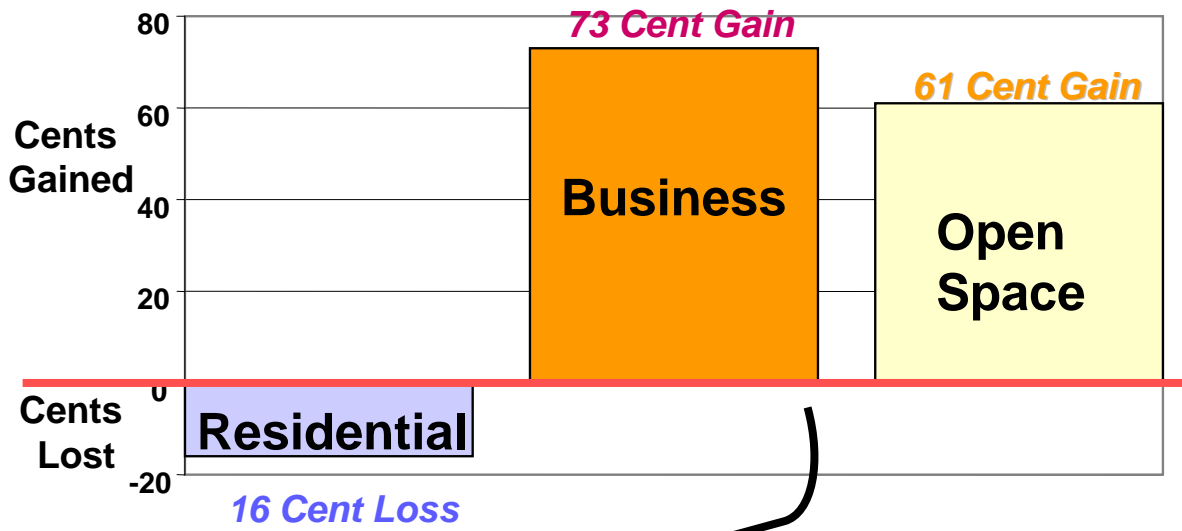
Source: Portsmouth Tax Assessor data through 12/31/04. Taxable base after all exemptions.

Commercial Revenue as a Percent of Total

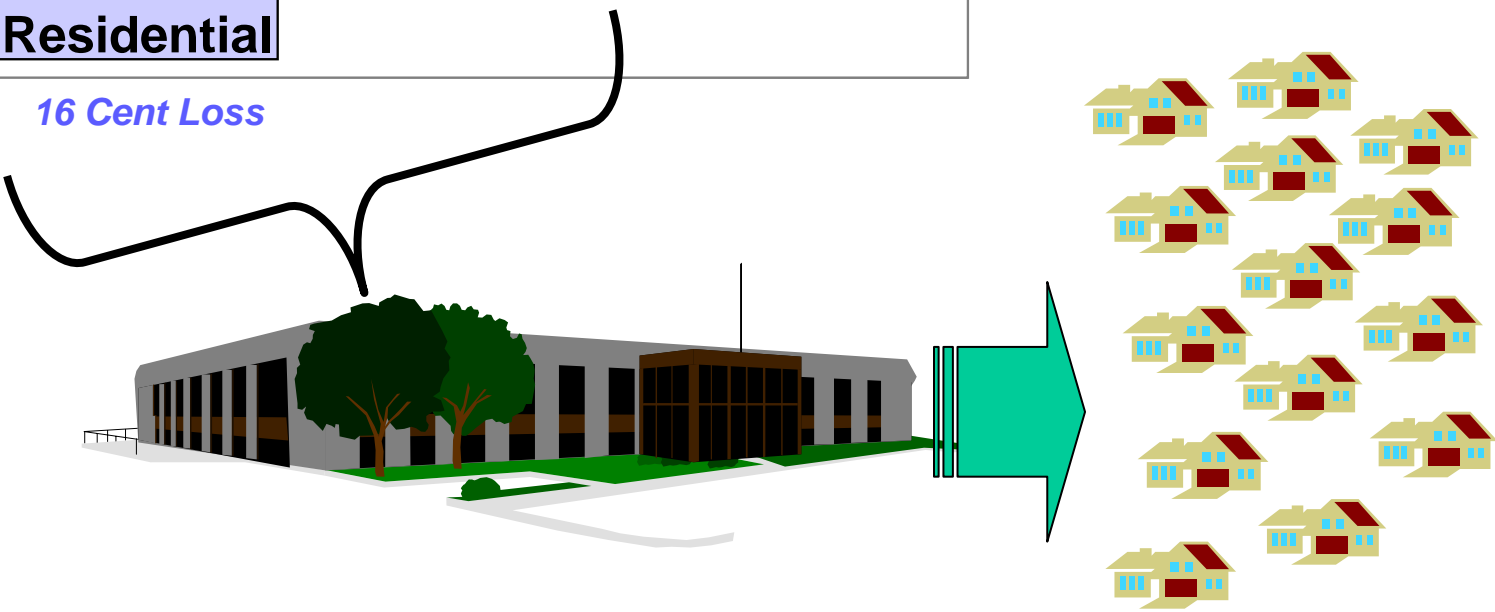


Source: Portsmouth Tax Assessor data through 12/31/04. Taxable base after all exemptions.

