



**JOINT ECONOMIC DEVELOPMENT
COMMISSION AND
DOWNTOWN LEBANON TIF ADVISORY
BOARD
WEDNESDAY, FEBRUARY 22, 2023 4:00 PM
Kilton Library, Community Room or
REMOTE VIA VIRTUAL PLATFORM
LebanonNH.gov/LIVE**

1. Call to Order

The February 22, 2023 Joint Economic Development Commission and Downtown Lebanon TIF Advisory Board is hereby called to order.

2. Approval of Minutes

A. January 25, 2023

3. New Business

- A. Recap and Public Input on Potential Downtown Redevelopment Opportunity Process
- B. Review and Discussion of Responses to Downtown Redevelopment Request for Expressions of Interest (RFI)
- C. Review Final Report of Upper Valley Business Retention and Engagement Program
- D. Review and Discussion of Master Plan Update Process for Chapter 6: Economic Development

4. Future Agenda Items

5. Next Meeting Date

A. Wednesday, March 22, 2023

6. Other Business

7. Adjournment

Meetings are open for in-person and remote attendance. Members of the public that wish to attend remotely may do so by going to LebanonNH.gov/Live where you will find instructions on how to enter the meeting. Members of the public will be able to participate and ask questions through the City's virtual platform or by phone. Please note: Should technical difficulties occur during the meeting that disrupts virtual or phone connection(s), the meeting will continue without remote access capabilities.

DRAFT

**ECONOMIC DEVELOPMENT COMMISSION &
DOWNTOWN TIF ADVISORY BOARD
JOINT MEETING
WEDNESDAY, JANUARY 25, 2023 – 4:00PM
Kilton Library Community Room – or remote via Zoom
MINUTES**

EDC MEMBERS PRESENT: William Dunn (Chair), Councilor Karen Liot Hill (Vice Chair), Kevin Purcell, Dan Nash, Chip Brown, Tracy Hutchins (Upper Valley Business Alliance), Councilor Doug Whittlesey (remote)

EDC MEMBERS ABSENT: Andrew Key, David Newlove,

TIF MEMBERS PRESENT: Barry Schuster (Chair), Victoria Smith, Peter Owens, George Sykes, Christina Haidari

STAFF PRESENT: Deputy City Manager David Brooks

1. CALL TO ORDER:

- The January 25, 2023 Economic Development Commission meeting was called to order at 4:00 PM. The Downtown TIF Advisory Board was also called to order.

2. APPROVAL OF MINUTES:

- A. November 30, 2022

*Motion by Dan Nash to approve the minutes of November 30, 2022, as presented.
Second by Victoria Smith.*

** The Vote on the MOTION was approved by the EDC (5-0), and the TIF (5-0).*

Chair Dunn requested an update on the Spencer Street project. Deputy City Manager Brooks stated that the City has continued to work on a clean-up of this property. The only remaining issue is a high arsenic reading of the groundwater under the site. The City is hoping for a clear statement from DES that this is not a limiting factor in developing the site. The site will be connected to municipal water and sewer. If clean tests cannot be carried out, monitoring wells will need to be maintained and monitored on the site.

3. NEW BUSINESS:

- A. Review of Responses to Downtown Redevelopment Request for Interest (RFI)

Chair Dunn stated that the EDC was tasked by the City Council with coming up with items to redevelop the downtown parking lot areas. A request for expression of interest was sent out and the groups will now evaluate various options presented. The submissions will be presented by the prospective developers, and they will speak regarding their vision and plans.

Paul Simon, The Housing Initiative, explained that his group responded to the RFI by developing a first concept which collaborates and develops a mix of a focus on the park and housing, with a streamlined focus to a new park that takes up some of the impervious area of the existing parking lot. This concept includes a park with public access, mixed uses, and connections to the Mascoma River and the Northern Rail Trail. The park will provide open space for community events, outdoor performances, and passive enjoyment of the riverfront. The park is designed to include locations for public art installation, with an additional opportunity for a kayak launch. The proposed building placement frames and extends the public access from the mall and Colburn Park. The concept also includes direct public access. The building is designed in height and style to match with the surrounding buildings and to keep in character with the Downtown District. The ground floor/storefront area along Flynn Street will add vitality with café, small market, parking, and retail uses for the public. This will extend the downtown experience from the mall and Colburn Park all the way to the new park. There is a potential to open up the area more and create two buildings

