

RE: DBIDA Budget Proposal

Timothy Dargan [TDargan@northeastbank.com]

Sent: Wednesday, May 28, 2008 5:12 PM**To:** Joyal, Michael; Bob Paolini [crownpoint62@yahoo.com]; Brian Gottlob [bgottlob@poleconresearch.com]; George Maglaras [georgesmarina@comcast.net]; Marc Weinstein [marcw@ecgillc.com]; mgeuther@horneconst.com; Michelle Sawyer [msawyer@relyco.com]; phamblett@comcast.net; dsspr@c1mail.com; Myers, Scott; Steven Wyrsh [stevenjwyrsh@comcast.net][Here is text of what I'm sending to the city council:](#)

Due to a scheduling conflict I am unable to attend the public hearing for the municipal portion of the proposed budget. Please accept this email as my input into the budget process and I respectfully request that it be read into the record.

The Dover Business and Industrial Development Association (DBIDA) made a presentation to the City Council back in April where we laid out our Strategic Plan for the upcoming year with an emphasis on committing to the funding and hiring of an economic development director over a minimum period of three years.

Two things we didn't include in our discussion that evening are:

1. The POSITIVE effect to the tax base of investing in economic development activities and specifically Enterprise Park
2. Some of the recent developments that have occurred in Dover over the past several years.

To address the above in order, please see below:

1. In an effort to address the economic benefits from Enterprise Park, a Debt Service coverage Analysis of Enterprise Park is completed each fiscal year. In addition to a good number of quality customer service, sales, manufacturing and assembly jobs, several positive financial issues jump out including:

1. As of 2008, the assessed value of the land and buildings owned by private firms located in Enterprise Park is now over \$20 Million!
2. Total commercial property tax revenue derived from Enterprise Park in 2008 was \$392,942. Debt service against this income was \$187,477.
3. Net tax revenue, after expenses, was calculated to be \$205,465 for FY 2008. A positive return to the tax base helping to shift the property tax burden away from residential properties in the city.
4. Tax revenues generated by Enterprise Park have been climbing steadily from only \$5,226 in 1994 to the current level of \$392,942. Debt service, on the other hand, has been dropping every year from a high of \$304,885 in 1998 to the current level of \$187,477. Therefore, net tax revenues have been steadily increasing over the past several years.
5. Cumulative net tax revenues are a positive \$657,419 over the past 14 years.

2. Recent commercial building projects outside of Enterprise Park that have and will contribute positively to the commercial property tax base, just to name a few, include Liberty Mutual, Measured Progress, New England Equine Surgical Center, Homewood Suites and Margaritas Restaurant, Seacoast Hospice, Microtel, Hampton Inn, The Exit 9 Office buildings, the Indian Brook Drive medical Office building, and a new location for Centrix Bank. These are just some of the major commercial projects that have been nurtured and realized in the past couple of years.

Dover enjoyed the full time efforts of a city employed Economic Development professional in the recent past. Without the assistance and support of this individual, it is unlikely that Enterprise Park would have grown this quickly and been as successful, nor the business community in Dover as a whole.

Companies dealing with high energy prices, foreign competition, limited labor pools, and high transportation costs, do not have a lot of time to search for and execute needed real estate solutions to meet growth demands. When a good location is found, the purchase and approval process must be completed right away with the goal to begin construction just as soon as possible. Full time support, a go to person, a person focused solely on building and leading a community team, a team supporting our communities' desired and needed types of business growth. A quarterback for the Dover community is essential to our city high on the list of where companies and their good paying jobs want to be. Volunteer help and haphazard response to opportunities will not make for a successful future for the business community nor benefit the tax payers of Dover. We need to follow through with a reorganization and establish a dedicated full time Economic Development professional to build on our historical success and help steer the community through the challenging times ahead.