



CITY OF CONCORD

NEW HAMPSHIRE

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ECONOMIC DEVELOPMENT ADVISORY COUNCIL MINUTES FEBRUARY 1, 2013 7:30 A.M.

The meeting convened at 7:30 A.M. at City Council Chambers, 37 Green Street, Concord, NH. Refreshments were provided courtesy of Tim Bernier.

PRESENT: Tim Bernier, Christopher Carley, Byron Champlin, Mark Coen, Peter Cook, Larry Gloekler, Stephen Heavener, Brad Hosmer, John Hoyt, Jan McClure, William Norton, Keith Nyhan, Connie Rosemont, Dan St. Hilaire, Claudia Walker

ABSENT: Allen Bennett, Walter Chapin

STAFF: Carlos P. Baía, Deputy City Manager – Development
Matt Walsh, Assistant for Special Projects

1. MINUTES FROM THE JANUARY 4, 2013 MEETING

Chris Carley suggested clarifying the last paragraph in the minutes relative to the proposed exclusions. Carlos Baía indicated that he would edit the text accordingly. Motion was made by Tim Bernier to approve the minutes as amended. Seconded by Byron Champlin. Motion passes unanimously.

2. SBA PRESENTATION

Amy Bassett, Deputy District Director for the Small Business Administration—New Hampshire District Office—made a presentation on SBA services.

Ms. Bassett noted that the SBA is an independent federal agency reporting to a cabinet-level administrator. The agency provides services to assist for-profit businesses. She cited the fact that SBA guaranteed 630 loans for \$130 million in New Hampshire in their last fiscal year.

Mr. Carley inquired as to what the “guarantee” means. Ms. Bassett explained that SBA will typically guarantee 50-90% of a loan made by a lender. Mr. Carley asked if the taxpayers would bear the financial burden if a loan fails. Ms. Bassett stated that the private lender would work with the borrower to secure as much of the loan repayment or collateral as possible. Any deficiency that would be left would be up to the SBA and bank to address.

Ms. Bassett noted that SBA is largely supported by loan fees. Mark Coen asked if the SBA’s role is to protect lenders. Bill Norton clarified that the SBA protects the lender by off-setting some of the risk. But for the participation of the SBA, the loan would not have been made and the business would not be able to access capital.

Ms. Bassett explained that the majority of SBA 7a loans in New Hampshire were for \$150,000 or less. The size of these loans reinforces the importance of the 7a program. Private lenders are not usually inclined to pursue small deals.

Keith Nyhan asked why more people don't use the SBA loan products. Ms. Bassett noted that some lenders don't want their customers to go through the added process or fees.

Ms. Bassett explained that the SBA 504 program is an economic development tool whereby a project of unlimited scope could be funded under a 50% private lender contribution; 40% SBA through a Certified Development Company (CDC); and 10% borrower. The SBA portion of the loan would have a fixed rate and term of 20 years (10 for machinery). She noted that the most recent rate for the SBA portion was 4.2%.

Ms. Bassett explained that the borrower portion may be larger if the business is new or the building being financed is special purpose.

Mr. Carley inquired as to where the 40% portion was funded from. Stephen Heavener explained that there is a secondary market where large investors purchase these debentures providing the capital for CDCs to make new loans.

Mr. Nyhan asked if the SBA markets its services to small businesses. Ms. Bassett stated that her staff tries to get out to make presentations such as this one to associations, expos, Rotary Clubs, etc. Mr. Nyhan suggested that the City have a link to SBA on its website.

Stephen Heavener suggested having him do a presentation on CRDC programs at an upcoming meeting.

Ms. Bassett explained that the SBA partners with the NH Small Business Development Centers, SCORE and the Center for Women's Business Advancement. These organizations receive money from SBA which they match with other grants to provide free counseling services to businesses.

3. LEAN PROCESS

Mr. Baía explained that the Community Development Department will hold a LEAN event to examine the City's development review process. The event is tentatively scheduled for the week of June 10th-14th. He would like to invite a member of EDAC to participate as an outside observer of the city's development. Mr. Carley expressed an interest in participating. He invited anyone else on EDAC who might want to join the event to send an email to Mr. Baía and then he would consult to determine the course of action.

4. NH LISTENS

Mr. Baía reminded the group that the NH Listens event would be held on Monday, February 4th at the Grappone Center.

5. OTHER BUSINESS

Byron Champlin discussed the re-configured “brand” for Concord. The new tagline is “Connect. Create. Celebrate.” He explained the genesis of the new line and he was seeking EDAC’s support to move it forward to Council for its consideration and endorsement.

Jan McClure asked if there hadn’t been some desire the last time this was discussed to have the proponents behind the brand circulate it amongst a variety of organizations in the community prior to going to Council. Mr. Champlin noted that it had already been approved by the Board of Directors of the Chamber of Commerce. He asked for guidance on who he should take it to. Ms. McClure felt that the businesses in Concord should have an opportunity to review it. Mr. Champlin indicated that by getting approval from the Chamber Board, he felt it already had been vetted by a significant swath of the business community.

Councilor Coen asked what was the goal of this request. Mr. Champlin stated that he would like the City to accept this tagline as a brand. Ms. Walker indicated that private businesses could also use the brand.

Mr. Carley suggested that EDAC may want to recommend that the City should adopt a brand and this is one option.

Mr. Bernier felt it was important to stay up to date. Branding allows for that. He noted that the Concord coaches, although emblematic of Concord’s history, say “old and out-dated” to young people.

Mr. Coen asked what this branding campaign would cost the City. Mr. Champlin indicated that it would be at no cost.

Ms. McClure expressed that she wasn’t sure if the brand proposal would necessitate a vote by Council or a simple acknowledgement. Mr. Carley stated that Council should recommend it if they want to do it.

Ms. Walker asked who the steward of the logo would be. Mr. Champlin explained that although not yet copyrighted, the steward of the logo would be Creative Concord although he would anticipate working closely with the City.

Tim Bernier moved to recommend that Council accept the brand. Bill Norton seconded the motion. Motion passed unanimously.

6. FUTURE MEETINGS

Mr. Baía explained that he has a conflict in March and asked if the meeting could be postponed to March 8th. EDAC agreed. Claudia Walker offered to host the meeting. The location still needs to be confirmed.

Meeting adjourned at 8:50 a.m.

Respectfully submitted,
Carlos P. Baía