

AGENDA

JOINT MEETING OF THE

SPECIAL COMMITTEE ON JOB CREATION/JOB RETENTION & ECONOMIC DEVELOPMENT AND THE COMMITTEE ON ADMINISTRATION/INFORMATION SYSTEMS

December 18, 2012
Aldermen Arnold, Ludwig,
Long, Corriveau, Katsiantonis,
Greazzo, O'Neil, Shea, Gamache

5:15 p.m.
Aldermanic Chambers
City Hall (3rd Floor)

1. Chairman Arnold calls the meeting to order.
2. The Clerk calls the roll.
3. MEDO update, provided by Mayor Gatsas.
(Note: MEDO responsibilities and communication from Mayor Gatsas regarding MEDO staff supervision are also included)
4. If there is no further business, a motion is in order to adjourn.



CITY OF MANCHESTER

Theodore L. Gatsas
Mayor

TO: Honorable Board of Aldermen
CC: Matthew Normand, City Clerk
Date: Tuesday, December 04, 2012
RE: MEDO Update

Since the last meeting the following has taken place relative to MEDO:

- Following the Board of Mayor and Aldermen meeting on Tuesday, November 20th I met with Chris Wellington to discuss the day to day operation of the office. We discussed his various roles, duties and responsibilities within the office. Chris updated the roles and responsibilities listing he had put together to include time allocation (see attached);
- Myself, along with various department heads in the city are meeting weekly to discuss the collaboration between MEDO and various departments within the city. The purpose of these discussions is to explore potential future MEDO roles and to develop a sustainable model that is appropriate for all stakeholders;
- All loan reporting, billing, deposits etc. (i.e. revolving loan fund, 108 loans and antenna leases) have been reviewed with the Finance Officer and members of his department. The daily tasks associated with these loans will be assumed by the Finance Department;
- The City Archivist has been tasked with reviewing the files, reports and documents within the office in conjunction with Chris Wellington to have them filed and archived appropriately. I anticipate that this task will take weeks as opposed to days;
- A group met at the Greater Manchester Chamber of Commerce with regards to the future of MEDO. Representatives from various economic groups attended this meeting and provided valuable input;
- My staff has reached out to other cities with regards to how their economic development structure operates. We are in the process of putting together a simple table of the other city models, how they function, how they report etc. for stakeholder review;

I will continue to provide a status update to the Aldermen until we are able to put together a sustainable plan for the future of MEDO. If at any time an Alderman would like to discuss the matter please feel free to do so my door is open.

MEDO Responsibilities

Business Outreach, Assistance & Retention – 6-8 hours per week

- Business outreach, assistance and retention is a key focus of MEDO. MEDO staff attends and participates in various business-related events/ groups throughout the City to better understand the needs of our business community, proactively address issues that arise and aggressively seek out opportunities that assist the City's business community including applying for grants, tax credits and funding opportunities. Business assistance programs facilitated by MEDO include: the Revolving Loan Fund, Code Compliance Grant, Façade Improvement Program, Section 108 Loans, ERZ Tax Credits, 79-E, job training grants and HUB zone incentives. MEDO facilitated the original designation of ERZ tracts in Manchester and in 2009 expanded the ER Zone by 10 census tracts.
- MEDO is the primary liaison for the business community and supports a wide range of activities to support and retain businesses in the City. MEDO regularly meets with the largest developers, property owners and brokers in the City to help promote available properties, lower commercial vacancy rates and proactively address issues relating to development and/or permitting. MEDO has assisted multiple large and small businesses with regulatory issues that arise throughout the permitting process and work to promote Manchester as the most business-friendly city in the Greater Boston area. MEDO has built strong relationships with ABI, SBA, DRED, NHSBDC, SCORE, MYPN, BIA, the Greater Manchester Chamber of Commerce, CIBOR, ULI, CDRC, SNHPC, Intown Manchester and other business-related organizations to help better understand the needs of our business community and provide them the necessary resources to grow and thrive. A dynamic economic development department needs to be out in the community building relationships with key stakeholders in order to understand the needs of the business community and keep up-to-date on new opportunities that are available on the local, state and federal level.
- MEDO arranges business visits with Manchester's top employers to proactively address issues and work immediately to remedy those issues. Most notable businesses MEDO has assisted in retaining are Autodesk and Texas Instruments.
- MEDO supports a wide range of initiatives and continues to look for opportunities to advance development in the City and identify potential programs & grants that assist the business community. Small Business Week was created as a way to provide assistance to the city's small businesses community and promote Manchester as a small business destination. All the money spent on activities for Small Business Week were raised through sponsorships and private contributions and is one of the many proactive steps MEDO has taken to assist and retain Manchester's growing small business population.

Business Recruitment – 2-4 hours per week

MEDO focuses on recruiting businesses to start, relocate or expand to Manchester. Business recruitment is achieved through various methods including: leads generated from attendance at tradeshow or DRED, cold calls to businesses and direct contact from site selectors/ business owners.

