

**Economic Development Advisory Council (EDAC)
DRAFT Meeting Minutes
March 21, 2014, 10:00 am to 11:30 am
Philbrook Building, 121 South Fruit Street, Concord, NH 03301**

Attendees:

EDAC Members:

1. Zenagui Brahim, Manufacturing Extension Partnership
2. Dean Christon, NH Housing Finance Authority
3. Patrick Clark, BurstPoint Networks
4. Jamie Coughlin, New Ventures and Incubator Programs
5. Eric Crainich, Design Standards Corp.
6. Katherine Eneguess, White Mountains Community College
7. Phil Ferneau, Borealis Ventures
8. Judy Gove, NH electric Co-op, Inc.
9. Jeffrey Hayes, Lakes Region Planning Commission
10. Stephen Heavener, Capitol Regional Development Council
11. Chris Hodgdon, Comcast
12. Rep. Naida Kaen, NH House of Representatives
13. Daniel Lee, Plymouth State University
14. Carmen Lorentz, Division of Economic Development (DED)
15. Mark MacKenzie, NH AFL-CIO
16. Patrick McDermott, Hinckley, Allen & Snyder, LLP
17. David Mullen, Pease Development Authority
18. Eric N. Proulx, Tanger Outlet Center
19. Kathleen Reardon, Citizen's Bank
20. Tim Sink, Greater Concord Chamber of Commerce
21. Sarah Smith, University of NH
22. Philip Suter, Regional Center for Advanced Manufacturing, Keene State College

Division of Economic Development (DED) Staff:

1. Chris Way
2. Michael Bergeron
3. Chris Wellington
4. Patrice Myers

Members of the Public:

Gene Ellis, US Department of Labor

The meeting officially began at 10:05 am.

Handouts:

Meeting Agenda; a copy of RSA 12-A:22-a; an overview of DED programs and accomplishments and the budget (all incorporated herein as part of the minutes).

EDAC Statute, Role, Obligations

Lorentz reviewed RSA 12-A:22-a, which is the law that created the EDAC. Purpose of the EDAC is to assist DED in developing its strategic plan, EDAC must meet quarterly, and EDAC must elect a chair.

Elect EDAC Chair

Lorentz nominated Kathleen Reardon to be the EDAC Chair and McDermott seconded. The vote was unanimously in favor.

Determine Procedures

The consensus of the group was that:

- The EDAC will follow Robert's Rules of Order.
- A public comment period would be added to the end of future meeting agendas and each member of the public would be allowed three minutes to speak.
- Lorentz will send a monthly email update to the EDAC to keep members informed of what is going on in DED.

Overview – Division of Economic Development

Lorentz reviewed the handouts to give EDAC members an overview of DED's programs & staffing, budget, and current issues.

Discussion focused on the background of the legislative audit underway for DED; what the total grants awarded by the Job Training Fund have been vs. their annual budget; if federal funds for Procurement Technical Assistance Program (PTAP) and Office of Workforce Opportunity (OWO) are projected to remain stable; and on the content of HB 1416 which mandates very specific elements that must be included in a strategic plan for DED.

Lorentz agreed to forward a list of all Job Training Fund grants awarded to date, to send a link to HB 1416, and to forward the legislative performance audit report when completed in April as follow up to the meeting.

DED Strategic Planning – Initial Brainstorm

Discussion centered on the fact that the EDAC's role is to assist DED with its own internal strategic plan, not to create a comprehensive statewide economic development strategy. Thoughts presented during the brainstorming session included, in no particular order:

1. Can we do some asset mapping to find the gaps in economic development services/programs?
2. Can we demonstrate the return on investment of DED's work, similar to what the Division of Travel & Tourism does?
3. Can/should DED find a more pro-active role for itself in workforce development?
4. How can we support growth of a start-up culture, including creating more high-risk capital to retain young entrepreneurs?
5. How can we create a deeper understanding amongst entrepreneurs and young people of the programs, services, and opportunities that already exist so they stay here?
6. For technical job training programs, a huge challenge is finding skilled trainers.

Schedule Next Meeting

Lorentz promised to send out a scheduling poll to set dates for the remaining quarterly meetings in 2014. At present, the group did not feel a need to establish any subcommittees. Lorentz committed to circulating an initial draft strategic plan for DED prior to the June EDAC meeting.

Meeting adjourned at 11:35 am.

DRAFT



STATE OF NEW HAMPSHIRE
DEPARTMENT of RESOURCES and ECONOMIC DEVELOPMENT
DIVISION OF ECONOMIC DEVELOPMENT

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Economic Development Advisory Council (EDAC)
Friday, March 21, 2014, 10:00 am to 11:30 am
Philbrook Building, Board Room 116
121 South Fruit Street, Concord NH 03301

AGENDA

1. Introductions 10:00 to 10:15
2. EDAC Statute, Role, Obligations 10:15 to 10:25
3. Elect EDAC Chair 10:25 to 10:30
4. Determine Procedures 10:30 to 10:40
 - a. Rules of order
 - b. Public comment
 - c. Communications
5. Overview - Division of Economic Development 10:40 to 11:10
 - a. Programs & Staffing
 - b. Budget
 - c. Current Issues
 - i. Legislative Budget Audit
 - ii. HB 1416
6. DED Strategic Planning – Initial Brainstorm 11:10 to 11:30
 - a. Major issues outlined in BIA plan <http://www.biaofnh.com/Strategic>, in recent analyses by NH Center for Public Policy Studies <http://www.nhpolicy.org/topics/nh-economy>, and other statewide studies.
 - b. What role should DED play in the current environment?
7. Schedule next meeting - June



TDD ACCESS: RELAY NH 1-800-735-2964
DIVISION OF ECONOMIC DEVELOPMENT

Section 12-A:22-a

12-A:22-a Economic Development Advisory Council. –

I. There is established an economic development advisory council to assist the division of economic development to assist in establishing goals, measurements, and strategic planning efforts related to economic development. The council shall provide a mechanism for the private sector to advise the division of trends and needs and to disseminate information among public and private sector units. Council members shall act as advocates and work to educate businesses, citizens, and communities on the benefits of economic development.

