

**TOWN OF ALLENSTOWN
ECONOMIC DEVELOPMENT COMMITTEE
Town Hall- 16 School Street
Allenstown, New Hampshire 03275
April 22, 2021**

Call to Order

The Allenstown Economic Development Committee Meeting of April 22, 2021 was called to order at 6:30 PM by Chairman Mike Frascinella.

Chair Frascinella called for the Pledge of Allegiance.

Roll Call

Present on the Board: Chair Frascinella, Chad Pelissier, Jeffrey Venegas, Ron Adinolfo

Excused: Scott McDonald

Allenstown Staff & Other: Derik Goodine, Town Administrator, Matt Monahan, Matt L'Heureux, Jeff Backman, Sewer Department, Mike Trent, Jim Rodgers, Roxanne Chalmas

The following statement authorizing the Economic Development Committee to hold a virtual meeting and providing the guidelines for participation, was read for the record.

As Chair of the Allenstown Economic Development Committee, I, Mike Frascinella, find that due to the State of Emergency declared by the Governor as a result of the COVID-19 pandemic and in accordance with the Governor's Emergency Order #12 pursuant to Executive Order 2020-04, this public body is authorized to meet electronically. We will be providing access to the meeting via telephone and via Zoom conferencing. For the Zoom conferencing, you can go onto the Town's website, click on the EDC meeting, April 22nd and the instruction sheet will show you how to connect via Zoom. We are providing public access to the meeting with an alternative telephone number if you have problems, and you can call (207) 595-0310 or email at dgoodine@allenstownnh.gov. If there are audio problems or video problems, call the conference line to access the meeting.

OLD BUSINESS

- **EDC Calendar & Concerts:**

Chair Frascinella is still working on the calendar and he has completed up to the Halloween contest. He said that once he is finished with the Halloween and Christmas contest, he will go live with it on his website and the Town website.

Chair Frascinella said Mr. Klawes has volunteered to run the food concession for the May 23rd concert and will work with ARD students to do that. Chair Frascinella has yard signs in his car that are ready to be distributed and has a list of locations where they usually place the yard signs. He said he will do the Deerfield Road Area.

Chair Frascinella said August 15th will be when the Crazy Steve concert will take place and he was sent a blurb to put on the webpage.

- **State Park Passes**

Chair Frascinella asked Mr. Venegas what the status was for the state park passes. Mr. Venegas said it will go before a vote at the next Trustee meeting. Chair Frascinella said the Park Manager told him they would be open full time as of mid-April but so far he has only seen people staffing the toll booth on the weekend. He said if we get the passes, they will only be of limited use so there is no rush.

- **Grant for historic site markers**

Chair Frascinella asked Mr. Venegas for a report on the grant that the library received. Chair Frascinella thought there was \$3,000 for the grant. Mr. Venegas said the \$3,000 is in coordination with the library and the Economic Development Committee for the signs for the historical site markers that they will be setting up at various locations around town. He said they will have to meet to have a plan going forward.

NEW BUSINESS

- **Commercial Properties Work Session**

Chair Frascinella shared his screen and said they have been working on a list of commercial properties and he did work to add information about water and sewer. He said there are almost 100 properties but some are existing businesses.

Chair Frascinella asked Mr. Pelissier what the difference was between the land use column and the zone. Mr. Pelissier said he did not know what the zones were. Mr. Monahan said in general, the use of land on a parcel can be the same or different from what the zoning allowed. He said that is tracking the different uses and will show a lot of what may be grandfathered. He said it shows you what is going on now on the property. Mr. Monahan said he would expect to see the zoning district in column H and another indicator in column G.

Chair Frascinella added a new property called "prime" which shows the properties they want to focus on for prospective business. For example, he said Lot 10918 is an 11 acre parcel at the corner of Granite St. and Chester Turnpike that is connected to water and sewer. He would consider that to be "prime". Mr. Frascinella suggested he and Mr. Pelissier get together to discuss identifying what other properties are considered to be prime. He talked to Mr. Backman on Monday about what to do to enhance the water or sewer system to make them more attractive, particularly on the north ends of Route 28 or River Road.