Marketing – 8-16 hours per week

MEDO has a comprehensive marketing strategy to attract businesses from outside Manchester as well as retain and grow the businesses that are currently in the City. MEDO supplements the marketing budget received through the general fund with contributions from private companies, grants and sponsorships. MEDO also looks to partner with public and private businesses and organizations to leverage the funds we receive in order to create the greatest possible economic impact for the City of Manchester.

Marketing activities include:

- Development and upkeep of MEDO website. The website is the gateway to the City for many site selectors, investors and potential business owners.
- Develop and implement cooperative advertising to leverage buying power using radio, print and TV. Cooperative ads are used to promote Manchester as the business center of the state as well as a fine dining, arts & culture, shopping and entertainment destination.
- Submit press releases to promote Manchester's economic vitality. Significant earned media over the past year include: NECN coverage of Small Business Week and the strength of retail/fine dining downtown, WMUR & UL coverage of 6 ribbon cuttings last November and Boston Globe/ NH Magazine coverage of the growing start-up ecosystem in Manchester. CNN is currently taping a segment to spotlight a few of Manchester's growing start-up companies.
- Attendance at tradeshow throughout the year to attract businesses in the high-tech manufacturing, medical device and electronics sector (Medical Device & Manufacturing Shows in Boston & Montreal in 2012) and retail businesses (International Council of Shopping Center tradeshow in Hartford & Boston in 2012). Funds to attend the tradeshow are provided by the Manchester Development Corporation. MEDO has also offset a portion of the cost to travel and attend tradeshow through grants and private donations.
- Develop monthly newsletter outlining economic projects and initiatives
- Develop and create all collateral materials which are provided to site selectors, developers, business owners and investors looking to do business in Manchester
- Arrange and publicize business openings and ribbon cuttings
- Provide marketing services to new and current businesses including writing press releases, providing contacts to business resource organizations and development of marketing plans.
- Manage social media sites to promote the economic vitality of Manchester

Special Events & Conferences – 4 hours per week*

Over the past few years MEDO has helped create, organize and manage significant events in Manchester that help generate economic activity and promote Manchester as the business capital of New Hampshire and Northern New England. This includes promoting business groups to hold one-time or yearly events in Manchester. MEDO worked with ULI, CIBOR and the SBA to hold events in Manchester since 2011.

MEDO has been involved in the following events:

- 2010 & 2011 World's Championship Chili Cookoff
- 2012 New England Chili Classic
- 2011 & 2012 TEDxAmoskeagMillyard
- 2011 & 2012 Manchester Small Business Week
- Small Business Roundtables (held once a year)

All the events listed above were funded without the use of public funds. Money was raised through sponsorships and/or ticket sales. Participation in these events help accomplish many of MEDO's stated goals with no direct financial contribution from the City.

*time commitment increases significantly for Chili event and Small Business Week for month leading up to event

Manchester Development Corporation – 4-6 hours per week

MEDO staffs the non-profit Manchester Development Corporation (MDC). Over the years, the MDC has supported the City's development goals by making loans to close financing gaps in important development/redevelopment initiatives including rehabilitation of the Chase Block, Dunlap and the McQuade building and through the strategic acquisition of key development parcels such as the Manchester Place site at Bridge & Elm. Recent projects undertaken by the MDC with assistance of MEDO staff include acquisition of the Raphael Club site at Second & Granite Streets for redevelopment, a \$500,000 loan to Benefit Strategies for expansion of the Dunlap Building and a \$500,000 loan to the Roedel Companies for the construction of a La Quinta Inn and Suites at the Amoskeag traffic circle.

Currently, MEDO provides administration support for MDC board meetings as well as the Marketing Committee, Investment & Loans Committee and Strategy Initiatives Committee. Administration support includes: creation and distribution of minutes, agenda and notices, acting as the liaison between interested property owners, developers or investors and MDC board members, and providing documentation and assistance to board members when necessary. MEDO is also responsible for assisting and seeking out new partnerships and loan opportunities for RFL recipients, development-related loans, property acquisitions and investment opportunities. This includes preparing and finalizing all documents for any loan or investment made by the MDC board.

Development Projects – 4-6 hours per week

MEDO has played an integral role in facilitating significant development projects, where the City is a partner, over the past few years including the restoration of the Pandora Mill, River's Edge, Ash Street School, Pearl St Lot, Riverwalk Place, Hackett Hill and improvements to Manchester Street. Current development projects MEDO is involved in include River's Edge Phase II and the construction of a new Dunkin Donuts on the corner of Granite & Second St.

MEDO worked closely with SNHPC when they received a Brownfields Grant in 2010 to ensure Manchester properties were included in the proposed sites for phase I remediation. This effort led to three Manchester properties being accepted into the Brownfields program: River's Edge Phase II, the Raphael Club lot and the old Creamery site on Candia Rd. SNHPC is currently applying for additional Brownfields money and MEDO will continue to promote Manchester properties for consideration into the Brownfields program.

