

Economic Development Advisory Council

5.21.14 Meeting minutes

Americana Room – Hampshire Hills

Minutes approved on 6/25/14

Present:

Matt Ciardelli, Ciardelli Fuel Co
Wendy Hunt, Milford Improvement Team
Janet Langdell, Planning Board
John McCormack, TIFD
Sean Trombly, Trombly Gardens
Dale White, Leighton A White, Inc.

Excused:

Michael Brisebois, Hitchiner Mfg Co
Heather Leach, Centrix Bank
Rosie Deloge, Milford School System
Mark Fougere, Board of Selectmen
Lyle Fulkerson, HPM Insurance
John Siergiewicz, Hollis Line Machine
Penny Seaver, Bean Seaver & Smith

Bill Parker, Director Community Development
Shirley Wilson, Recording secretary
Dana MacAllister, Milford Building Official/Code Enforcement Officer/ Health Officer

Guests

Karl Norwood, Founder/Principal NAI Norwood Group
Chris Norwood, President NAI Norwood Group

M. Ciardelli called the meeting to order at 7:30AM.

Introductions of new members:

M. Ciardelli welcomed Chad Branon, civil engineer with Fieldstone Land Consultants. Introductions were made all around and it was noted that Janet Langdell was named the New Hampshire Planning Association's Citizen Planner of the Year.

Minutes:

D. White made a motion to accept the minutes from 4/16/14 with the minor corrections as submitted. S. Trombly seconded and all in favor with J. Langdell abstaining.

Conversation with Karl Norwood, Founder/Principal and Chris Norwood, President of NAI Norwood Group – Economic Development Issues and Opportunities for Milford

D. White began the discussion saying that Karl Norwood probably sees New Hampshire from a greater circumference than we do and as a native of Milford, who stayed locally, still has a passion for this area.

K. Norwood said the real basic thrust for solid development is a positive, can-do attitude and to provide all the development parameters up front. We've been in business for over 46 years and have learned a lot, especially from a few of our mistakes. The Brox property has been on the market for some time and it has some challenges, so is that the priority at this time. Price shouldn't be an issue but access is and in the best case it will be ten years to get that. Maybe the focus could be on the north side of the highway and development could be done in smaller acreages at first. Milford has the tools and you folks have done a lot of work. The last five years haven't been a picnic for anybody and the real estate world has experienced a down-turn. All those points covered in the 2009 EDAC report were thorough and well thought out. You're already in front of DRED and the TIF program is in place. He then referenced a 75,000SF shovel ready development in Sutton MA that is using the USDA financing program with finance rates of 4.5% with a 30 year amortization. With a federal guarantee, the financing constant goes way down and you can offer a very competitive occupancy rate. That becomes another tool in your box. B. Parker noted that Milford does qualify for the USDA program.

C. Norwood said specifically pertaining to the Brox site, the Town has done a lot of diligence in its planning. The concern with the overall project is the absorption for the ten or more 15,000SF buildings shown on the conceptual plan. There are more parcels that could absorb or take a 300,000-500,000 SF building if you were to reconfigure for it for a single building. Those uses don't come up all that often but if you had everything teed up you could

pull the trigger quite quickly. The cost of the land is almost immaterial, we can make those economics work; it's the infrastructure costs. It's very hard to find sites in New Hampshire that will hold a large building, so maybe you could do some inquiries as to how large a building could go on the Brox site. The old adage "time kills all deals" is true because development is long and expensive.

D. White asked where you see Milford as compared to other communities in the State, where do we fit in and what can we do better as a community to encourage development. We feel like we have a great little hub here, but realize that we're at the end of the line coming up 101A. C. Norwood said Milford is as absorbed as it will be for retail, so the focus should be on the local folks that you've catered to so well and referenced Andrea Lyle a young entrepreneur who opened Stork Organic Baby Boutique on the Oval and is growing her business. We took part in the commercial properties open house and I've never heard of a town do that; that's fun, it's cool and it's creative. I don't know how you measured the success but you are right in that you are at the end of the line so anything you can do to get people to think differently and creatively would help. He compared Portsmouth and Rochester and said Albany Composites' move to Rochester was a great victory for the State and that whole region, but part of the reason they chose Rochester instead of anywhere else along the Route 16 corridor or Portsmouth is that there is a huge spread in terms of cost of living and labor. We may be able to say the same thing of Milford. Have a fact sheet readily available; the wages you pay your employees and also what they can do in terms of value to buy a home. Show what the average home is selling for, what are the average wages for machine jobs or secretarial positions, etc in Milford versus Manchester. Also, sometimes it's nice to remind your existing businesses who might be thinking about relocating elsewhere to look at what that would do to their existing labor pool. Real estate and employees are the two biggest costs.