Gain/Loss per Dollar Revenue



Note: These data from 1997 Portsmouth analysis are consistent with similar surveys in other RI & MA towns (The Costs of Suburban Sprawl & Urban Decay in RI Dec 1999 Grow Smart RI)



One Renova (Ex-Quadrax) type building is needed to offset the revenue loss to Portsmouth for each 14 new homes

Conclusions

- ***The Dec. 2004 net assessed tax base increased by 66% over Dec. 2003.***
 - That increase is largely due to a revaluation for 2004.
- ***The Portsmouth Business Development Initiative Continues to Improve the Business Base.***
 - Even with the reval, the business tax base (Coml., Ind, Util, & Tangibles) remained relatively constant at about 9.2% of the total. In fact, Coml, Ind, and Util property revalued at a rate higher than the residential rate. The recent trend of stabilizing the commercial base continues.
- ***The 2004 revaluation had less effect on the residential tax burden than 2000 – because of the larger change in the commercial valuation base as compared to residential.***

PEDC 2005 PROJECTS

- *Town Center*
- *Published By-Laws*
- *Wind Energy Initiative*
- *Legislative Meeting*
- *Marketing Brochure*
- *West Side Projects*



2006 Planned Projects

- **Continue liaison with Town Center Committee**



- **Explore how to quantify “residential/recreational” as compared to traditional residential**
- **Update EDC 5 yr Strategic Plan**

- **Continue to Pursue Sustainable Energy Initiative**

- **Support West Side Master Plan Work**

- **Liaison/Participate with the Portsmouth Redevelopment Agency**

- **Continue our Business Improvement Initiative**



Director of Business Development

Bill Clark

- ***2005 Activities***
- ***Key Focus for 2006***

Marketing Portsmouth

- *Town resource for business inquiries & contact point for agents, brokers & landowners*
- *Advocated for business interests in: zoning proposals; zoning ordinance changes; design review; Town Center Study; DOT highway planning; West Side Master Plan; increased interface with RIEDC staff; re-use of gov't. land*
- *Administer EZ program – solicit, explain, enroll, support benefit claims, intercede & advocate for special cases, follow-up*
- *Procured grant for re-design of critical West Main intersection – initiated new QBS process*
- *Awarded grant to business owner for Island Park rehab program; second business award being progressed*
- *Administer tax stabilization program for new & expanding commercial property – 5 new projects enrolled \$18 million*

