



Committee on Community Resources and the Northampton City Council

Committee Members:

Chair: Councilor Gina Louise Sciarra

Vice-Chair: Councilor Dennis P. Bidwell

Councilor Alisa F. Klein

Councilor James Nash

Meeting Minutes

Date: July 16, 2018

Time: 5:00 pm

Location: City Council Office, 210 Main St., Northampton, Massachusetts

1. **Meeting Called to Order and Roll Call.** At 5 p.m. Councilor Sciarra called the meeting to order. Present on roll call were Councilors Gina-Louise Sciarra, Dennis Bidwell and James Nash. Councilor Alisa F. Klein was excused. Also present were Mayor David Narkewicz and Economic Development Director Terry Masterson.
2. **Announcement of Audio/Video Recording**
Councilor Sciarra announced that the meeting was being audio and video recorded for broadcast by Northampton Community Television (NCT).
3. **Public Comment**
No members of the public were present, so there was no public comment.
4. **Approval of Minutes**
Councilor Nash moved to approve the minutes of June 18, 2018. Councilor Bidwell seconded. The motion carried 3:0.
5. **New Business**
 - A. **Casino Marketing Study Update**
Mayor Narkewicz and Economic Development Director Terry Masterson
As background, the Massachusetts Gaming Commission awarded Northampton a \$100,000 grant for a marketing study, Mayor Narkewicz reminded. A small advisory committee has been helping his office to hire a consulting firm. The basis of the application was that Northampton is potentially going to be impacted economically by the casino opening because of its tourism, restaurants, arts and culture, etc., so it needs to hire a consultant to help develop a marketing plan to offset the potential loss of business. Some of the money will be used to pay the consultant and some of it will be used as seed money to implement the plan, he explained.

Northampton issued an RFP, conducted interviews and hired Rhyme Digital, LLC (RD) out of Easthampton. Consultants have been following a process of going through data and meeting with stakeholders. The plan is supposed to be completed in late August. Mayor Narkewicz deferred to Economic Development Director Terry Masterson as the main contact for RD.

Rhyme Digital is working on pulling together a marketing plan, Mr. Masterson confirmed. Consultants started work in May and held some focus group meetings in mid-June. In May, RD President Blair Winans worked on data collection and reaching out to key stakeholders. They had two focus group sessions in one day attended by 14 people. Mr. Winans presented a number of initial findings to the participants and hosted an initial conversation with stakeholders.

Next Wednesday, July 25th at 2:30 p.m., Mr. Winans will meet with the Mayor's advisory committee to brief them on the status of the study since he is coming to the end of the time line for the project. He is expected to submit a report to the Mayor by mid-August. Committee members have been very happy with the depth of detail he's provided and have helped by putting him in touch with key stakeholders. The Chamber of Commerce and the Hampshire County Regional Tourism Council have been very helpful in providing him with data. It has been a good community effort to brief and inform him.

The meeting on July 25th is not a public meeting, Mayor Narkewicz clarified.

In response to a question from Councilor Nash, Mr. Masterson clarified that the focus groups are made up of individuals invited to attend, such as Rich Madowicz, Jody Dole, Cathy Cross, Pat Goggins, etc. Participants have an opportunity to hear what is going on and to offer their opinions.

In response to a question from Councilor Bidwell, Mayor Narkewicz confirmed that the deliverable of the consulting contract is a marketing plan. City officials are then supposed to figure out who would implement it and how. The remainder of the \$100,000 could go towards implementation. The first step is to develop some kind of plan and target audience as well as possible ways to reach them, whether on line or through billboards or social media.

An important event to watch will be the meeting of the Casino Commission on July 19th when MGM presents its marketing plan, Mr. Masterson noted.

Councilor Sciarra commented that it is pretty late for the commission to be presenting its marketing plan, and Mayor Narkewicz said they have likely had one for some time but have been keeping it pretty close to the vest.

Councilor Bidwell asked if the hope is to minimize the loss of customers from existing Northampton restaurants or to attract some of the 7.5 million a year that are expected to come to the casino.

Yes and yes, Mayor Narkewicz responded. There was a study that showed that the casino could have an impact on Northampton. Northampton tried to get funding but was turned down as a surrounding community. City officials want to make sure casino visitors know about Northampton. A lot of the city's customer base is from the south, he noted.

It is no surprise that Mohegan and Foxwoods are trying to plant their flag on the southern border; they take advantage of a lot of that north/south traffic too, he commented.

