

**ECONOMIC DEVELOPMENT ADVISORY COUNCIL  
DRAFT MINUTES  
June 2, 2017**

PRESENT: Chris Carley, Tim Bernier, Councilor Byron Champlin, and Bill Norton

ABSENT: Brad Hosmer, Councilor Brent Todd, Claudia Walker, Stephen Heavener  
Councilor Fred Keach and John Hoyt

STAFF: Carlos Baía, Deputy City Manager - Development  
Matthew Walsh, Director of Redevelopment, Downtown Services, and Special Projects  
Suzi Pegg, Economic Development Director  
Donna Muir, Community Development Specialist

1. Introduction of Suzi Pegg, Economic Development Director

Mr. Baía stated that EDAC was a primary driver in the establishment of the new economic development director position. He introduced Ms. Pegg, stating that she previously worked as the VP for Global Marketing for the Pittsburg Regional Alliance in Pennsylvania. Mr. Baía stated that some members of EDAC were involved in the lengthy hiring process, with the assistance of a recruiting company, who vetted the candidates. Ms. Pegg rose to the top and was ultimately hired. She began working with the City at the beginning of May.

Mr. Carley welcomed Ms. Pegg. He talked about how EDAC was created by City Council and that members of EDAC are nominated by the Mayor. EDAC is advisory to City Council on matters; most times being more reactive than proactive. Mr. Carley explained that EDAC is often used as a sounding board and asked to provide recommendations and to make suggestions for changes to City policy regarding economic development. He stated that the future of EDAC is under discussion and Ms. Pegg may play a role in EDAC's future.

As an aside, Councilor Champlin reported that Mr. Walsh was recently named Young Professional of the Year at the Pinnacle Awards, sponsored by the Greater Concord Chamber of Commerce.

Councilor Champlin stated that the Chamber and EDAC were instrumental in initiating the creative economy study and the business incubator study.

Ms. Pegg thanked the Chair for the background information on EDAC. She explained that the reason she took the job was that she saw a nugget of opportunity in Concord. Since beginning the job, she has tried to meet and talk with as many people as possible, to find out how they see economic and business development. What she has found already is a passion for the City; a city that is safe and green, with a fantastic Main Street, and pockets of industry that can be built on. She believes that there is something here that can be marketed and sold to outside businesses. She thinks that developing partnerships with Manchester and Dartmouth College will be pivotal. Ms. Pegg said that she has begun writing a plan for economic development.

Councilor Champlin asked Ms. Pegg what she believes are the City's assets. Ms. Pegg responded that she is still trying to figure it all out, it is not obvious, but there is education, medical, distribution, and the Canadian corridor. She sees Concord as a gateway of New England corridor. Most of the manufacturing in Concord seems to be small mom and pop type businesses.

Councilor Champlin asked Ms. Pegg to share her thoughts about the business incubator study. Ms. Pegg explained that she knows the consultant that was hired to do the study. She doesn't see an opportunity in Concord for an

incubator, as there is no university locally. She feels that there may be an opportunity to create a soft landing pad, which provides for two to three people to get their foot in the door, which she has seen a lot of in the international work she has done. She believes that this soft landing pad would work well in Concord.

Mr. Carley asked about the status of business incubator study. Mr. Baía explained that the study is a joint venture between the City, the Chamber, and CRDC. He and Ms. Pegg will be meeting next week with the consultant.

Mr. Bernier stated that there seems to be a clear change in the way people shop, leaving a lot of vacant retail space in Concord and it is looking like this trend is going to continue. In Concord the Steeplegate Mall is an anchor that is struggling; perhaps repurposing it may be something for Ms. Pegg to look at.

One of the issues that Mr. Bernier finds in talking with business people is the need for skilled labor. He has noticed that there are new forms of advertising for job opportunities and that interested applicants are calling from Texas and New Jersey.

Mr. Bernier iterated that Concord focuses only on the City of Concord, even though Concord is the city to Bow, Hopkinton, Chichester, etc. In other places cities spill out with economic growth into surrounding towns, but Concord thinks just within its boundaries. Mr. Bernier believes that even though the tax base would go to the other community, people from those communities will eat and shop here in Concord.

Mr. Pegg responded that when she worked in Pittsburgh, she wasn't paid by the City but by the southwest Pennsylvania region. She is a big collaborator and believes in partnering across regions. Working with partners in the state, NHTI, etc. will be a big part of what she does.

Regarding the workforce issues, Ms. Pegg stated that the same is evident throughout New England as well as throughout the United States, with low unemployment. Many states are working on returning veterans initiatives that could work well in Concord. She stated that everyone is challenged with the need for skilled workers, and when trying to attract businesses to an area workforce is one of the top three issues.

Mr. Carley asked whether Ms. Pegg agrees with the impression is that not only in Concord, but throughout the United States, the economic cycle has moved to a point of increasing salaries to keep and attract skilled workers. Ms. Pegg stated that people are now working for companies that not only offer good salaries, but also because of affordable housing and great environments to live in and raise kids. It's not just about salary, it is about lifestyle. She said that there is still some salary chasing in some pockets of business.

Councilor Champlin asked whether, in that context, Ms. Pegg thinks Concord has things that work to our advantage. Ms. Pegg's response was affirmative. She stated that lifestyle is part of the whole package and Concord does have these opportunities.

