

# ECONOMIC DEVELOPMENT COMMITTEE

## 2012 ANNUAL REPORT

presented on January 14<sup>th</sup>, 2013

# Agenda

- Bottom Line Up Front
- Process and Content
- The Seven Imperatives
- The Importance of the Town Comprehensive Community Plan (TCCP)
- The Next Steps
- A final word or two
- Questions
- Conclusion

# Bottom Line Up Front

- The PEDC respectfully asks the Town Council to:
  - Endorse the overall concept and direction of the Seven Imperatives.
  - Give guidance to the PEDC as it prepares to update the Economic Development Section (EDS) of the Town Comprehensive Community Plan (TCCP).
  - Encourage Town residents to join the PEDC and PEDC subcommittees due to the important work that will be done over the next year especially on the EDS of the TCCP.
  - Communicate guidance to the Town Administrator and others regarding the vision statement.
  - Communicate guidance to the Town Administrator and others regarding the update of the TCCP.
  - Support the Town Administrator and others in the efforts for the Streamline Imperative.
  - Protect the position of the Director of Business Development.

# Process and Content

- This PEDC Annual Report briefing is about process. We need a plan and common consensus/agreement on how to proceed.
- The plan is articulated by the Seven Imperatives.
- The PEDC is asking for an endorsement of this process and the Seven Imperatives.
- Once endorsed with modifications and guidance, the specific economic content will come later in the Economic Development Section (EDS) of the Town Comprehensive Community Plan (TCCP).

# THE SEVEN IMPERATIVES

- **CLOSE**: Close the “Gap.”
- **VISION**: Vision Statement for Town and/or TCCP.
- **PLAN**: Update the Town Comprehensive Community Plan (TCCP); The PEDC has ownership of the Economic Development Section (EDS).
- **PROMOTE**: Existing businesses in town.
- **ATTRACT**: New, “desirable” businesses to town.
- **STREAMLINE**: The process for new businesses to get started.
- **DIRECT**: The Director of Business Development (DBD) is critical/essential to these imperatives.

These Seven Imperatives serve as the “contract” that links the TC, TA, staff, committees, townspeople, stakeholders and especially the PEDC to a long-range economic plan for the town.

# The Importance of the TCCP and the EDS

- The Town needs to update the TCCP to meet state requirements and protect town land from potential state acquisition and/or use.
- The Economic Development Section (EDS) will contain the economic goals, objectives, policies, details and specifics of the economic plan and actions for the town for the next several years.
- The EDS update is the most critical task for the PEDC over the next several months.

# The Next Steps

- The PEDC will update the EDS over the next several months:
  - Reach out to several committees, agencies, groups and individuals for ideas and consensus.
  - Extensive research from existing documents like the West Side Master Plan, etc.
  - Periodic reports to the Town Council.
- In the meantime, the Director of Business Development will write a marketing plan for promoting town businesses.

# A final word or two

- The rationale for this process is:
  - to encourage an open, on-going dialog between the Town Council, the PEDC, the Town Administrator, Town Planner, Town Staff, Director of Business Development, town committees, town residents and stakeholders.
  - To encourage participation in and consensus for the update of the EDS which will serve as the economic roadmap/blueprint for the town for the next several years.

QUESTIONS?

# In conclusion:

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# Additional background information

- The following slides provide additional information and rationale.