1 instead, but this gateway feature punctuates the area. The concept includes direct access from the mall over to the
2 proposed café. The design proposes universal access with ADA accessibility. The left side access point is proposed at
3 a 5% grade. From the proposed cafe over to the other end of Flynn Street, the proposed building is a public space. The
4 building is designed to promote downtown public use and access from end to end. The building form minimizes
5 impacts on existing vehicular traffic patterns and preserves emergency vehicle access. The building is also placed
6 thoughtfully to engage with the grade change and existing built form as an extension of the downtown. The proposed
7 parking area is accessible for pedestrians and has a focus on the park. The group reviewed the Downtown Vision Plan
8 and, according to that plan, the development concept must include items such as restoring and enhancing the riverfront,
9 connecting to adjacent green spaces in the downtown, and incorporating connections between the Northern Rail Trail
10 and the Mascoma River Greenway. This design allows for a streamlined bicycle approach to get to the Northern Rail
11 Trail, while still providing the park component. The project has to consider the relocation, incorporation, or
12 replacement of existing parking, and additional mixed-use development. The plan proposed to remove some
13 impervious area near the Mascoma River and incorporating additional green space. The project will remain outside of
14 the nearby floodplain. The river is a strong link to the surrounding area, it is believed that this proposal will allow for
15 sustained restoration projects and a boost of public involvement. The proposal integrates the Mascoma River
16 Greenway and the Northern Rail Trail, with additional walkways to encourage movement through the site, and to
17 adjacent spaces. There is also a potential for additional linkages of bike/ped facilities to Hanover Street or the Mount
18 Vernon Avenue areas. The project could also consider a pedestrian bridge amenity over the Mascoma River. Minor
19 revisions to the existing parking patterns are required for building size and type. All spaces shown in the building
20 envelope are dedicated spaces for the building uses. The current building proposal is flexible, with a large mix of
21 studio, one-bedroom, two-bedroom, and three-bedroom units. There is also an opportunity to put commercial units
22 along Flynn Street.

23
24 Jay Champion, The Housing Initiative, stated that this design concept tries to bring a passive park to the downtown in
25 a way that relates to the River and addresses land to enhance the downtown area. The proposal is specific regarding
26 ownership of units in this area. This proposal allow for a configuration of a build out to custom design these units.
27 This same thinking follows for the commercial units. This is a way to attract solid business opportunities, by allowing
28 people to own their own space.

29
30 Mr. Simon stated that the concept plan includes approximately 217 parking spaces, with a majority of the spaces
31 permitted for public use. The proposed mix between residential and commercial in this plan is approximately 80/20.

32
33 Mr. Simon stated that some of the proposed parking could be removed, but his group believes that some amount of
34 parking in this area is important. The plan could eliminate much of parking proposed to front the park. He stated that
35 the group spoke with Recreation Department Director who emphasized this as a passive park.

36
37 It was noted that the plan could extend the walking, pedestrian path further into the site, to allow for greater access to
38 the River.

39
40 Ms. Smith stated that she anticipated more green space on all of the plans presented. She stated that the boards do not
41 necessarily agree with the statement from the Recreation Department regarding this being only a passive park.

42
43 Mr. Simon noted that the plan dedicates the parking spaces needed for the proposed units within the envelope of the
44 building.

45
46 Mr. Purcell stated that he would like to see Flynn Street contain more commercial, or potentially office development.
47 The park could be made more prominent, to be used for recreation, rather than only passive. There could be an option
48 to break up the building, to reduce the scale and optics of it. The proposed archway is beautiful, but very large.

49
50 Mr. Sykes asked at what point these plans will take into consideration the housing crisis/missing middle. He noted
51 that, in developing spaces in the downtown, it is helpful to get sense of potential tax revenue from a building versus
52 the space it is taking up.

53
54 Chair Dunn noted that these proposals are only conceptual in nature. The groups are presenting possibilities only at
55 this time. Any presenter that moves forward in this process will need to go through a number of other
56 boards/committees to create more detailed plans. The EDC and TIF have clearly expressed that they would prefer
57 more green space in these plans.

1 Mr. Schuster asked about the economics used to create a plan with only green space, which would likely not be
2 economically viable, versus a wholly commercial area with no green space. Mr. Campion stated that it will be very
3 helpful to developers for the City to define exactly what it wants for this green space. Part of what drove the proposed
4 building structure was the need to park cars under it.