Mr. Monahan (?) said he made some hand drawn visual aids that he showed to the Board. He said we have 3 things: 79E, Economic Revitalization Zones and TIF Districts.

- **TIF District**

For the TIF District, Mr. Monahan showed on the screen hypothetical town where he tried to establish a TIF (Tax Increment Financing) District with 9 associated parcels. He discussed this example in detail.

Mr. Monahan said that 1) the increases in assessment from the government are used to pay for improvements in the district; 2) the district and the actual TIF plan itself has to be improved by Town Meeting; 3) the district does have limitations in size, etc. and 4) it is administered by an Advisory Committee on behalf of the Board of Selectman. He said the tax increments go to paying down the bond. Mr. Monahan said the Town Meeting will control the whole process and these increments over time pays for improvements. The Town Meeting will dictate what percentage of the increment goes to the Town. Mr. Monahan said Pembroke used the TIF plan this when AG came in in 2004.

Mr. Monahan said the one takeaway from this, it's the increment above and beyond the snapshot is what pays for the improvements and the Town Meeting sets the percentage of the increment that gets to be used for that.

Mr. Frascinella asked where does the actual money comes from? Mr. Monahan responded that it comes from the increased taxes. Mr. Goodine said they had a TIF in Naples, Maine and when they presented it, they didn't bring up the revaluation that was going to happen, so it locked in and when the value went up, they had seed money to pay for the improvements.

Mr. Monahan said from a property owner's standpoint, they would pay the tax bill whether the TIF is there or not, but the additional increase in taxes gets reinvested in their own neighborhood.

Mr. Venegas said it's not increasing the taxes but setting up a baseline, so when improvements go in, when it is invested it will cause the property value to go up naturally and that raise in the value or the money that goes above that snapshot will be put in to pay for the new infrastructure. He said it's just a different way of paying for it and the infrastructure makes the property more valuable.

Mr. Venegas (?) asked if they want to make the area more desirable to bring in businesses, is it more challenging to set up a TIF there because there is no guarantee business is coming? Mr. Monahan said one thing to keep in mind is that its two steps: 1) Town Meeting adopts a district; 2) the bonding which also happens takes place at Town Meeting. Mr. Monahan said that there is nothing to lose by just establishing the District in Step 1. He said in theory that Mr. Venegas is correct that if you do not have someone coming in and they go forward with the bonding and make an improvement, it's a gamble and their odds of success are not as high.

Mr. Goodine asked Mr. Monahan if the values you are capturing in the TIFF are shielded from school funding formulas and county tax in NH? Mr. Monahan said he did not know for certain but thought it was a **portion** of that increment. Mr. Goodine said that in Maine, it's sheltered so they were getting the full dollar of the value.

- **79E District**

Mr. Monahan said that Allenstown already has a 79E district in place and it corresponds with the Suncook overlay district. He said it has to be by law a defined downtown village area, adopted by Town Meeting, and the Board of Selectmen administer it. He said this deals with expansions and additions of a building and the Board of Selectmen can delay the increase in taxes (either some or all) for up to a period of 5 years.

Mr. Monahan said in both the case of TIF and 79E, it's looking at an increment as an opportunity for financial incentives. He said for 79E it comes down to encouraging investment and redevelopment and expansion of a business, and the TIF is paying for necessary infrastructure.

Mr. Monahan said as far as setting up a TIF District, he agrees that once it's in place, it is more enticing for a business to come in. He said the scenario where you start saving money is when you set it up and just collect the money.