# PEDC BY-LAW EXTRACT

## Section 1. Primary Objective

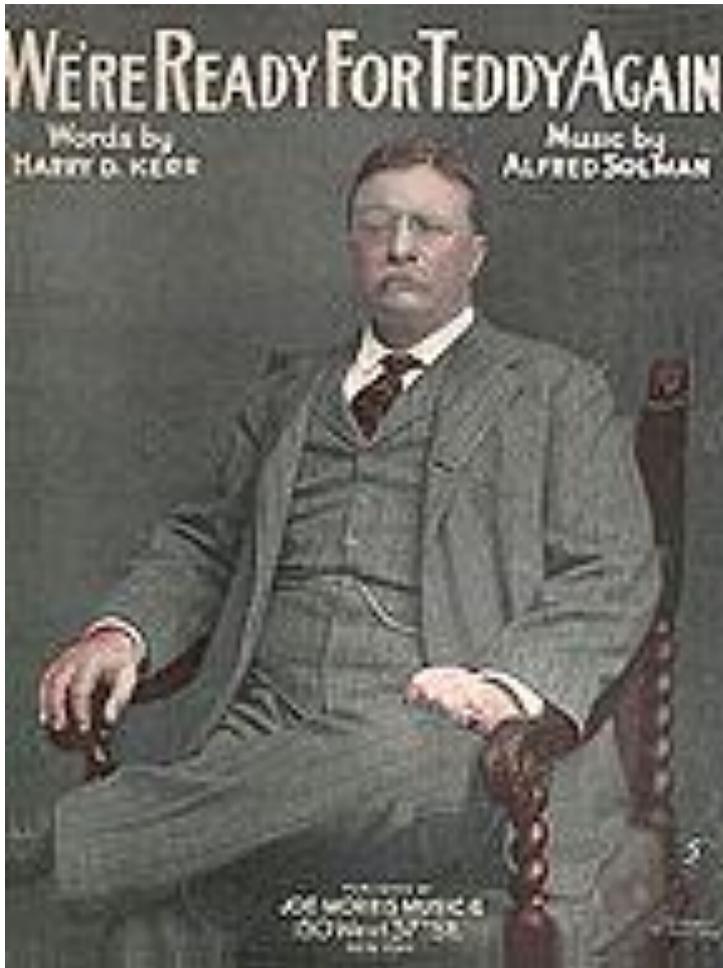
The primary objective of the Committee is to advise the Town Council on economic-related matters. The Town Officials may from time to time, refer to the Committee policy matters of community development and viability, including such issues as land, economic, and infrastructure development.

## Section 2. Other Objectives

The Committee shall not be limited to issues referred to it by the Town Officials and may discuss and make recommendations to the Town Officials and Staff on any matter involving community development and viability within the Town of Portsmouth. Town residents are also encouraged to submit issue items to the Committee.

These can be revised.

# A little philosophy as to our framework going forward:



"Do what you can,  
with what you've got,  
where you are."

This means we will have limited resources going forward and we need to plan and execute accordingly.