5
6 In response to a question from Councilor Whittlesey, Mr. Simon stated that the Flynn Street side of the project is
7 proposed to be entirely commercial.

8
9 Councilor Liot Hill stated that she likes the intention of this plan to extend the downtown area. This feels consistent
10 with the goals of the visioning study to make the River more accessible and a feature for downtown. This design seems
11 to do that. She stated that she appreciates the way this makes the proposed building quite public, particularly from the
12 Flynn Street side. She stated that the boards should have discussed the proposal for this park with the Recreation
13 Department. She was hoping this park would be more of an extension of the vibe of the Farmer's Market. It could
14 contain food trucks, performance space, and a more active use. She stated that she likes the arch as proposed. She
15 suggested that the plan could feature more green space, while keeping many of the features proposed. She noted that
16 this was previously mentioned to be a \$23M building, which would add approximately \$231,000/year in tax revenue
17 to the City.

18
19 John Livadas in partnership with RODE Architects, stated that the goal of their response is to create a public/private
20 partnership, with residential housing, but also direct public access. There needs to be some balance between the
21 housing program and the placemaking. The residential program needs to be supportive of a public park, which allows
22 people to gain access to the River.

23
24 Eric Robinson, RODE Architects, stated that the group did an exhaustive amount of analysis to help inform the
25 proposal. This site shows a civic aspect to the downtown urban plan. The proposal considered how to enhance the
26 quality of existing nearby spaces to work together as a unified whole. The movements through this section of the City
27 were analyzed, from the river up to Colburn Park. These existing movement areas were outline on a diagram to define
28 where pedestrian and vehicular movement should take place. This connection should be not dissimilar to the previous
29 concept, where Court Street is the major connector from Colburn Park and the mall. The proposal also looks to enhance
30 the connection through the pedestrian mall space to ensure that it is active and thriving. The plan pulls some of the
31 vehicular movement out of that zone to allow for a clear pathway. This potential development is proposed to enhance
32 the quality of the entire downtown area while inviting connectivity and movement. This will provide for different
33 opportunities for retail and respite for gathering.

34
35 Ruthie Kuhlman, RODE Architects, stated that this proposal tries to balance density, retail space and covered parking.
36 The proposal prioritizes a pedestrian-centric space, opening up to a larger park space near the river. There are
37 opportunities to integrate retail around the first level area of the site. The entire development of the parkscape area
38 near the River would be pedestrian and bicycle only. The plan looks to take the existing footprint of the parking and
39 place much of it below grade, creating a better pedestrian experience. The City's affordable housing program could
40 potentially come into play for this development. The group can next review the potential sizes of this proposal and
41 potential public benefits. This plan can be worked on to create an intersection of housing, retail, park space, and access,
42 in a way to connect it to downtown.

43
44 Ms. Smith asked if there is a better view of the proposed building. Mr. Robinson stated that no details on architecture
45 of the building have been drafted at this point, aside from the approximate size and massing.

46
47 Councilor Liot Smith stated that this proposal was helpful to see how much can fit on this parcel. She noted that the
48 groups envisioned at least 50% recreational active green space for this space, and less than 50% mixed use. Mr.
49 Livadas stated that it will be helpful for all the developers to get a clear picture as to what is wanted for this space. If
50 it is to be a large park, the groups must consider where parking will go.

51
52 Mr. Schuster asked about access from Hanover Street. Mr. Robinson stated that the group considered how to clarify
53 movement for cars and pedestrians in this space. The intention is to reroute Taylor Street to Flynn Street.

54
55 Councilor Whittlesey stated that the takeaway for the boards is that an RFP needs to clearly emphasize the key
56 concepts desired. Chair Dunn agreed that an RFP will need to be very clear and concise.

Mr. Purcell stated that the massing for this proposal is quite large. He noted that the proposal should consider how the public will get direct access to the riverfront. He stated that he would like to know the net effect of the parking change for this proposal. He also noted that he would like to see more office and retail space included.