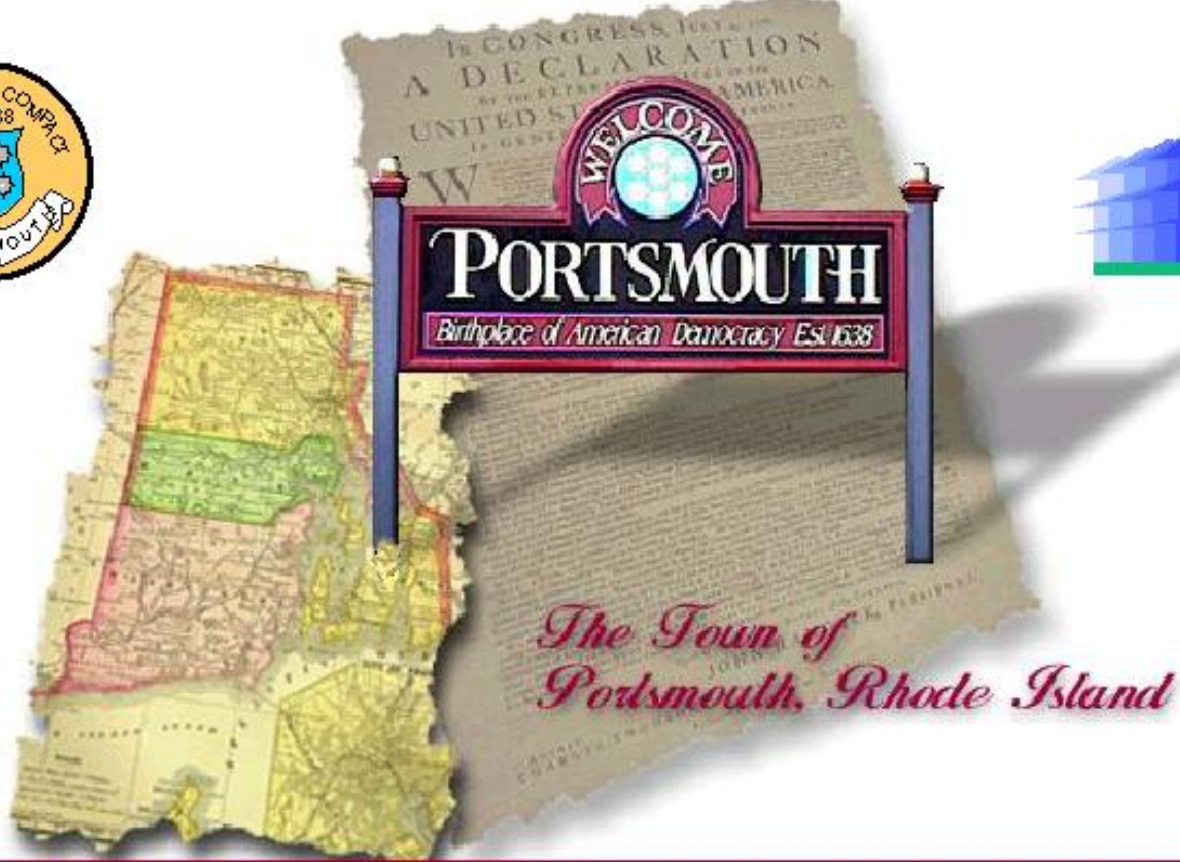
Key Focus for 2006

- ***Monitor WSMP impact & developments - Navy, new Redevelopment Agency, O'Neill***
- ***Improve Enterprise Zone participation – mailings, visits***
- ***Continue to solicit Island Park business participation in Facade Rehab program and request increased grant funding***
- ***Represent Town support for Portsmouth Marine Partners in “Melville Backyard” expansion***

New PEDC Officers

To assume office at the conclusion of this presentation

- ***Rich Talipsky - Chair***
- ***Harry McCarthy - Vice Chair***
- ***Bob Hamilton - Secretary***



*Thank you for your time.
Any questions or comments?*

Additional Information

***The following attachments
provide additional details
of the information
in the slide presentation.***

PEDC Projects

***The following provides additional
information on PEDC projects
for 2005 and 2006***

Liaison with the Town Center Committee (2005 Project Continuing in 2006)

- ***Next step is to determine what to do with the Federal grant (\$192,000)***
 - **Hire consultant to further review the E. Main Road roundabout plan to ensure it will work.**
 - **Credible Public Relations plan to ensure the community understands and supports new traffic plan**
 - **Assessment of water run-off and wetland issues**

Town Center Plan

Sample Development Model

	<i>sq ft</i>	<i>est. assessed value</i>
Retail	167K	\$12.5M
Office	127K	\$10.8M
Housing	80K	\$ 6.4M
Total	374K	\$29.7M

Estimated Tax Revenue (@\$10.35 rate) - \$307K

Wind Energy Initiative (2005 Project)

- **2005 Wind Energy (WE) initiative:**
 - Support Portsmouth Abbey WE Installation
 - Teamed with RWU for Town WE site study
 - Participated in State level WE workshops
 - *Increase Portsmouth visibility with state / national agencies*
 - **Broaden 2006 initiative to include all Sustainable Energy resources**
 - *Expand scope to include all alternative energy sources*
 - *Promote energy conservation and efficiency awareness*
 - Wind Energy sub-committee becomes Sustainable Energy sub-committee to better reflect broad goal.

Sustainable Energy Initiative (2006 Expanded Project)

- ***Sustainable Energy initiatives:***
 - **Develop Business case's for 3 target areas**
(for TC consideration)
 - ***“Behind the meter” analysis***
 - School Department
 - » *Portsmouth High School*
 - » *Portsmouth Middle School*
 - Portsmouth Industrial Park
 - Potential Waste treatment plant
 - Westside development “targets of opportunity”
 - ***“Wholesale energy” analysis***
 - » *Feed into grid and receive credit offset + incentives*
 - ***Champion Energy efficiencies and Cost reductions***
 - PBA, Town School, Department
 - **Promote Portsmouth visibility at all state levels**

Meeting with Legislators* *PEDC Projects*

(2005 Project - Continuing in 2006)