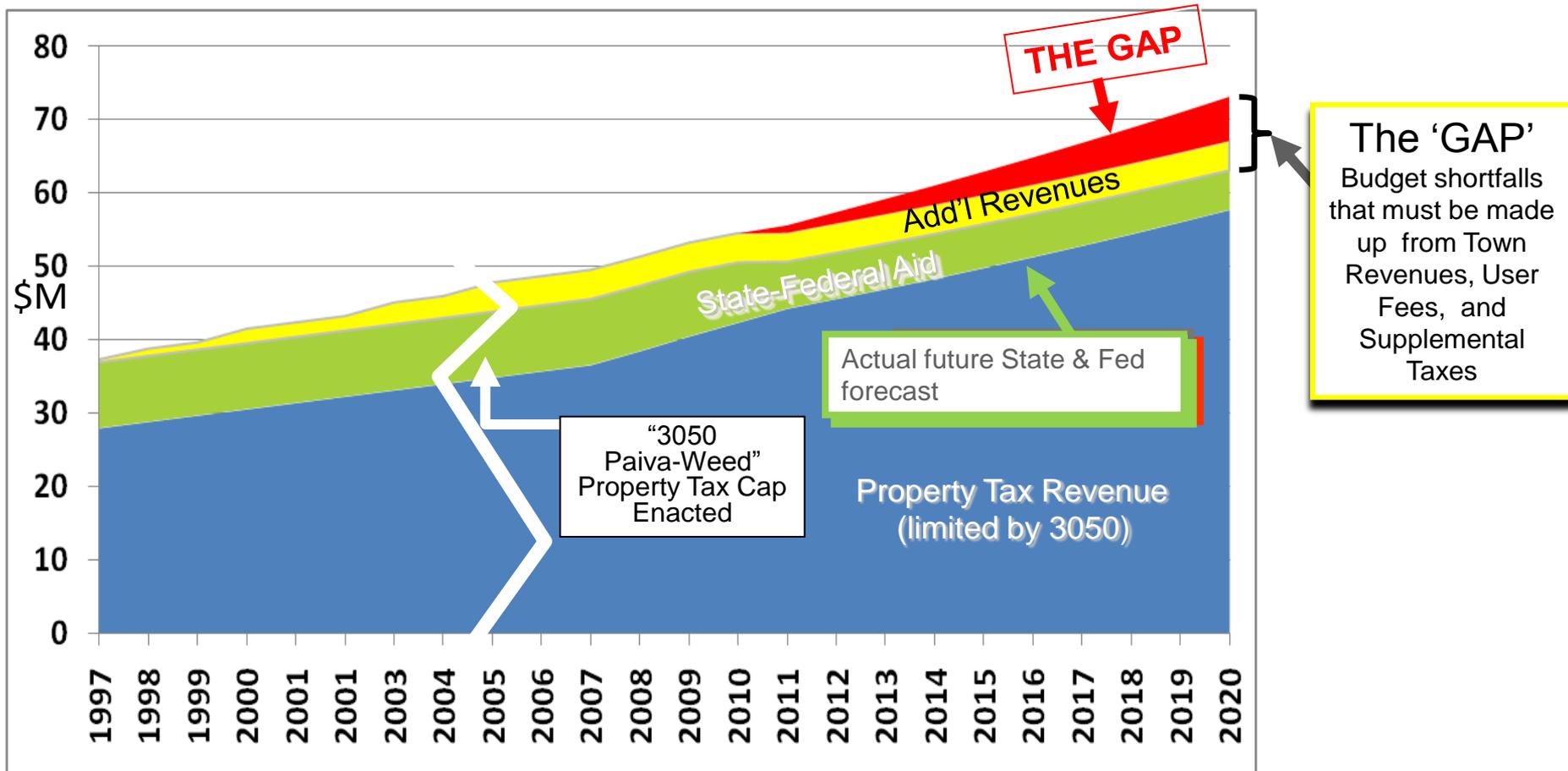
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# The Ever-Looming "GAP"

Historical and Projected Town Budget Picture



# Close the “Gap”

- The “Gap” as defined by previous PEDC work is simply the difference between the anticipated increases in costs and expenses and decreases in revenue.
- Three basic ways to Close the “Gap.”
  - Raise taxes.
  - Cut spending.
  - Generate new revenue.
    - This is the focus of the PEDC and DBD.
    - Accomplished by the other six imperatives.
- The Seven Imperatives represent the conceptual plan for what the PEDC and others will do to Close the “Gap” by focusing on revenue generation.

# VISION

- Closing the “Gap” begins with a Vision.
- The PEDC believes there should be a vision statement:
  - for the Town, or;
  - as a minimum, for the TCCP.
- The vision statement communicates the end state vision for the town from the Town Council, through the Town Administrator, through the town staff and departments, through the volunteer committees and ultimately to the townspeople.
- PEDC has literature on why vision statements are important.
- PEDC has examples.
- PEDC has a draft.
- The PEDC believes a vision statement is critical for a number of reasons.
- Urge adoption of a vision statement to synchronize town efforts.
- The TA, TP, DBD and PEDC are currently working on this.

# PLAN (1)

- The Vision drives the Plan.
- The Plan is the Town Comprehensive Community Plan (TCCP).
- The TCCP is one of the four most critical documents to the town next to the Charter, the Budget and the Zoning Ordinance.
- It serves as a blueprint/roadmap for many town actions for the next 20 years or more and not just economic.
- The TCCP needs to be completely redone/updated.
- The update of the TCCP is driven by a good Vision statement.
- The TCCP should have a Vision statement that provides guidance to synchronize the content of all the elements.