Mr. Monahan knows they are looking at the biotech industry and the State of NH does economic projections by industry and they do them on 10 years horizons. He said we are currently in 2018 to 2028 and he would be interested to see how Covid affects this projection. Mr. Monahan said that the healthcare and social assistance industry is expected to grow at 14% pre-Covid and the biotech industry sector was projected to grow by 11.7% pre-Covid. By taking Allenstown into account and its geographical location, he said that it's a desirable location as Dartmouth, Boston and Cambridge are all close by, it has good quality of life, and lower tax rate than other cities.

Mr. Backman asked how is this to be financed, both water and sewer? Mr. Monahan said there are several options such as one being a joint effort for the whole time, another option could be a TIF district or a grant through USDA Rural Development. He said the Planning Commission has a done CEDS (Comprehensive Economic Development Strategy) which is a regionally-driven economic development plan and the key is to attract them to our area. Also he said it has a lot of economic projections and data and it actually has a list of projects that by virtue of being in the CEDS to the Federal Economic Development Administration. He said if you get the project into the CEDS, and it can open a door into funding and makes you eligible to apply.

Mr. Backman asked who pays the bond and discussed a project in 1994 to extend the sewer. He asked whether this would be a joint effort. Mr. Monahan said the way to approach this is by picking a method based on how much you money you need to obtain.

Mr. Adinolfo asked if the money to pay the bond comes from the tax revenue of the properties within that TIF District. Mr. Monahan said yes, as it is just reinvesting the money in that area.

Mr. Monahan gave an example of how Goffstown uses their money to fund the baseball team, where other towns could use it for sewer, water or roads. He said the Town defines what it would be used for and what percentage of the funds.

Mr. Adinolfo asked if you can apply for other infrastructure grants while doing this. Mr. Monahan said yes, he believed you could and discussed an example of this in the Town of Pembroke.

Mr. Monahan said he would caution everyone that it takes time to set up a TIF District, and set up a plan, as it involves interacting with the GRA, Town Attorney and the process involves a Town Meeting. He said you have to establish an Advisory Committee for the property. He said it's an intermediate to long term way to pay for infrastructure improvements. Mr. Adinolfo mentioned that this appears to be a win-win situation for the Town and a positive for the tax payers of the Town.

Mr. Adinolfo said the key to success is communication and if they get together and have some sessions, they can come up with a great plan moving forward.

Mr. Frascinella gave two examples of attracting business: 1) they extended the 79E District at the request of Brady Sullivan and then they invested in the China Mill, 2) Optimus liked the location, but

was there water and sewer readily available at that property. He does not recall that coming up as a reason for them buying that property. Mr. Goodine said if there was not water or sewer, then Optimus would not be there right now and would have moved on to another community. He said the tax break was also a major incentive for them.

Mr. Goodine said when the aeronautics company was looking to relocate, the first thing they asked was where will their employees live, and this is one shortfall that they are correcting with the China Mill project. Mr. Monahan said the housing, school district and recreation are a big draw to the area. Mr. Adinolfo said the highway access our Town provides does not deter either. Mr. Goodine said we are rural but close to the two biggest cities in the state.

Mr. Venegas asked if we are going to move forward to doing a TIF District, is the best step forward to look at properties and then talk to sewer and water to see what the feasibility is? Mr. Monahan said it could be a push pull triangulation approach. He said when you look at the universe of industries, some need sewer or water, but some do not. Mr. Backman said they would have to also look at hydraulic capacity and loading capacity so keeping the lines of communication open is key.

Mr. Goodine said that he has been talking to Commissioner Taylor Caswell and Cynthia Harrington from his office. He said she had told him that where the property is and where the sewer / water is located is important to know as soon as possible so you can be in competition with other communities for these businesses.

Chair Frascinella said to start we need to figure out which commercial properties are vacant and possibly available and identify whether they have sewer and or water, and whether they are close enough for a sewer or water extension. Mr. Goodine said Mr. Pelissier already pinpointed one of the properties next to Optimus but doesn't know whether they need the testing results performed by Optimus first. He also said Pork Chop Hill is also another property which is not that far away.

