

Economic Development Advisory Committee

4.22.09 Meeting minutes

Americana Room – Hampshire Hills

Present:

Tracy Bardsley, Do-it

Rick Holder, Hampshire Hills Sports Club

Tom Sapienza, Hampshire Hills Sports Club

Sean Trombly, Trombly Gardens

Dale White, Leighton A White, Inc

Chris Costantino, Conservation Commission representative

Rosie Deloge, Milford School District representative

Janet Langdell, Planning Board representative

John McCormack, TIFD representative

Bill Parker, Director Community Development

Mike Putnam, Board of Selectmen representative

Shirley Wilson, Recording secretary

T. Sapienza called the meeting to order at 7:30AM.

D. White made a motion to accept the minutes as written. S. Trombly seconded and all voted in favor.

Hitchiner Visit:

J. McCormack gave an overview of his visit to Hitchiner Mfg Company with Bill Parker, Guy Scaife, and Tim Finan last week and said that the visit was partly the result of TIFD meetings and to better understand the challenges of existing businesses in town and also because of a discussion with Tim Sullivan at the economic development roundtable. There was a comment made last week that perhaps we did not get to all the issues of concern from the roundtable, so this was an opportunity to explore those issues further. We met with John Morrison, chairman; Mike Hanrahan, president; and Tim Sullivan, VP of Administration and spent over three hours at the privately owned company that is at the forefront of the investment casting industry. It is easier to keep existing businesses, so our objective was to learn what their challenges are and if there was anything we can do to support the infrastructure or to help. That certainly struck a responsive chord right off the bat and it was evident that our visit was very much appreciated. Their customer base is largely automotive and aerospace industries, which have been impacted by current economic conditions. Their operations produce revenues of over \$200M and in Milford they employ five hundred people. The challenges here with producing sophisticated aerospace and turbine castings are reinforced by dealing with high end customers; having to justify their cost structure, with heavy labor and energy components. They also have facilities in Mexico, where about half of their workforce has been laid off because 99% of the work is in ferris castings for the automotive industry. We talked about a broad range of topics including; energy costs, especially electricity; recycling; training and preparation of skill sets, particularly the fundamental need for math, chemistry and blue print and plan reading; how to connect better with the educational resources in the area; general site issues; security and transportation. B. Parker added that their entry level positions start at \$12-\$18 per hour and they admitted that they had sort of let the relationship with the school district wane a little bit, but are eager and willing to build that back up. R. Deloge inquired about their requirements for entry level employees. J. McCormack said realistically today they are more selective because of the pressure to keep within the numbers so any significant opportunities for employment will come later. R. Deloge referenced the training that was just mentioned and inquired if it was for people in their employ needing upgrades to their skills? Discussion followed.

Discussion:

D. White said it is easier to keep an existing companies like Hitchiner than to find new taxpayers. His company is solely making it in these economic times due to long time customers and all this research we are doing kind of alludes to the fact that we are trying to pull in new business which is very important, but it is also powerful and important to meet with and keep our existing businesses. J. McCormack said there have been similar discussions at the TIFD meetings with Hendrix when they worked with the town through their expansion process instead of relocating to Ohio.

T. Sapienza said there are a lot of smaller businesses in town and we could look at holding mini gatherings such as inviting all the restaurants to discuss their issues, to share ideas and let them know that the town wants to hear what they have to say.

R. Holder explained that there is an attitudinal perception of the town from business owners and maybe with outreach from the town, businesses will not feel as isolated and see that there may be help available. R. Deloge asked if we cover this subject enough in the document; that we will provide help and support and we will work with folks who are here as well as bring in new businesses. J. McCormack added nurturing. B. Parker said this is interspersed throughout the document but he will reinforce the wording.