# Plan (2)

- Efforts are underway to rewrite/update the TCCP.
- Town Administrator, Town Planner, DBD, PEDC and others are currently working on this process.
- Some committee work and meetings will be needed to synchronize all elements.
- The maintenance and periodic update of the EDS of the TCCP would be an essential task for the DBD (along with the TP and the PEDC).
- Updating the Plan puts a premium on communications between TC to TA to Staff to committees.
- This Town Council has the opportunity to set the conditions for success for Portsmouth for several years to come communicated through the Vision and Plan Imperatives.

# PROMOTE

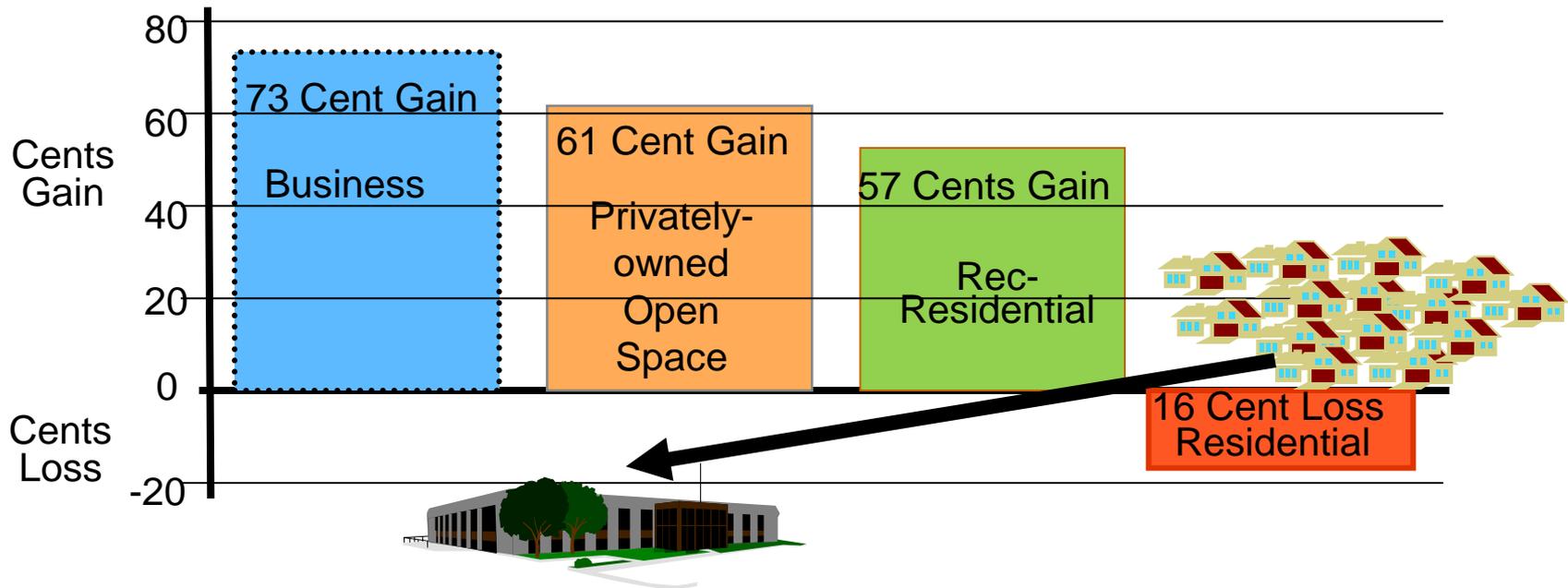
- While we Plan, we need to Promote.
- We need to Promote existing businesses in town.
- Need to ensure existing businesses in town are healthy and growing.
- Current businesses contribute 10% to the property tax base. We need to grow this number to reduce the burden on residential taxes.
- Businesses are revenue positive. For every tax dollar received, the associated cost is less than one dollar. (Previous PEDC work).
- The best thing that can happen to local businesses is to buy their products or use their services.
- The PEDC will work more closely with the PBA and the DBD going forward to actively promote existing businesses.
- The PEDC has applied for a RI Foundation Grant to obtain funds to create a marketing plan to promote town businesses.
- The DBD will write a marketing plan for promoting town businesses.
- Promote is a critical task for the DBD.