Kyle Murphy of KaTO Architects of Manchester, Vermont, stated that his group is working through a number of other projects in Vermont which deal with a balance of housing, public space, and the missing middle. This proposal gives the chance to depart from the conventional ways of thinking about how buildings and green space work together. Architecture for this site could be much more organic, as opposed to blocks of buildings. There is a tug of war for this site between green space and an amount of developed space, and what this means in terms of economics. There is a way to make the existing recreation, City Hall, and commercial spaces around the property mix in with this site. There is approximately an existing 20' spacing between each of the parking areas, which lends itself well to a structural grid. A beautiful cut through is proposed, to pull people from the center of the City, through the site, to intersect with the tunnel leading over to the Rail Trail. The group wanted to be sensitive to the height of existing buildings around this site. The proposal considers a mix of commercial/retail space with residential space. The building is proposed to be stepped back to soften the height of the building from the surrounding areas. Each residential unit could include its own balcony, with a view towards the River or the City. This proposal looks to maintain virtually all of the existing parking. The idea is to create an elevated park to achieve the goals of maintaining as much parking as possible without making the site feel like a parking lot. The proposed parking layout will make it easy for all people to access the buildings. The number of existing parking spaces proposed to remain are 300+/- . In, addition to the existing parking the proposal looks to add 175 spaces using levels of parking. The amount of parking is important, as this is an area traveled to and also proposed for housing. The proposal includes approximately 125 units, at a total of approximately 125,000 s.f. The proposal also includes approximately 45,000 s.f. of mixed-use area. This could include restaurants, retail, and office space. It could also include community space, a vocational center or artist galleries. The proposal looks to create a vernacular, or an architectural aesthetic for the site. He stated that his group tries to approach projects so that the architecture and landscape are unified into one design language. This proposal considers a mix of staircases, balconies, and other connections between different levels. These connections integrate with the green space in the center and blend down to the river. The proposal introduces a couple of bridges at the river to connect with the other side. The proposal looks to create an energy that pulls people to the river and into this public space. Near one of the bridge connection is shown a fitness center, an elevated bike path and a pool. The landscaping is proposed to come up onto the roofs, with green roofs and planters. This will highlight the units and allow each one to have its own rooftop terrace or a communal terrace area, allowing neighbors the chance to meet each other. The shared outdoor spaces allow a chance to meet people and socialize. The boards previously suggested softening the height and scale of the project, and this plan attempts to address this. This proposal is a pretty significant departure from anything around it, but the design is rooted in logic. The proposed height could be brought down, and the public space could be increased in a number of different ways. Creating a 3-tier roofline could reduce the overall height of the building by two stories. However, this would result in about a 20% reduction in the number of units available.

Mr. Sykes stated that this presentation makes him consider how to create a neighborhood in the Downtown area. He stated that he likes the idea of maintaining the existing parking and the balcony areas.

Councilor Liot Hill noted that this proposal is more consistent with a natural landscape, as opposed to a built landscape, however its approach to the River still feels a bit urban. She is interested in more green grass or landscaping to approach the River, instead of hardscape.

Mr. Purcell stated that he likes that this proposal attempts to maintain the parking. As the downtown grows, this will be needed. Mr. Murphy stated that his group would evaluate different performance scenarios to determine the best residential/commercial mix for the site.

Chet Clem stated that this proposal shows different types of access and public recreation. It allows for different types of passive and active recreation.

Ms. Smith stated that this proposal gives another idea as to what is possible for this site.

4. FUTURE AGENDA ITEMS:

A. Review and Update of Master Plan Chapter 6: Economic Development
The groups agreed to discuss this at the next meeting.

Chair Dunn stated that he would like to see the groups discuss business and worker retention efforts at a future meeting.

1 Chair Schuster stated that he would like the next meeting to include a roundtable of the groups to discuss all of the
2 presentations to work through a clear, concise list of key elements.

3
4 **5. NEXT MEETING DATE:** February 22, 2023

5
6 **6. OTHER BUSINESS**

7 None at this time.

8
9 **7. ADJOURNMENT.**

10 *The meeting was adjourned at 5:54 PM.*

11
12 Respectfully submitted,

13 Kristan Patenaude

BUSINESS RETENTION AND ENGAGEMENT PROGRAM

UPPER VALLEY—JANUARY 2023



University of New Hampshire
Cooperative Extension

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About the Business Retention and Engagement Program

Building the local economy by identifying and addressing the needs, challenges and opportunities .

A healthy local economy and an improved business climate are the goals of the Business Retention and Engagement (BR&E) program. The program promotes job growth by helping communities identify the concerns and barriers to survival and growth facing local businesses. This approach focuses on existing businesses. Studies show that 40% to 80% of all new jobs are created by existing firms rather than by attracting new businesses. Furthermore, business attraction efforts are less likely to be successful if existing businesses are unhappy with the local business climate.

Goals of the Program

Demonstrate to local businesses that the community appreciates their contribution to the economy.

