

*The Town of  
Portsmouth, Rhode Island*

***ECONOMIC DEVELOPMENT COMMITTEE***

**REPORT TO THE TOWN COUNCIL  
*December 11, 2006***

## **EDC Membership**



***Rich Talipsky – Chair***

***Harry McCarthy – Vice Chair***

***Bob Hamilton - Secretary***

- ***Bob Andrews***
- ***Alyssa Church***
- ***Paul Fleming***
- ***Craig Gaspard***
- ***Gary Gump***
- ***Mary Lake***
- ***Roger Moriarty***
- ***John Palmieri***
- ***Steve Senteio***
- ***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

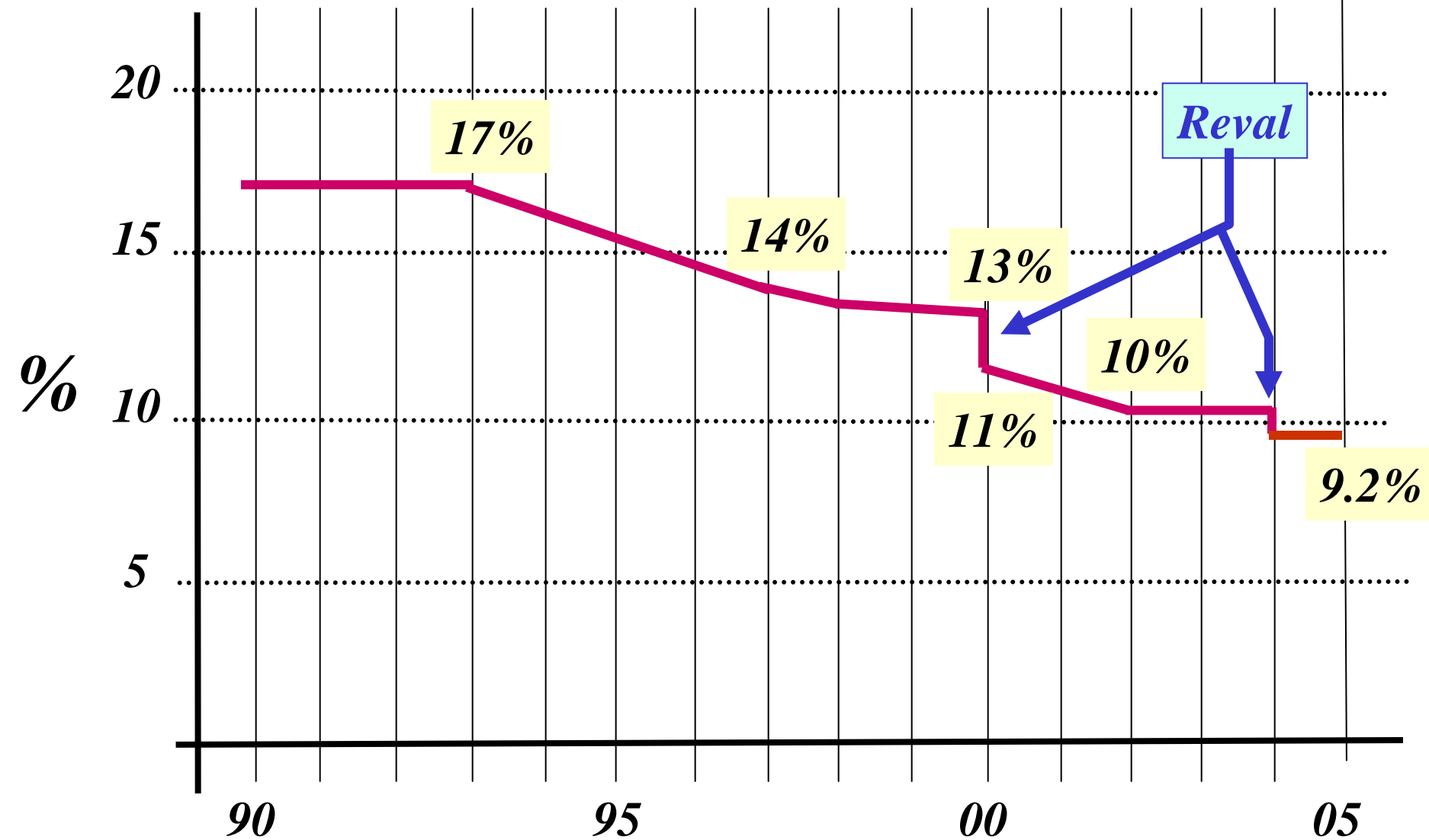
- *Net Assessed Value Base for 2005 Tax Year*
- *Tax Base History 1990 – 2005*