II. The advisory council shall consist of the director of the division of economic development, 3 at-large members who have an interest in economic development, and a representative of each of the following:

- (a) A chamber of commerce.
- (b) The manufacturing sector.
- (c) The field of higher education.
- (d) A venture capital formation expert or specialist.
- (e) A workforce development organization.
- (f) The biotechnology sector.
- (g) The information technology or software sector.
- (h) Commercial real estate or real estate development.
- (i) A regional or municipal development official.
- (j) The insurance, banking, or financial services sector.
- (k) The retail sector.
- (l) The travel and tourism sector.
- (m) The forest-based products sector.
- (n) An electric utility or energy-related interest.
- (o) An economist.
- (p) The telecommunications sector.
- (q) The governor's office.
- (r) A senator, appointed by the president of the senate.
- (s) A house member, appointed by the speaker of the house of representatives.
- (t) One representative of organized labor.

(u) The residential building community.

(v) A state or local housing agency.

III. Members of the council, except for the legislative members, shall be nominated by the commissioner of the department of resources and economic development and appointed by the governor for a term of 3 years and until their successors are appointed and qualified. When nominating and appointing individuals to the advisory council, the commissioner and governor shall ensure that each New Hampshire county has at least one representative on the council at any given time. Initial appointments made by the governor shall be for staggered terms of one, 2, or 3 years.

IV. The council shall elect a chairperson from its members and shall meet on a quarterly basis. Members of the council shall not be compensated, except that legislative members of the council shall receive mileage at the legislative rate when attending to the duties of the council.

Source. 2008, 318:1, eff. July 2, 2008.

Business Retention

Mission: To help NH businesses succeed by matching them with services and programs that address their specific barriers to growth.

- Engaged with over 600 businesses in 2013
- Partners with 500 organizations and communities

1 manager, 5 business resource specialists (organized by region), 1 support staff, significant staff time is match for federal programs

Recruitment

Mission: To facilitate the relocation of companies to NH.

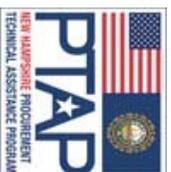
- 16 companies in 2013
- 924 jobs
- \$1.3 million in BET
- \$41 million in capital exp.
- \$3 million in local property taxes
- \$90 million in payroll

2 recruiters, 1 support staff, no out-of-state travel budget, no online property database, limited advertising (websites only), staff time matches federal programs

New Hampshire
job Training fund

1:1 matching grant program that assists businesses with training costs. SFY 2013:

- \$1.37 million to 79 companies
- Leveraged \$1.39 million
- 71% manufacturing
- 10% in service businesses
- 9% in other high-tech



Helps NH businesses access govt contracts. In 2013:

- 600 active clients, 215 of which were new in 2013.
- 2,500 prime contracts valued at nearly \$142 million.
- 66 subcontracts valued at nearly \$15 million.
- 50% funded by DoD, 3 FTEs



Helps NH businesses access foreign markets. In 2013:

- \$150,000 in matching grants to 35 companies & facilitated USDoc services for 38 companies (STEP grant)
- Trained 205 companies
- 5 companies to Paris Air Show
- 3 FTEs

OFFICE OF

WORKFORCE OPPORTUNITY

NH DEPARTMENT OF RESOURCES & ECONOMIC DEVELOPMENT

Administers federal Workforce Investment Act funds and the NH Job Training Fund. Provides \$140,000 for Retention staff to do layoff aversion & rapid response.

DED provides cash or match for ...



NH Division of Economic Development (DED) Budget

Only \$2 million of DED's budget pays for programs run directly by DED. Of that, about \$450,000 is match for federal programs that would not be offered in NH without DED's participation.

Programs	SFY 2014	SFY 2015
Administration & Marketing	400,888	497,613
Business Retention & Recruitment (BRC)	1,046,701	1,083,698
Job Training Fund (JTF)	2,644,434	2,748,542
Procurement Tech Assistance Program (PTAP)	307,003	311,318
International Trade Resource Center (ITRC)	267,128	293,850
Office of Workforce Opportunity (OWO)*	13,090,642	13,417,205
Small Business Development Center (SBDC)**	280,000	285,000
Innovative Research Center (IRC)**	294,000	300,000
TOTAL	18,330,796	18,937,226
Source of Funds		
Federal Funds (OWO & PTAP)	13,267,645	13,598,523
State General Fund	2,148,249	2,311,477
Other (mostly from unemployment for JTF)	2,914,902	3,027,226
TOTAL	18,330,796	18,937,226

*OWO administers federal Workforce Investment Act funds for NH. These activities are strictly defined by the federal government and do not support general operations within the Division. \$140,000 of funding from OWO is transferred to BRC for rapid response and layoff aversion activities.

**NH's cash match for these federally funded organizations.