K. Norwood asked if Milford's Planning Board process has been streamlined because so many times, we can get so tied up in regulations. It is important for developers to be able to come in and meet conceptually and get all the parameters up front. If the developer understands where all the pitfalls and hurdles are going to be, you can program that in. Being tough is not bad, as long as you are fair and understanding because all those add-ons cost a lot. We as a nation, are getting regulated to death; however, as long as we understand where the regulations are and if there are points of flexibility, we don't get hung up. He referenced the redevelopment of an existing building in Bedford adding tenancies, one being an educational use. The challenge was the cost of \$150,000 on a 7,000SF for fire separation and the flexibility came by deferring the improvements of that fire rating until such time as the current vacant space becomes occupied. We have an older building stock that will never be in compliance with the building code so we need to make it to a standard that is palatable for safety and occupancies. K. Norwood said EDAC has a role to play that can complement, not conflict with the Planning Board and it would be refreshing and powerful to see an EDAC member stand up and support the developer at a meeting. EDAC can also introduce a new company to like industries in the area to get their experience. Milford is a great place and as we come out of this down-turn, treating the small tenant as well as the large developer with a can do attitude will make the difference.

B. Parker inquired how word gets around about which towns are good to work with. K. Norwood replied that Dover has one of the best reputations. Dan Barufaldi, the Economic Development Director, is also the ambassador for Dover and the greater seacoast. They have a tremendous website; locateindovernh.com. He is at every meeting of the NHCIBOR and he stands up and speaks for new businesses that come in to the area and actually follows through, unlike Londonderry who has a great economic development website to get people in the door, but once in, their regulations are so tight and development takes so long that if they weren't located right on I93, no one would go there. It would be good to have Milford involved with the Commercial Brokers and come to the meetings; that would be a good place to get the word out.

J. McCormack said these perspectives have been helpful and the challenges for Brox are accurate with infrastructure, limited access and traffic. There is also a mentality in this town that while development is wanted, the voters have been reticent to extend too much authority to the Selectmen to streamline the process. We are extremely aware that "time can kill" and "time is money" and gave a brief background on the work of the Policies and Procedures subcommittee. We've looked at many options for the Brox property including those with respect to environmental concerns but have not been able to kick start the infrastructure. The former police station site has been a painful process and for creative financing options, we have even enlisted the help of Jack Duggan who has had successes in the western area of the state. We've come to realize it is a very challenging environment. That's why we've looked at possibly broadening the TIF district for other properties to develop; however, there is

still good opportunity and we have to be positive. We are looking at land use and adjacent parcels for eventual access from NH 101. B. Parker stated that there has been little actual interest in the Brox property during the last several years. K. Norwood suggested trying to develop the north side of the Brox property instead of the whole thing. Focus on cleaning up the entrance way and getting the two or three lots built to make it more attractive. That would be a feather in Milford's cap and then you could focus on a big box user and be competitive. D. White referenced the EDAC survey and said the townspeople weren't interested in a big box like Wal-Mart, but everybody would welcome a pharmaceutical R & D facility. J. Langdell clarified that the data came from 173 residents and business folks in Milford and while they don't want the Wal-Marts and Lowes, they do want smaller, niche driven businesses and jobs. There may be a disconnect in the understanding of the terminology. C. Norwood noted that there was a difference between Wal-Mart retail and the Wal-Mart distribution center like the one in Raymond. While it doesn't create jobs, it does a lot for the tax base and there is also a lot in between those two options.

W. Hunt brought up curb appeal and said when you drive into Milford there are some pretty big vacancies, especially the Stop n Shop store. She helped organize the vacant building tour and this being the first time, it was small but it was very frustrating trying to talk to the different brokers to get information on that site to show it and the same thing happened across the street at the Lorden Plaza. C. Norwood said that is the prevalent retail mentality; and there is not much we can do. They don't typically get too involved and while the space may be empty, they might still be collecting rent and are not overly incentivized to move that space. W. Hunt asked when you as a commercial broker are bringing somebody in to look at Milford, are those vacancies a flag? C. Norwood said that is a challenge to see those vacancies right when you enter town, but he doesn't know what the solution is. Good architecture and good planning will help support that. K. Norwood said Milford is a beautiful and classic New England town. You should be proud of what this group has done.