# PROMOTE

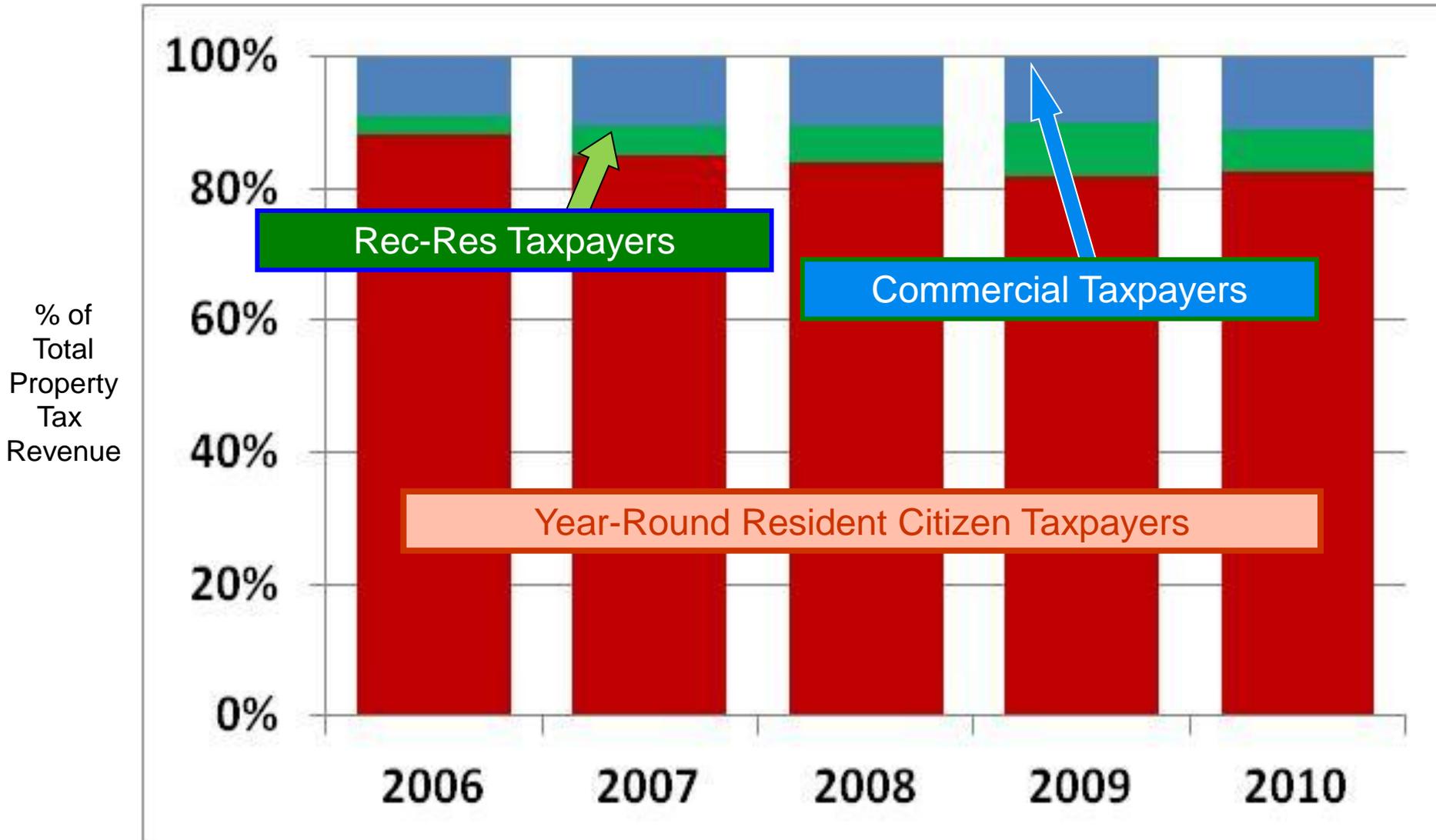
## Elements of the Property Tax Base

Revenue Positive	Revenue Negative
Commercial	Most Residences
Private Open Space	
Recreational-Residential	