**Portsmouth Net Assessed Value Base**

<i>Net Assessed Value</i>	<i>Certified 12/31/04</i>	<i>Certified 12/31/05</i>	<i>Change</i>	
<b>Total</b>	<b>\$3233M</b>	<b>\$3281M</b>	<b>+\$48M</b>	<b>+1.5%</b>
<b>Residential</b>	<b>\$2880M</b>	<b>\$2925M</b>	<b>+\$45M</b>	<b>+1.6%</b>
<b>Commercial, Industrial, Utilities</b>	<b>\$241M</b>	<b>\$242M</b>	<b>+1M</b>	<b>+0.42%</b>
<b>Tangibles</b>	<b>\$56M</b>	<b>\$59M</b>	<b>+3M</b>	<b>+5.4%</b>
<b>Motor Vehicles</b>	<b>\$56M</b>	<b>\$55M</b>	<b>-1M</b>	<b>-1.8%</b>
<b><i>C,I,U and T as % of Total</i></b>	<b>9.2%</b>	<b>9.2%</b>		<b>0%</b>

*Source: Portsmouth Tax Assessor data through 12/31/05. Taxable base after all exemptions.*

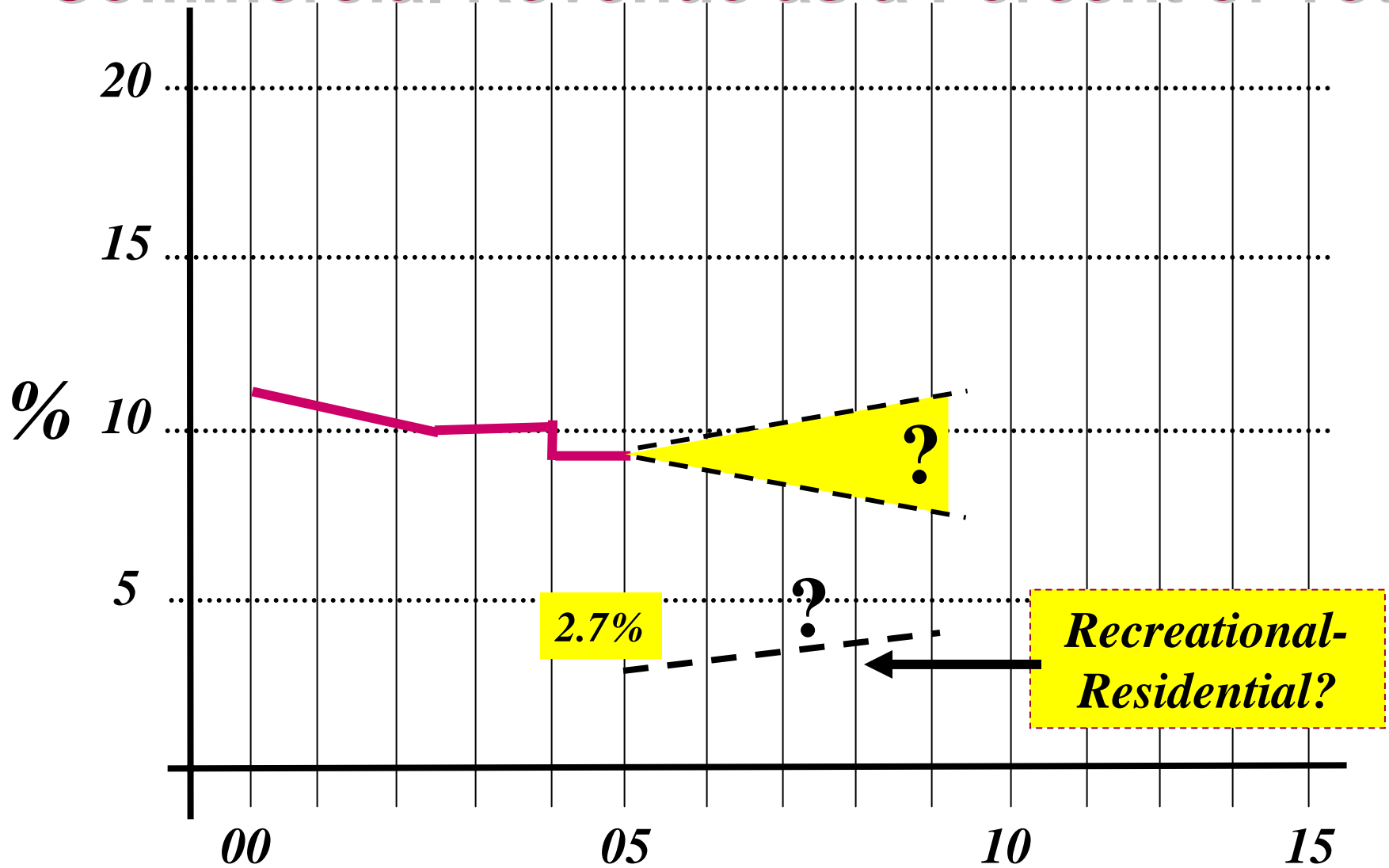
# Commercial Revenue as a Percent of Total