- ***Initiated a periodic PEDC “legislative roundtable” inviting our state legislators.***
 - An interactive discussion of issues related to the town and how our legislators can help
 - Emphasized EDC role in creating positive business environment for both current and new businesses in Portsmouth
 - Reinforced awareness of legislators of our desire to be best in class for creating and sustaining positive business environment
 - Created an understanding of how our legislators can be instrumental in furthering initiatives favoring business development
 - Getting to know the legislators and letting them get to know us in a face-to-face discussion was invaluable
- ***The exceptional success of this roundtable has resulted in the PEDC adopting this format for continuing periodic meeting with the legislators.***

** See the PEDC Meeting Minutes of August 25, 2005 for a complete account of the roundtable*

Marketing Brochure (2005 Project)

Cover



Tailorable Inserts



Fixed Pages



Pocket Folder



West Side Development (2005 Project Continuing in 2006)

- ***2005 West Side Master Plan***
 - The PEDC worked closely with town and Aquidneck Island planners on the WSMP
 - WSMP has been formally published
- ***2006 WSMP Work and Liaison with Portsmouth Redevelopment Agency (PRA)***
 - Analyze WSD master plan for fit to the economic needs of the town
 - The PRA will be the primary body that will enact statutes by which the WSMP will be implemented. The PEDC will work closely with the PRA to help them make sound economic decisions

Residential/Recreational Property Tax Analysis (New Project for 2006)

- ***Analyze the positive and negative impact of development on the west side of Portsmouth with residential properties that do not create a tax burden due to limited use (termed recreational/residential) (e.g., Carnegie Abbey developments)***
- ***Specifically identify and quantify the impact of west side recreational/residential properties on the Portsmouth tax base***
- ***Work closely with the Portsmouth tax assessor to create data that more accurately reflects the tax burden of residential/recreational properties and include the data in the PEDC Annual Reports to the Town Council***

5 - Year Review of EDC Economic Strategy (New PEDC 2006 Project)

In 2000, the PEDC conducted a review of the economic goals of the Town

- Reviewed the Commercial-Industrial Base**
- Conducted Town Business Survey**
- Forecast business expansion**
- Formulated actions for a balanced development program plan**
 - *Full time Business Development Manager***
 - *Modify land use regulations***
 - *Pursue financial benefits of open space***
 - *Emphasize use of Enterprise Zone benefits***

PEDC Project for 2006

- Review economic progress since 2000**
- Review the status of the 2000 goals**
- Revise the 2000 Plan and formulate a revised strategy for the next 5 years**

Continue Our Business Development Initiative (Continuing Project for 2006)

- ***The Business Development Initiative, conceived 5 years ago, has been effective in mitigating the eroding business base in the town***
- ***The keystone of the initiative was to hire a business development consultant to help market Portsmouth to potential businesses and help existing businesses***
- ***The following slides provide additional details on the work of the PEDC as supported by Bill Clark, our Director of Business Development.***

Business Development Details

***The following provides additional details
on the activities of our
Director of Business Development
(Bill Clark)***

Other 2005 Activities

- ***Promote locations to potential businesses & business locators***
- ***Active participant in proposed zoning revisions for Town Center – TC-C & TC-R***
- ***Updated PEDC/EZ marketing brochure***
- ***Promote local business articles to Daily News***
- ***Progressed approval of building permit fee relief for agricultural businesses***

2005 activities

- ***Continued to build relations with key development business partners – average contacts per month***

– Business inquiries	23.1
– Portsmouth EDC	6.7
– Town Council, Boards & Staff	10.3
– Portsmouth Business Association	4.3
– Town Center Issues	7.8
– RIEDC	7.8
– Newport Chamber of commerce	3.4
– Statewide Planning/DOT/Fed & RI Reps	2.1
– Marine Industries & O'Neill	4.8
– AIPC/Westside Master Plan	1.2
– Naval Station Newport	0.2
– Raytheon & other defense industry	1.0
– SBA/Banks	1.7
– Tiverton EDC & Tiverton Town Admin.	0.7

Additional Enterprise Zone Activity

- ***Attend all EZ Council meetings in support of community issues***
- ***Solicited legislative support for continuation and restoration of EZ benefits***
- ***Participated in updating RIGL relating to EZ rules and procedures***
- ***Support renewed initiative of Tiverton EDC to promote new EZ participation – enhance validity of continuing EZ program***
- ***Update Portsmouth website EZ info & guidelines***

Additional Focus for 2006

- ***Continue as key participant in Town Center next steps – explore availability of additional grants & matching funds***
- ***Support PBA work to increase membership***
- ***Continue business relationship building in Portsmouth & regionally***
- ***Advocate for traffic & road improvement projects***
- ***Build & strengthen relationships with new & existing businesses and other business development organizations***