Revenue Gain/Loss per Property Tax Dollar Collected



# Commercial and Rec-Res Eases the Property Tax Burden on Our Year-Round Residents



# ATTRACT

- While we Promote and after we finish the Plan, we need to Attract.
- Attract new “desirable” businesses to town to increase the commercial property tax base to reduce the burden on residential taxes. What is “desirable?”
- “Desirable” is/will be formulated by the town/TCCP vision statement, the TCCP itself, and especially the EDS of the TCCP.
  - Based on the macro vision from this Town Council and guidance from the TA, TP, DBD and the other elements of the TCCP, the PEDC will write the EDS of the TCCP which will reflect the economic direction of the town going forward.
  - This process will formulate what the “desirable” businesses are.
- This will be the toughest task for the PEDC going forward.
- This is where the PEDC has the potential to “move the needle.”
- This will be challenging given the current conditions, the history of town development from the 1960’s to the present, and the diverse nature, preferences, ideas and desires of the townspeople.
- Million dollar question: How to build consensus? The PEDC is working on that.
- Once the EDS is written and approved by the TC, then the DBD will create a marketing plan specifically designed to attract these new “desirable” businesses.
- This is a second critical task for the DBD.

# STREAMLINE

- What do we do when we Attract these new “desirable” businesses and they start showing up in town?
- One takeaway from the 2009 PEDC workshops was that the process for new businesses to get started needs work.
- There was an effort to address this in 2011 with some minor modifications.
- The PEDC suggests, under the leadership of the TA, that the BI, TP, DBD, PB, ZB and DRB and a few key selected individuals work together to design a comprehensive, single document to be used as a checklist for any new business owner who wants to start a business in town.
- The PEDC suggests that the first stop for any new business owner be either the BI or DBD. A provision in the TCCP would state that any new business owner inquiring or applying to start a new business should be immediately directed to either the BI or DBD.
- Recent PBN article about this effort in Westerly.
- Participating in and monitoring this process would be an essential task for the DBD.

# DIRECT

- The concepts and direction of the Seven Imperatives puts a premium on the DBD.
- Critical tasks are Promote and Attract.
- Essential tasks are Plan and Streamline.
- Other than the Town Planner, the DBD is arguably the only town employee who can execute the details of The Seven Imperatives to close the “Gap.”
- The DBD is critical to the future economic success of this town.
- The PEDC believes that without the DBD, the economic risk to this town increases significantly.
- The PEDC urges the Town Council to protect the position of the DBD.

# A few words about content:

The content will manifest itself in the EDS of the TCCP.

- The Seven Imperatives described in this briefing are about process.
- Soon, the PEDC will begin writing the EDS of the TCCP based on guidance from the Town Council, the Town Administrator, the TP and the vision statement. This is the “content.”
- The EDS of the TCCP is the economic blueprint and roadmap for the town for the next 20+ years.
- This is where we will “move the needle.”
- We will ensure town committees and stakeholders are involved in the process.
- The PEDC (as we develop the content for the EDS of the TCCP) will:
  - Use the principles of Smart Growth.
  - Use all past work and resources such as the workshop results, SWOT Analysis, e
  - Will review West Side Master Plan, Town Center Plan and other pertinent plans and incorporate relevant concepts to ensure consistency.
  - Will coordinate with several organizations, including but not limited to: town committees, AIPC, ALT, AIRPA, Preserve Portsmouth, other town EDCs, RIEDC , et. al.
- The PEDC is aware of the desire to retain town character, maintain open space, and other viewpoints.
- Balance and consensus are important to the success of these efforts.