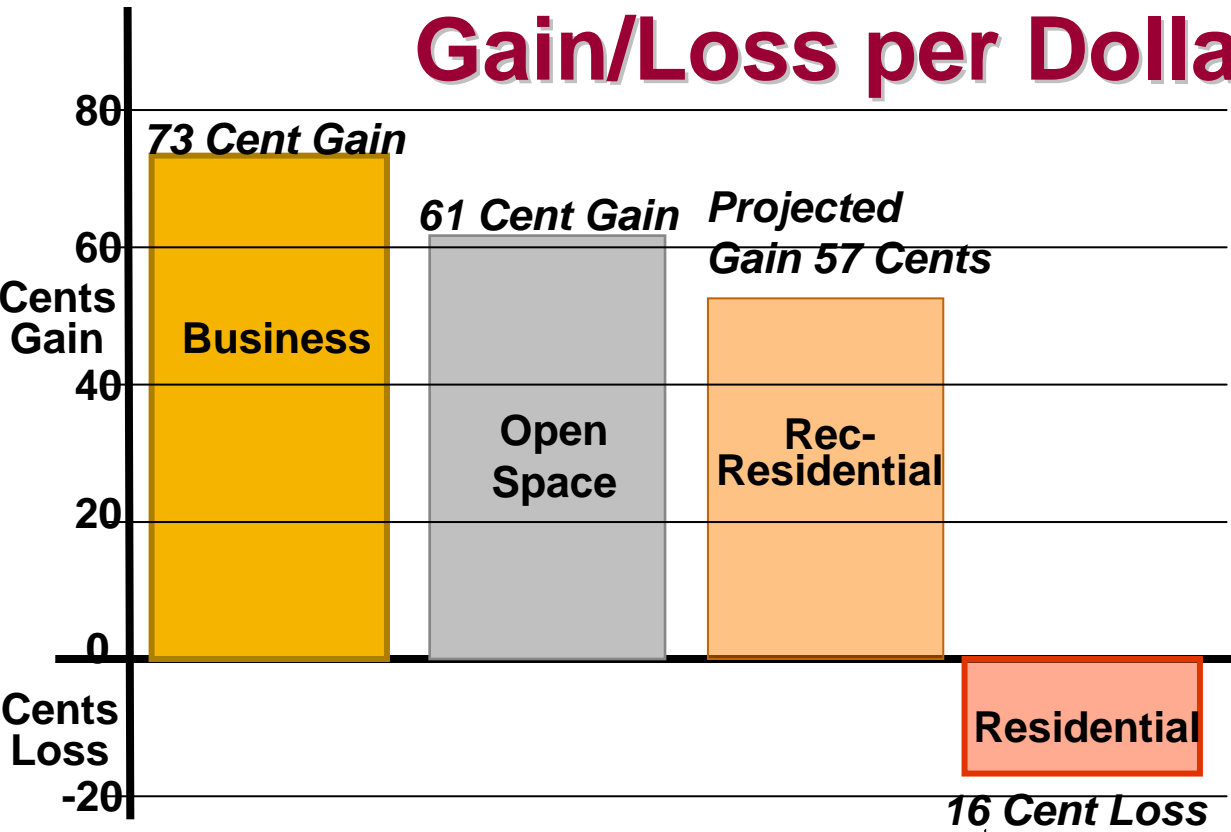
Source: Portsmouth Tax Assessor data through 12/31/05. Taxable base after all exemptions.