M. Ciardelli inquired what kind of reputation Milford had in terms of getting things accomplished. C. Norwood answered there was no reputation; people aren't talking about Milford and that may be the worst insult because your reputation, good or bad, follows you. M. Ciardelli said we have spent a lot of time ensuring good open lines of communication between developers and the Town. K. Norwood said your processes are good and he didn't really see any obstacles. Amherst has gotten a great reputation with their director, Sarah Marchant. Aside from regulatory processes, she was a warm voice on the phone who offered to find information or grab that file or plan. B. Parker added that Milford trained her. J. Langdell stated that staff meets with developers regularly to address the nuts and bolts and moves these through the planning and building processes as quick as possible, but both parties need to be up front to move the project forward and the can-do attitude has to be carried through the entire process.

C. Branon said the big box option is really something that should be considered. We're working on a less than desirable lot in Merrimack that will house a 1M SF distribution facility and there just aren't a lot of properties out there that can house that type of building. That location is closer to the highway, but a different use could work in Milford. We've also been working with some developers that have a philosophy of "work, live, play" where everything happens on one site; R & D or industrial with a residential element and referenced the Nashua Technology Park as a good example. Although Milford may feel saturated with multi-family and there is an undertone that the town isn't looking for anymore residential, there is good development potential. Developers may be looking for properties to develop ten years down the road. B. Parker said the perception that residential development is a negative is slowly changing. J. Langdell said it comes down to the language. Multi-family means so many things to so many different people. Many people think subsidized, assisted, box-like apartment housing when they hear multi-family when multi-family can be a series of townhouses, garden style condos, or duplexes. That's the pushback we've heard over the last couple of years. It's a matter of education. C. Norwood said the same can be said for big box because most people think retail when they hear big box, but it can also mean a large manufacturing or distribution facility in a large square box. Maybe for the voters, we could come up with a new term for industrial big box that would provide jobs or increase the tax base. D. White agreed it's all about educating the public because so many people don't understand. He also appreciated Dana MacAllister coming today because it's good to hear what it takes to bring a development from the beginning to the end. Building inspectors and Planning Boards play a huge part in making development flow and that's the information that gets out there. He referenced the developers' meeting in Las Vegas.

J. McCormack reiterated the importance of education for mixed-use and multi-use and noted that the demographics in New Hampshire have shifted dramatically. We have the second highest population age in the country and the projections for our schools are declining so we need to help promote and educate.

K. Norwood inquired about the Planning Board's tools to endorse flexibility in process. J. Langdell said we have a lot of waiver options and we have common sense tools in place for curb appeal with the gateway corridor overlay districts, one of which EDAC played a role in helping to create. We've incorporated more "shoulds" than "shalls" in our regulations as we try to balance the needs of the greater community with the needs for development. A few years ago, the Planning Board and Sarah Marchant undertook the huge task of creating the Commerce & Community overlay district for a contract we had on the Brox property at that time. That is in place as is the TIF district, but what the Board has realized is that we need to look at other areas of Town to be prepared for the direction of what is to come. She referenced the Desmarais property off South St and the quick re-zoning, and the further movement in the Pine Valley area. C. Norwood said that a logistics firm once told him that a distribution facility has no more than two turns. Although it sounds very basic, it works and the Brox site is hamstrung until it gets access from Rte101. K. Norwood said there are a lot of nice industries that could fit into a 20,000SF building and Rte 101 is a direct shot to Peterborough and Keene. There is a marked improvement in activity, so keep your efforts going. B. Parker agreed that maybe the TIF Board could refocus their efforts to several of the smaller lots instead of looking at the whole of Brox. K. Norwood inquired about the flexibility with the building code. D. MacAllister said we have a state-wide code and there is some flexibility but there are a lot of different exceptions and ways to work around the code. Unfortunately, there are no waivers and no appeal process at the State level. We adopted the Existing Building Code a few years ago that has helped out some, but existing buildings are probably the toughest. Sometimes just sitting at a table with all parties can go a long way.