T. Bardsley said there is a perception from the small downtown businesses that ordinances or edicts come down without rhyme or reason and in terms of a public relations viewpoint that is very important and would go a long way. D. White said this committee could be the liaison between the businesses and the Selectmen. T. Bardsley added that we have to be careful not to make promises that we can't keep and brought up parking saying it is a huge issue for downtown businesses. J. McCormack said Do-it is filling that role already for the downtown area. T. Bardsley said that she tries to but some minds will never be changed and they don't always realize the reasons behind why certain things are done. She had a restaurant owner tell her yesterday that the town has to address the lack of parking around the oval, but there have been parking studies done and according to the numbers there is a lot of available parking, enough for the merchants and they don't see that. It would be good to have a forum, at least they would feel heard and there'd be a better spirit of cooperation. A brief discussion on parking followed.

Review and discussion of draft recommendations dated 4/18/09:

T. Sapienza said that this draft (Draft 3) flowed much better and reads well. J. McCormack said it would be good to pull in a set of fresh eyes to review the document. J. Langdell suggested someone from the original roundtable.

R. Holder said the wording of this document really has to include existing businesses and has to make sure that every existing business understands what is happening here and feels good about the process. D. White referenced an example that while it would be good to support putting the infrastructure in at Brox, we have to keep in mind that some of the downtown businesses have a lack of water to sprinkle their buildings because we can't run the water lines over to them.

Issue #I:

T. Sapienza said we need to carry forward idea of being proactive and for the town take the lead. J. McCormack said maybe our point of emphasis has to be the outreach. D. White said the reality is that we are trying to help businesses survive.

Issue #II:

D. White said Action #2.B speaks about *adopting an official town energy-efficient and resource conservation "green thinking" policy in all improvement projects to sustain ongoing economic, smart growth, and cost-efficient development.* D. White said while he believes in that, we need to be careful about putting policies in place where the expense is not always cost effective. There could be a heavy burden on individuals, businesses or the town in adopting a comprehensive "green thinking" policy. J. McCormack said the up front costs for these initiatives can be quite substantial when don't always know the end result in ten to fifteen years. Discussion ensued. T. Sapienza suggested *...consider green alternatives based upon the cost benefits...* B. Parker said many of the economic stimulus money programs are tied into thinking and building that way.

Issue #III

D. White said the goal states *...physical, historic, and symbolic hub of the community economic activity* and we should be cognizant that we don't put undo burden on downtown businesses when upgrading or expanding their business. T. Bardsley clarified that the oval was not classified as a historic district; however, there has been discussion about instituting a very broad appearance code in order to get owners to maintain the exterior of their buildings as to not diminish the value of the surrounding buildings. Do-it has a small façade grant program where we could offset some of those costs. We also just learned that the CDFR money is still available, but we have to work quickly and although she spoke to the owners of Boston Shoe building, family dynamics are preventing anything from being done on that site.

Issue V:

J. Langdell suggested strengthening the Marketing/Communication section to include nurturing existing attitudinal perceptions of business. Marketing just doesn't get the message across of what we are trying to convey. T. Bardsley suggested *outreach* and C. Costantino added *business outreach*. B. Parker reiterated that this was alluded to throughout the entire document but the title could be changed to Outreach and Communication. J. Langdell said we have to remember that we don't have the first part of this which will emphasize existing businesses.

D. White said Action #2.C states *At all levels of municipal government.... Commercial and industrial tax-incentive programs for such items as green development and downtown property improvement* and we need to again be careful not to give incentives to just one, we need to look at all the incentives. C. Costantino said it is more expensive to do "green" so if the difference is made up on the front end with tax-incentives the developer can recognize the savings. Some of this wording was at conservation's request. B. Parker said we will work on the wording to not mandate, but to strongly encourage. C. Costantino added that the words *practical and feasible* are already in there. M. Putnam said some of these green policies are being driven by the federal government and through state levels, like stormwater management. We don't have to adopt an official policy, but we do have to encourage green thinking and he would like to see residential included in #2.C for tax incentive programs. Being a plumber, he sees a lot that can be done to conserve water resources and maybe the water and sewer commissioners could offer incentives for water conservation. R. Holder said the difference is between compliance and front loading. A lot of the projects the government is going to fund will go to the communities who have already prepared for being green and they are "shovel ready" for green basics. So we should look at all the possibilities to make sure we are ready. A brief discussion on toilets and flow rates followed.