*Projected Status of the Tax Base*

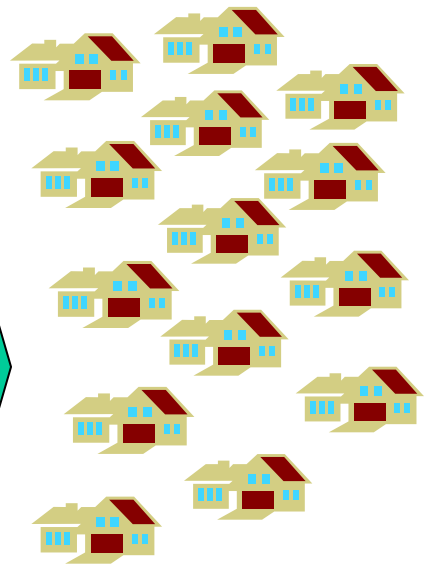
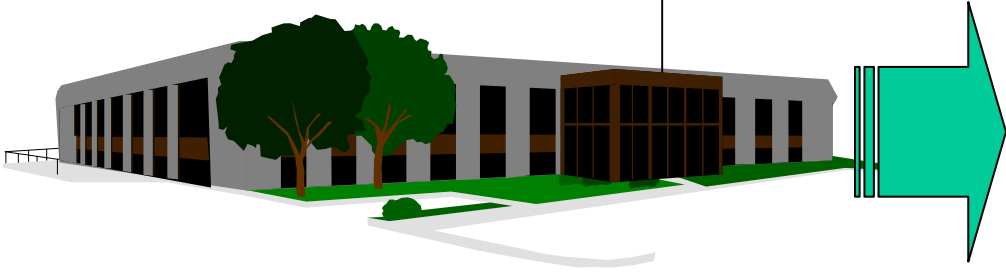
# Commercial Revenue as a Percent of Total



# Gain/Loss per Dollar Revenue



Note: Rec-Res. data from 2006 Portsmouth Town Planner "Cost of community services" analysis of the residential part of proposed Weaver Cove development. Other data from 1997 Portsmouth study



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

# Conclusions

- ***The Dec. 2005 total net assessed tax base increased by 1.5% over Dec. 2004.***
- ***The Portsmouth Business Development Initiative continues to stabilize the business base.***
  - For third year in a row, the business tax base (Coml., Ind, Util, & Tangibles) remained relatively constant at about 9.2% of the total. The recent trend of stabilizing the commercial base continues.
  - Because of the slowdown in housing starts and the Enterprise Zone exemptions phasing out, we expect continued improvement.
  - The 5-plus% increase in tangibles indicates that Portsmouth businesses are investing more in their infrastructure.
  - In 2000, the PEDC's projection was for an increase in business assessment to be \$44.2M in 5 years. Our actual increase to 2005 was about \$67M.

# PEDC PROJECTS

- ***Town Center Project***
  - Federal Funding Reductions
  - Roundabout Plan – Traffic/Pedestrian Flow
  - Hearings this Spring
- ***Sustainable Energy***
  - Wind Projects
  - Work on “Net Metering” legislative relief
  - Conservation
  - Workshop with Town Council
- ***West Side Projects***
  - Needs monitoring and action where appropriate
  - Major part of Economic Plan
- ***Assist the Redevelopment Agency***

# **PEDC PROJECTS (Continued)**

## ▪ ***Economic Strategic Planning***

- ***Consistent with Town Comprehensive Plan***
- ***Encompasses the West Side Master Plan Vision***
- ***Focus on Melville Marine District***
- ***Update EDC 5 yr and 10 yr Business Forecast***
- ***Identification of required policies and initiatives to support “smart growth”***
- ***Identification of obstacles that may impede success***

## ▪ ***Business Improvement***

- ***Centers on Business Development Director***
- ***An “Every Business Counts” philosophy***