In addition to supporting and facilitating public development, MEDO encourages and supported multiple private developments over the past few years. The most recently projects being Millwest and 300 Bedford St.

Brownfields Grant – 2-4 hours per week

MEDO has successfully won a number of grants over the past few years to help offset employee salaries and enhance the economic vitality of the City. In 2010 MEDO secured a \$400,000 Brownfields grant which has been successfully utilized to assist in clean-up efforts for contaminated sites in Manchester which allow for increased interest in development by brokers, developers and investors. Most notable properties include: the Queen City Inn property, Millwest, the proposed site for a new Dunkin Donuts at the corner of Granite & Second St and the Coca-Cola facility of Eddy Rd.

EDA Grant – 2 hours per week (Grant will be closed shortly)

In 2011 MEDO received a \$55,000 EDA grant which provided MEDO the opportunity to leverage additional funds to help offset the cost of attending tradeshows, creating collateral materials and consultant fees. The most notable outcome of the EDA grant was the Historic Designation for the Millyard which will allow businesses the option to receive tax credits if they redevelop the property following the Department of the Interiors guidelines. Brady Sullivan is currently using the designation and tax credits for the development at 300 Bedford St. The EDA grant also provided the funds necessary to analyze the redevelopment needs of downtown Manchester properties and assist MEDO in creating a plan to better market downtown commercial office spaces to businesses in the Greater Boston area. The EDA grant help offset \$44,475 in salary for MEDO staff.

Arts & Culture - < 1 hour per week

In 2009 MEDO applied for and received a \$10,000 CTAP grant to study the economic impact of Arts & Culture in Manchester. In order to capitalize on the significant economic impact that the arts & culture community had on Manchester, MEDO started an arts & culture group which meets once a month at a designated location in the city. Participants in the group include representatives from the Palace Theater, SNHU, UNH Manchester, Saint Anselm College, the Millyard Museum, SEE Science Center, the Arts Commission, the Currier Museum of Art, the New Hampshire Institute of Art, and other arts related organizations in Manchester. The goal of this group is to see how the city's diverse arts & culture institutions can better coordinate to increase the economic impact of their institutions on the city and promote Manchester as an arts & culture destination throughout the northeast. The group is currently in discussions to create a website and newsletter that will be a one-stop shop for everything arts & culture in Manchester. If approved, MEDO will work with the NHIA to oversee the creation and development of a website and newsletter, which will be provided at no cost to the City or arts & culture institutions.

Administrative Duties – 8 hours per week

MEDO staff is responsible for the following administrative functions which have currently been split between the Director and Marketing Specialist:

- Time cards & Payroll processing
- Deposit checks (RLF, Antenna Leases, & sponsorship checks for special events planned through MEDO)
- Approval of all P-card purchases and submission of documentation to Finance
- Answer phone calls and assist general public that walk into office
- Filing of all paperwork
- Payment of invoices (phone, copier, office supplies, etc.)

Miscellaneous – 4-6 hours per week (depends on scope of projects in pipeline)

MEDO is responsible for many projects and initiatives as assigned by the BMA and collaborative efforts with a public or private organization. A few current miscellaneous projects are:

- Hanover Street Closing
- RFP and broker agreement for sale of Police Station
- Antenna Lease proposal
- Assist in creation of a Development Guide
- Free downtown wi-fi program (partnership with ABI & Dyn)
- Public art in Manchester (Georgie Regan)



CITY OF MANCHESTER

Theodore L. Gatsas

Mayor

November 20, 2012

Honorable Board of Aldermen
c/o Matthew Normand, City Clerk
One City Hall Plaza
Manchester, NH 03101

RE: MEDO Staff Supervision

Honorable Board of Aldermen,

As you are aware Jay Minkarah has resigned as the Economic Development Director for the City of Manchester. At this point there is no recommendation, nor am I prepared to make a recommendation, with regards to the Manchester Economic Development Office (MEDO) at this time. I believe that we must move ahead in a careful and thoughtful manner with regards to the future of this office within the city and this process will certainly take time.

In the absence of a department head, I would respectfully request that the supervision of the remaining MEDO staff be placed under the Mayor's authority on an interim basis. This responsibility would encompass supervising the day-to-day activities of the staff while working to develop a long-term plan for the office.

Regards,

Theodore L. Gatsas
Mayor

cc: Jane Gile, Human Resources Director
Tom Clark, City Solicitor

TLG/swp

In Board of Mayor and Aldermen

Date: 11/20/12

On motion of Ald. Long

Seconded by Ald. Katsiantonis

Voted to temporarily place MEDO staff under the direction and supervision of the Mayor and refer the issue to a joint meeting of the Special Committee on Job Creation/Job Retention and Economic Development and the Committee on Administration/Information Systems.

City Clerk