Bill Johnson from PC Construction stated that New Hampshire has a 2.7% unemployment rate, but a much higher underemployment rate in the state. This is an area where NHTI provides a huge potential for retaining those who are under employed. He asked whether Ms. Pegg had seen this in her work. She responded that she has seen it in very small pockets, but it is not her area of expertise and that type of workforce development requires a lot of bandwidth.

Councilor Champlin asked whether Ms. Pegg has had time to access NHTI or any of the other academic institutions in the City. Ms. Pegg replied that they are on her radar next. She also wants to meet with young professionals, but she wanted to meet with Councilors and businesses first. She believes that there needs to be a common

message, an umbrella message that that encompasses businesses, arts, green, and lifestyle. This would be one brand that can be used and tweaked for the various components.

Mr. Norton suggested that when Ms. Pegg begins to visit with the education sector to remember Granite State College. He also stated that she should be aware that most of the returning veterans in New Hampshire are National Guard and reservists.

Mr. Norton said that he was recently at a national conference. He explained that the Northeast is the most challenged region in the country – it is expensive to live and very parochial and these things make it difficult to attract Millennials and Gen Xers. Councilor Champlin stated that the graying in the region scares him and that in Concord it is difficult for young professionals to find affordable housing. Ms. Pegg stated that the first thing she looked at in Concord was housing stock and found that there is an abundance of two acre lots with large houses, which young people are not interested in. There is also a need, with the medical community, to provide short term/per diem housing that can be turned over every four to six months. The City has to have affordable housing to get people to come into the community and then they will stay. The City needs to give developers the opportunity to open up space to develop the type of housing that will attract the younger professionals. Ms. Pegg explained that if you don't have places for people to live they will not come here to work.

Councilor Champlin advised that he is looking forward to Ms. Pegg's recommendations and noted that things are not happening organically.

Mr. Carley asked whether Ms. Pegg had looked at the City's regulations on housing development and business. He stated that he has been here for 40 years and has seen a lot of rules and a lot of different people enforcing the regulations. This has had an impact on how or when things get done. The City seems to favor elderly housing over affordable housing. He added that Mr. Baía has been carrying the flag and progress has been made with changes to the regulations and how they are enforced; but ultimately City Council makes and changes the rules. Mr. Carley suggests that a fresh look at the regulations would be beneficial. Ms. Pegg replied that she plans to look at any barriers to development that exist.

Mr. Baía said that Heather Shank, the City Planner, has identified things that she wants to change, such as implementing form-based code. The City is also looking at its fee structure, which dates from period of time when there was a lot of growth in Concord and the mindset was to have the developers pay through fees instead of the tax payers. The City has identified parcels available for development within the City and staff has been asked to figure out what the fees would be in certain development situations. Mr. Baía described one of the parcels that was looked at and when the fees were calculated it was a staggering amount. Mr. Baía and his staff are looking at the fee structure to see about possibly doing away with fees such as impact fees, special investment fees, etc. These are things that will be brought to City Council and Planning Board as appropriate. The City understands that it doesn't make sense to sit and do nothing. The City needs to adapt to the situation we are facing now.

Mr. Bernier offered that he hears from developers who state that "if I had known before I started a project in Concord, I would have never done it here." He also stated that the Planning Division has gone through numerous changes in the past decade, and for a while it gets better, then it gets worse. Concord moves very slowly.

Mr. Carley said that it is also fair to say the City deciding to embark on a new economic development plan was because they didn't want to keep doing what they were doing and miss opportunities. Ms. Pegg stated that she hopes that people will be open to her suggestions and to change. She hears that the City Councilors and City staff want to move forward.

Councilor Champlin agreed that Concord can be slow to embark on change and asked whether Ms. Pegg is keeping an eye towards changes taking place in the state in order to leverage those changes? Ms. Pegg replied that she has met with the people at the state Department of Resources and Economic Development (DRED) and there was discussion about how all the state successes are either in Manchester or Nashua, but nothing for Concord. She believes that people need to get rid of the toll road mentality. Councilor Champlin stated that he is concerned that economic development will be removed from DRED and will become part of the Governor's office. Ms. Pegg stated that she is keeping up with what is going on in the state, as well as federal and local happenings.

Mr. Carley thanked Ms. Pegg and suggested that regardless of what the future of EDAC is, he would like her to think of the EDAC members as a resource and sounding board for her, as there is a wide range of experience on EDAC. Ms. Pegg explained that she uses third-party endorsements for prospective clients and would keep EDAC members in mind.

Mr. Baía was asked where Ms. Pegg fits into the City's organizational structure. Mr. Baía responded that organizationally Ms. Pegg is the equivalent to a division head. But for all practicality, she works at all levels with City Council, City Administration, and the business community.

## 2. Other Business

Mr. Carley stated that there is an EDAC meeting scheduled for Friday, June 9<sup>th</sup>. The meeting is to discuss the requested rezoning of a portion of Pleasant Street. Attorney Carey, from Orr & Reno, asked to present the rezoning request to EDAC. Mr. Baía said that there has been a lot of emails, letters, etc. from the residents in the affected area, and there may be people attending the meeting who may want to have an opportunity to speak. Councilor Champlin has received more letters on this request than any other since he has joined Council.

## 3. Adjournment:

The meeting adjourned at 9:00 a.m.

Respectfully submitted,

*Donna Muir,  
Community Development Specialist*