There is a possibility that city officials could go back for future funding. More will be revealed in mid-August. They will probably do some press about it. Then they will move into Phase 2, deciding what recommendations the city should focus on. They will probably have to show the product to the gaming commission.

Councilor Nash expressed his understanding that consultants are building a profile of the Northampton market.

They are definitely looking at analytics from websites and attendance figures to see who the baseline customer is now and who they should potentially be marketing to in the future, Mayor Narkewicz confirmed. He is not sure how much of that data will be in the report.

Councilor Nash asked if that information is available now, and Mayor Narkewicz said it is available if vendors will share the information. American Express shares some information.

If they have a profile of who comes here and spends money it will give them an idea of who to target, Councilor Nash suggested. Mr. Masterson said he thought they would see some of that in the report. One of the things he's looking at is who will be coming to the casino.

Casino developers are definitely trying to make it family-friendly, Mayor Narkewicz said. He toured the casino three weeks ago, and they are building a movie theater. Stevie Wonder will be the opening act.

As an example of possible impacts, Mayor Narkewicz noted that Aaron Lewis of the band 'Staind' has performed at an annual concert at Look Park each year. This year, he passed on the event and, lo and behold, MGM booked him for a concert at Symphony Hall in the fall. He cited this as a small example of things they are seeing. Lewis has always done the Look Park concert as a benefit.

Councilor Bidwell asked about the involvement of the Chamber of Commerce and the Downtown Northampton Association (DNA). He asked if they were all on the same page, and Mayor Narkewicz said he thinks so. He referred to a meeting Councilor Bidwell attended where there was concern from the consultant about getting all the data from these groups but said he believes this has been resolved.

Ultimately, the DNA wanted to do some marketing so it may be one of the organizations that takes on a piece of this, Mayor Narkewicz suggested. He said he is not sure whether roles will be assigned by the consultant. They all need to be rowing in the same direction, Mayor Narkewicz commented. Whatever the marketing strategy is; it needs to be unified, he stressed.

Councilor Bidwell asked if there was a branding element.

The consensus of the focus group was that [branding] is something that should be looked at, Mr. Masterson said. It likely will be an action step as part of the report, Mayor Narkewicz said.

The report will be able to tell them who Northampton needs to market to and in what ways, Mr. Masterson concluded.

6. Update on Downtown Economic Indicators

Mr. Masterson presented downtown economic indicators for 2017. As of the end of 2017, downtown had a 6% vacancy rate, representing 14 vacant stores out of 232. There were 17 new arrivals with seven departures. Of the occupancies, 14 storefronts that had been vacant were reoccupied. The findings are consistent with 2016 when the vacancy rate was 6.8%

So far in 2018, there have been two new arrivals; Tim's Books came to 90 King Street and Anytime Fitness opened up at 24 King Street. Coldwell Banker/Upton Massamont opened offices at 112 Main Street. DNA will have a downtown business committee meeting there tomorrow morning.

There are six emerging arrivals or expansions:

- ❖ 6 Strong Avenue, the Kathy's Diner space will hopefully be a tea and coffee operation. The owners are committed to improving the exterior of the building, he noted.
- ❖ 9 Pearl Street – Gleason's Camping Supply space - a huge buildout is going on there to accommodate a brew pub called Progressions.
- ❖ 30 Strong Avenue - a spa and massage operation is now advertising; this is a space that has been empty for a while.
- ❖ 88 Main Street - where Essentials was - now has advertising for Yokohama Ramen.
- ❖ 150 Main Street - the Blue Marble store in Thornes Marketplace is moving from the 2nd floor down to the 1st floor; expanding and taking the space vacated by Monella.
- ❖ 114 Main Street - Forget me Not Florist is moving from the Roundhouse to Main Street and taking the place of The Grateful Hound.

Downtown had five departures: Monella, Backyard Birds at 15 Strong Avenue, Adam's Jewelry, Happy Valley and Bon Ami. He thinks there is a lot of good to be seen and it compares well to the last two years. They are seeing some interesting spinoffs from Thornes, Mayor Narkewicz observed.

Councilor Sciarra said her understanding is that that was the hope; that Thornes would be something of an incubator. She asked if they knew why the noodle shop went into that spot (the former Essentials) as opposed to a place that already had a kitchen.