Mr. Venegas suggested putting a map together to send to the Sewer and Water Department for information.

Mr. Goodine asked if you are able to do a patchwork TIF District or does it have to be continuous properties? Mr. Monahan said he would have to double check but he believed they have to be continuous.

Mr. Monahan said you could do more than one TIF District in a town as long as you do not exceed the percentage that is in the TIF and you need to keep the money within that District.

Mr. Backman asked if they could discuss the American Rescue Act funds. Mr. Goodine said they do not know enough detail about them as of yet, aside from broadband or sewer upgrades.

Mr. Monahan said ERZ (Economic Revitalization Zone) zones are a continuous area that the Selectboard designates and sends it to the State for approval. He said if it's approved, a business that moves or expands within this zone can get up to \$40,000 off of their state business tax. He said the only issue with it is the pot of money that is used for this fund runs out. Mr. Goodine asked if Mr. Monahan could find out if they have to renew it every 5 years.

Mr. Trent said that there is an infrastructure funding package making its way through Congress, and it is for a large number. DES is accepting pre-applications for these funds and there is no obligation to do it but you essentially pick a dollar amount and send it in, which then gets you on the list. He said if something comes through, you have that project already on the list. Mr. Goodine said that regarding the potential bottleneck on Granite and Turnpike, is it possible that they could do a calculation in the next three weeks to determine what roughly what that would cost for this program.

Chair Frascinella mentioned that they did not discuss the fact that the businesses need 3 phase power. Mr. Goodine said that they are looking into that and they have it all the way to the town line on Route 3 and up 28. Chair Frascinella asked if this applied to Granite Street and River Road. Mr. Goodine said that he is not sure about River Road but knows the pump station has it, but he thought Granite Street has some single phase and then some triple phase.



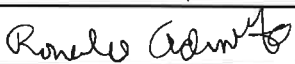
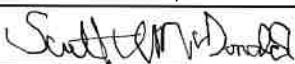
Matt L'Heureux asked if there are any updates on the treatment plant letter regarding the efficiency audit and whether they are moving forward with any of the measures. Mr. Backman said some of the measures have already been addressed in house.

Meeting Minutes

The meeting minutes for April 14, 2021 have been reviewed and signed electronically. Mr. Pelissier made a motion to approve the meeting minutes as written. Mr. Adinolfo seconded the motion, which carried unanimously.

Mr. Adinolfo made a motion to adjourn. Mr. Pelissier seconded the motion, which carried unanimously, and the meeting was adjourned.

**TOWN OF ALLENSTOWN
ECONOMIC DEVELOPMENT COMMITTEE
PUBLIC MEETING MINUTES
April 22, 2021
Signature Page**

Original Approval:		
	05 / 30 / 2021	
MICHAEL FRASCINELLA, Chair	DATE	
	06 / 03 / 2021	
CHAD PELISSIER, Member	DATE	
JEFFREY VENEGAS, Member	DATE	
	05 / 27 / 2021	
RON ADINOLFO, Member	DATE	
	06 / 04 / 2021	
SCOTT MCDONALD, Member	DATE	
Amendment Approvals:		
Amendment Description:	Approval:	Date:
	MICHAEL FRASCINELLA, Chair	DATE
	CHAD PELISSIER, Member	DATE
	JEFFREY VENEGAS, Member	DATE
	RON ADINOLFO, Member	DATE
	SCOTT MCDONALD, Member	DATE

TITLE	EDC Minutes 3-24-21, 4-14-21, and 4-22-21
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STATUS	● Out For Signature

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05 / 27 / 2021
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05 / 27 / 2021
14:30:12 UTC

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SIGNED

05 / 27 / 2021
14:31:52 UTC

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05 / 30 / 2021
18:58:00 UTC

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06 / 03 / 2021
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06 / 03 / 2021
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06 / 04 / 2021
15:10:25 UTC

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