# Director of Business Development

## Bill Clark

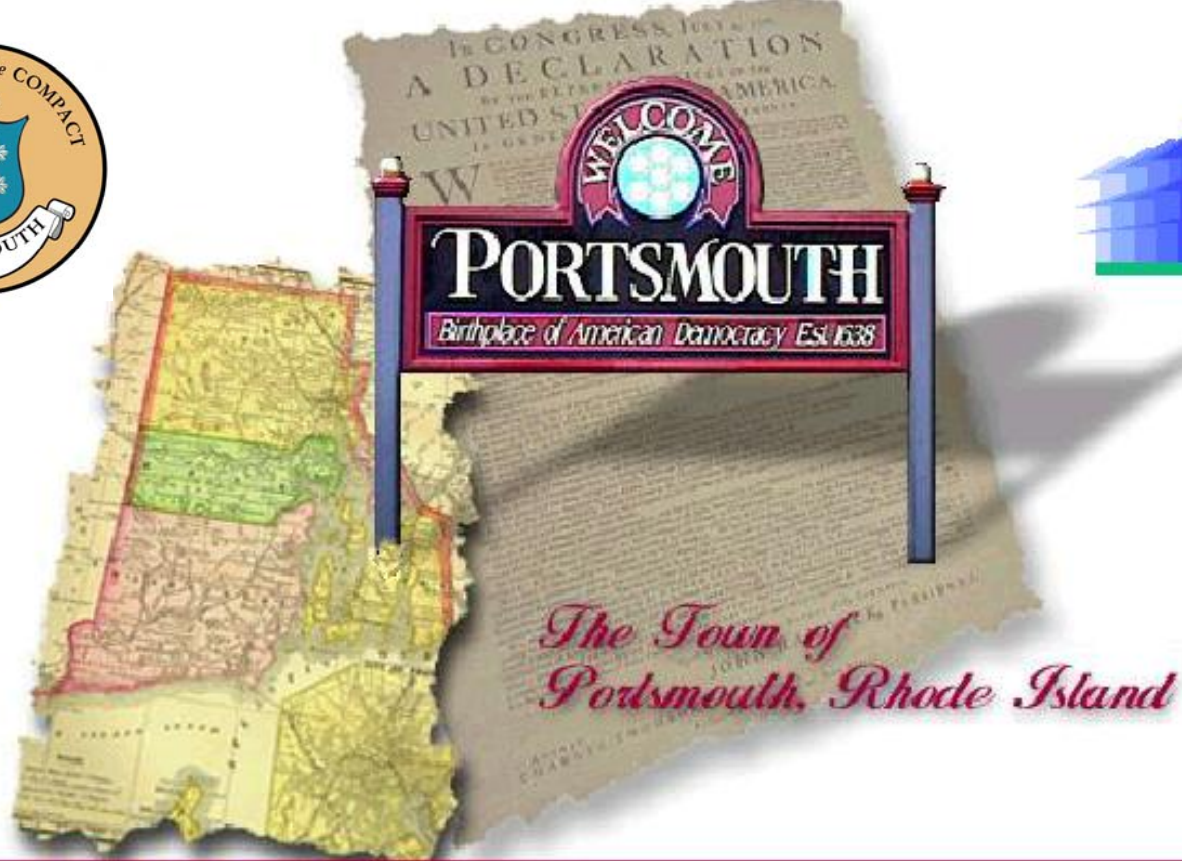
- ***2006 Activities***
- ***Key Focus for 2007***

## **Marketing Portsmouth**

- *Town resource for business inquiries .*
- *Advocated for new and expanding business interests.*
- *Administered Enterprise Zone program – enrolled new participants; defended special appeals.*
- *Completed study & re-design of critical West Main intersection utilizing grant funds.*
- *Awarded Island Park facade upgrade grant.*
- *Administered tax stabilization program for business projects.*

## **Key Focus for 2007**

- ***Provide support for expansion of marine industry – “Melville Backyard” expansion***
- ***Expand Enterprise Zone participation***
- ***Increase exposure of Portsmouth Business Association***
- ***Continue to assess WSMP development impact***
- ***Seek nominees for Facade Rehab program***



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

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# **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 2006 and 2007***

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

- ***An important economic “engine”***
- ***Recent tragedies indicate compelling need for changes to traffic/pedestrian flow***
- ***RI DOT validated “roundabout” plan will work***
  - Now in DOT Study Design
- ***Federal DOT funding cuts limiting funds available.***
- ***RI DOT and Town Council plan for public hearing Spring 2007***
- ***Expected project start 5-7 years***