He met with the builder and designer of the project and the broker, Mayor Narkewicz reported. Back in the day, it was the site of the Woolworth's lunch counter. He thinks they really wanted that size space and the visibility; that front seat to Main Street. The former Spoleto space doesn't really have kitchen equipment and its plumbing was cut off, he noted. He thinks it was a combination of rent and location. "It's going to be quite beautiful judging from the plan that I saw," he commented.

There are several spaces that have been leased for retail marijuana; including two places on Pleasant Street - one for medical and one for recreational, Mayor Narkewicz added. Another space has been leased in the Talbot's plaza.

Councilor Sciarra asked how the 200 foot buffer between a school and a retail outlet is measured.

Mayor Narkewicz said it is measured from the corner of the property line.

She asked if that boundary had been measured, and he said it was. She had heard the Talbot's plaza mentioned as being the border of where the buffer would start so she was a little surprised to hear it identified as a site, Councilor Sciarra volunteered.

So far, the only space disqualified was a building on Pleasant Street near HEC Academy, Mayor Narkewicz advised. There are a ton of structures between the plaza and the school – the Valley CDC project, Historic Northampton, etc. The 200-foot buffer is measured from the two closest points of the property line to each other, he clarified.

They can recheck it, but he's fairly certain the owners had planning staff do the measurement.

Councilor Nash asked if the gas moratorium has been a barrier, such as to the new noodle place.

One of the craziest thing he's heard is that the brewery is putting in an oil-burning furnace, Mayor Narkewicz responded. He hasn't heard about impacts for other restaurants. He assumes the noodle business is going with electric.

Councilor Nash said he knew the moratorium impacted a restaurant business going up in Florence.

Most people have been able to work around it with electric, Mayor Narkewicz observed. For commercial grade kitchens, gas is usually preferred, he acknowledged. That is the only anecdotal evidence he's heard.

Councilor Sciarra said she feels like that alone is a good economic indicator; that despite the lack of gas, business owners are still interested in locating there.

For the last quarter of the fiscal year, the hotel and motel and meals taxes were up from the 4th quarter last year, Mayor Narkewicz added.

Hotel revenues are up 27% since the end of 2014 when the Fairfield Inn opened, Mr. Masterson confirmed. The Clarion closed at the end of 2015. Figures show that revenue was up for the winter months too, suggesting that occupancy at the Fairfield Inn is very high and there is demand to meet its room rates.

Councilor Nash said they were hoping that some property owners such as Eric Suher would rent more of his properties. He asked if some of the properties under contract are his.

Two of the properties involved in cannabis are his, Mayor Narkewicz said. There are also some final negotiations on the Grubb space on Pleasant Street. Mr. Suher owns the Talbot's plaza.

Marijuana retailers were also looking at his space behind Urban Outfitters. At least three of his properties are in play right now, he reported.

The Spoleto space is one that continues to be focused on and looked at. It needs serious build out. There have definitely been people talking about it and negotiations but nothing has happened.

In looking at that block, in the last year, the Patisserie Lenox opened and a new investor bought 32 Main Street and upgraded the two apartments above Ferry skateboard. It's not reflected here yet, but there are new owners of Veracruzana. In looking around his properties there are a lot of good things happening, Mr. Masterson pointed out. It's important to look at the overall picture, he stressed.

His are definitely the longer-term vacancies, Mayor Narkewicz acknowledged. He attributed this to Suher's philosophy. Some of the other landlords wanted to get somebody back in; he's sort of a longer-term investor.

There have been conversations off and on about approaching owners of long-term vacant space about temporary pop-ups, Councilor Bidwell reminded. He asked if there had been any recent conversations about that.

During First Night, the Arts Council did do a pop up in one of the spaces, Mayor Narkewicz said. It might have been Hempest. He knows they have done it. In passing by the windows of that property there tends to be advertising for the Iron Horse Entertainment Group.

Mayor Narkewicz said he knows Springfield has done popups in the holiday season. Luckily they have other spaces and other stores that are willing to do Arts Night Out and offer space for art.

There being no further questions, members thanked the Mayor and Economic Development Director.

There is no August meeting so the next meeting is September 17th, Councilor Sciarra confirmed.

7. **Adjourn.** At 5:44 p.m., Councilor Bidwell moved to adjourn the meeting; Councilor Nash seconded. The motion was approved on a voice vote of 3 Yes, 0 No.

Prepared By:
Laura Krutzler Administrative Assistant
(413) 587-1210