Issue VI:

R. Deloge said she met with Superintendent Bob Suprenant and distributed a rough draft of some of the ideas they came up with. She did take out the reference to workforce training opportunities in the Findings section because that doesn't really reflect what the technology center is all about.

T. Sapienza added that this committee had discussed concerns regarding the use of equipment and the interrelationship between the town and the school such as snow removal. J. McCormack said there appears to be a lack of willingness to work together and at the end of the day it comes back to "we the taxpayer." S. Trombly said in regards to trash and recycling; the school has a dumpster and there may be cost savings to use the recycling center.

R. Deloge suggested *Common operational issues between the town and the school; services such as snow and sand removal, trash and recycling* for item #4. M. Putnam said it boils down to an "us versus them" mentality. There are two separate budgets, and in an effort to pare down the town's \$11M budget, it was determined that the school's \$33M budget should pay for some of the costs for town services and the reasoning is cost accountability to taxpayers. T. Sapienza said the result is that we may lose efficiencies.

J. McCormack said there has been discussion regarding the relationship between the school district and local employers. The goal speaks of *enhanced communication* and we may be talking about the same thing, but when we heard from Cirtronics and Hitchiner, maybe there wasn't such awareness on the part of some of these large employers. Maybe that communication hasn't been as strong as of late and beyond communication maybe there is opportunity for the school to do some outreach. D. White suggested if the economic development council goes forward, we can take concerns and communication back to the school from meetings with local companies. R. Deloge said that they tried to maintain a working relationship with employers, but sometimes there is a time constraint for the additional outreach versus what we have to do on a day to day basis. What would really work is that if we could phrase the wording so that it is understood that this is a two way street between local businesses and the school. Yes, we will make every effort, but the businesses also need to make the effort to call if they have questions or needs. B. Parker said that is one of the challenges with a lot of our recommendations, we have to make sure it is a two-way street. J. McCormack referenced the website as a resource and point of contact so that somebody would automatically get directed to the best person to talk to. D. White suggested that businesses communicate job availability to the school. R. Deloge said that would be a matter of having facilities in place at

the school to facilitate that process, but they could certainly take a look at how that information could be handled although there is nothing in place currently. Discussion ensued.

T. Sapienza said that Hampshire Hills hires a lot of kids right out of high school and it is interesting that those kids are on the front line and are dealing with the customers; they set the tone of our business. We do some basic training in customer service, so perhaps the school could also offer some basic principles of customer service. R. Deloge said that is now incorporated into all the career programs. Discussion on student skills ensued.

D. White said the document as a whole is heading in the right direction. We should get the input of the “fresh eyes”, but not implement anything without discussion from this group. After some discussion it was decided to have a small group of five or six review and edit this document. T. Sapienza then read the list of attendees at the original roundtable. Bob Hall, Souhegan Cycleworks, Lynda Short, the Good Loaf; Scott Austin or Steve Grzywacz, Milford Lumber; John Siergiewicz, Hollis Line Machine; May Balsama, Souhegan Valley Chamber of Commerce, John Morrison, Hitchiner; Tom Wilson, Hendrix; Ted Kranz, Airmar; and Guy Scaife were suggested as a possible reviewers. R. Deloge suggested making a personal phone call instead of an email to ask the reviewers to participate. R. Deloge offered to call Scott Austin and John Siergiewicz. B. Parker said he would get a final draft out to the members for the next meeting before sending it out for review and comments.

The next meeting date was set for Wednesday April 29nd in the Americana Room at 7:30AM.

The meeting was adjourned at 8:47AM