# Wind Energy Initiative (2006 Project Results)

- ***2006 Wind Energy Project Accomplishments:***
  - Secured \$25,000 grant from RI Renewable Energy Fund for HS and MS feasibility study
  - Applied and successfully received Zero-Interest CREB
  - Developed and issued Wind Energy Feasibility RFP
    - *RFP response cost exceeded grant - further analysis identified possible sub-committee contributions which can reduce cost*
- ***Sub-committee work currently under review***
  - Review of consumption data
  - Expand sub-committee work to include energy use and RI PUC potential action.
  - Anticipate re-issue or modification to original RFP
- ***Expect to request workshop with TC in 1<sup>st</sup> QTR 2007 to provide detailed update.***

# **Sustainable Energy Initiative (2007 Expanded Project)**

- ***Sustainable Energy initiatives:***
  - **Attended AIPC “Wind Forum”**
  - **Explore possibility of “Island wide” wind energy plan with AIPC and other towns**
  - **Support RI PUC “Distributed Generation” requirement for Towns and municipalities**
  - **Continue to Champion Energy efficiencies and Cost reductions**
    - *PBA, Town, School Department*
  - **Promote Portsmouth visibility at all state levels**

***Replacing one 60W incandescent bulb with a compact fluorescent in each of 1000 homes can save 130 Million Watt-Hrs per year energy\*.***

*\* Savings of 45 watts per bulb, 10 hours per day for 300 days*

# West Side Development (2006 Project Continuing in 2007)

- **2006 WSMP Work**
  - Monitored initiative to turn the concepts of the plan into reality.
  - Choice area for commercial development
    - *In the Enterprise Zone*
    - *Access to coastline*
  - Need to preserve the “high quality” of the area.
    - *Potential for uncontrolled development*
    - *West Side Drive Plan a good start, however:*
      - Could add traffic and noise to a currently serene drive
      - Must be a carefully controlled total plan.
  - Provide assistance to Portsmouth Redevelopment Agency on development of Navy excess land.
  - Ensure development meets the needs of the Town as specified in the Town Comprehensive Plan.
  - Establish a list of standards by which each initiative can be measured to ensure each improves the economic and way of life goals of the Town.

# **Economic Strategic Planning (Continuing Project for 2007)**

***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*
- ***In 2006, EDC Strategic Planning Sub Committee formed***
  - Held 9 meetings so far this year
  - Met with local Marine trades business leaders
  - Met with RIEDC (Paul Harden)
  - Met with URI Professor
  - Several meetings included Councilman Seveney
  - Intend to present workshop to Town Council in January 07
  - Our vision is to present Town Council with 5yr and 10 yr projections with action plans and future annual updates to gauge progress.

# **Residential/Recreational Property Tax Analysis (Continuing Project for 2007)**

- ***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***

# **Continue Our Business Development Initiative (Continuing Project for 2007)**

- ***The Business Development Initiative, conceived 6 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 Bill Clark, our Director of Business Development, in support of the PEDC.***

# **Business Development Details**

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

## **2006 activities**

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

– Business inquiries	13.1
– Enterprise Zone	9.1
– Portsmouth EDC	7.7
– Town Council, Boards & Staff	11.3
– Portsmouth Business Association	3.8
– Town Center Issues	6.2
– RIEDC	7.1
– Newport Chamber/civic groups	3.0
– Marine Industries & O’Neill	5.1
– State offices/DOT/Fed & RI Reps/SBA	4.2
– AIPC/WSMP/PRA	1.3
– Defense industry & Navy	1.0
– Brokers	4.1
– Façade program & Gateway study	6.8
– Tiverton EDC & Tiverton Town Admin.	0.8
– Press	1.0

# **Additional Enterprise Zone Activity**

- *Attended all regular & special EZ Council meetings in support of business issues*
- *Updated Portsmouth website EZ info & guidelines*
- *Worked with commercial brokers to identify property for interested businesses*
- *Provided leads to Newport Daily News for business profile article*
- *Met with numerous business owners concerning plans for expansion – zoning, permitting, financing issues*
- *More & more people know the office exists & can be a resource for connection to State programs – training, financing, employment, re-location – “Every Company Counts”*
- *Supported initiative of Tiverton EDC to promote additional EZ participation.*

## **Additional Focus for 2007**

- ***Actively represent business interests in Town issues: Town Center Committee; zoning issues; DOT highway planning; RIEDC.***
- ***Explore availability of grants & matching funds***
- ***Continue business relationship building in Portsmouth & regionally***
- ***Promote EZ and Town initiatives at PBA Business Expo***