D. White said while we like to have the large firms come in, they have horsepower and can get through the process quickly but sometimes individuals or small firms find the process very difficult, due to a lack of knowledge. That's where the Planning Board and Dana could help out more. We don't want to forget the people who are here and want to stay here. J. Langdell said again, it's being up front with them. C. Norwood said it is good to set the expectations up front and referenced a tenant in the Meeting Place in Amherst where it took four meetings for a 2,000SF tenancy. It was all small stuff that was never voiced until we went to Public Hearing. The code is really geared towards large development. They can spend the money. J. McCormack brought up the post-project review that EDAC did last year. We got feedback about the process and how it could have been better. It's part of the education process.

C. Branon said he brought a developer in a few weeks ago and Bill pulled together staff for a very preliminary meeting. This meeting went very well and the project will be moving forward, but even a bad meeting at that preliminary stage can be good because you haven't spent any money in the wrong direction. There was a can-do attitude and the developer commented that Milford wants development; however, that attitude has to carry through the whole process. It was really nice for everybody to come together at such short notice. D. White mentioned they're doing a small subdivision in Milford and hit rock. Our engineer and DPW came out, met, we made some changes and a decision was made right there. We didn't have to have a formal meeting or wait 24 hours. We understand that sometime that's how it has to happen; we work in the big cities, but it so was huge to have that opportunity with the Town, especially with hundreds of thousands of dollars in equipment sitting there. The end cost goes back to the developer. M. Ciardelli asked how often people request preliminary meetings. B. Parker stated that we have a lot of meetings like that. J. Langdell added that it is also frustrating for the Planning Board to get a staff memo with negative comments because the department didn't have all the information. There needs to be communication beforehand and all the guts should be worked out prior to conceptual.

Community Development updates:

- Cumberland Farms is moving quickly and construction has started for the store and fuel station.
- The Fieldstone Building on Elm St is looking good.
- St. Joseph's/Milford Medical Center will break ground soon, they're finalizing all the easement documents.
- Dollar General was before the Planning Board last night for a conceptual plan on Wilton Rd.
- The Pine Valley Mill won an award from the NH Preservation Alliance for an outstanding project.
- There is a potential 35 lot subdivision off West St that will go before the Planning Board soon.
- J. Langdell brought up the Opportunity Network's Building on Hope.

W. Hunt said she loved the idea of “locateindovernh.com” and wondered if we could do something like that in Milford. We could list the vacant buildings, and also community events or what our Town offers. J. Langdell referenced the marketing piece of the fostering document for website development. Again, that was the stimulus that got us going and then stopped. This is part of the bigger project of marketing that has been on the back burner and we’re not quite sure where it’s going to go. B. Parker said that is one of EDAC’s goals and one of our office goals. It’s just a matter of doing it. W. Hunt said we should show prospective developers that we are a destination place. C. Norwood said that everything people talk about when looking for a home should go on there; the schools, the cost of living. It’s all important to put on the site. For full disclosure, he’s still on the NH Board of CIBORG and used to be on the NECPE, but there are tools at necpe.com. He will also email examples of websites across the State to Bill to forward on to everyone. J. Langdell mentioned that we are regrouping the sub-committee, and that will be a part of it. Wendy was invited to replace Tracy and hopefully Heather will be able to continue on the committee.

Start-Up of the UNH Business Retention and Expansion Program: Joint Effort between Souhegan Valley Chamber of Commerce, Milford Community Development, Amherst Community Development – Volunteers Needed – First meeting at Chamber, Monday, June 2, 3-5 PM

B. Parker said that he’s hoping to get a couple commitments from this group to be involved on this project. The first meeting is Monday 6/2/14 and the time has been changed to 5:30 -7:00pm. We will be working with UNH to put out a specific survey and will go out to businesses. We’re not sure of the time commitment yet, but it is a very structured program that they’ll lead us through that will include training. Matt and Janet offered to come to the first meeting.

Other Business:

Membership

There was consensus from the Board to appoint Chad Branon to the council. B. Parker said he would get the recommendations for Chad, Wendy and Lyle to the Board of Selectmen.

Announcements

W. Hunt promoted the Taste of Milford on 5/30/14.

J. Langdell promoted the Rotary’s Hundred Holes of Golf

D. White offered to help call or email members prior to the next meeting. M. Ciardelli will help also.

The next meeting will be scheduled at a future date.

The meeting was adjourned at 9:00AM