Engage local businesses to identify community strengths and challenges.

Identify priorities for improving business climate and regional economy.

Inform development of a strategic plan for economic development.

Build community capacity to sustain growth and development.

The Process

As no two communities are identical, the BR&E process is customized for each community. Working with the Upper Valley Business Alliance, University of New Hampshire Cooperative Extension (UNHCE) staff developed an engagement plan based on the needs of the Upper Valley. The Upper Valley BR&E process consisted of:

Step 1: Business Engagement: Two strategies were identified to maximize participation and increase validity of results.

- Business Roundtables: Three roundtable discussions were held with business and community leaders between July and September of 2022.
- Business Survey: Following completion of the roundtable discussions, a digital survey was sent out to businesses throughout the Upper Valley region.

Step 2: Data Analysis and Report: Data from both engagement processes was compiled and analyzed to prepare a report for the community. The report includes a summary of the data analysis and identifies considerations for improving the local business climate.

Step 3: Action Planning and Implementation: Following completion of the report, UNHCE will continue to offer technical assistance to community partners to develop and implement an action plan based upon identified community priorities.



Extension

MAKING LIFE **BETTER** IN NEW HAMPSHIRE

Business Roundtable Summary

Twenty-Five community members participated in the local business roundtable discussions. Discussions were facilitated by UNHCE staff. Open ended questions focused on attitudes towards the Upper Valley as a place to conduct business, including quality of life, community support, strengths, and challenges. Discussion was encouraged with the opportunity for participants to dive more deeply into topics of interest. Over the course of the 3 discussions, several key themes emerged.

Roundtable Themes

Strengths

Quality of Life: Participants broadly referred to the Upper Valley region as a good place to live. Easy access to natural resources, recreation, the arts and a reasonable travel distance to larger cities such as Boston and New York were noted.

"I think the quality of life and the outdoor recreation resources and things are a huge draw."



"I see a lot more positives than I do negatives. There are certainly challenges that we have here, like everybody does, but if I look at other communities in the state and across the country, we have some very positive things, some unique things that makes this a special place to be."

General Strength and Resilience of Local Economy: Participants spoke of the upper valley as historically operating in a strong economic "bubble" due to geography, the presence of large historical institutions, and a diverse business base. Participants felt this has provided stability and shielded the area from some of the more severe economic challenges other communities have faced.

"My impression of the Upper Valley's current business climate is that I believe it's insulated. I think there's some large employers in the region that really drive the market, and I think that we don't necessarily always feel the effects that other communities are feeling"

"I see the area's got a great economy. It's kind of an oasis."

Challenges

Workforce: Recruiting and maintaining needed staffing levels was consistently noted as the greatest challenge businesses were experiencing. Notably, this was reported across all types of jobs and salary levels.

"A lot of our customers, our small business customers struggle to hire and retain talent."

"Our biggest challenge is hiring people and keeping them here."

"We are spending way more on recruitment/advertising for help with little benefit."

Housing: While numerous factors were identified as contributing to workforce shortages, the availability and cost of housing was by a large margin the most frequently cited barrier to recruiting and maintaining a sufficient workforce in the region. This barrier was reported for all types of housing from apartments to starter homes, smaller retirement homes to larger family homes.

“The housing issues are severe at all levels of income, across the whole spectrum. Where you might be trying to hire somebody who's going to be very highly paid, who's an expert in the field, and they want to find a house, they can't find a house. You now have somebody that's going to be a custodian. They can't find a place to live. So that's what I mean by the spectrum.”

“We have such an acute problem that it's all housing that we need. It's very easy to go into the big, small, affordable comparison, but the need is so acute that we're at a stage where we just need to be looking for any and all.”

“Just the fact that we're here for an economic development conversation and most of our talk has been about housing, I think continues to reiterate to me just how critical this is to our development.”



Affordable/Quality Childcare: Another significant barrier noted for workers, wanting to move to or stay in the upper valley, was a significant shortage in access to quality/affordable childcare.

“Childcare is another big issue of course, that we’re struggling with.”

“Childcare is a big barrier for a lot of people, either it isn’t there, or they can’t afford it and that hurts the workforce.”

Land Use/Regulatory Barriers: While most broadly described relationships with municipal and state government as supportive, specific challenges related to

land use processes and regulations were described as overly restrictive and cumbersome, slowing down and significantly increasing the cost of building both for business and residential purposes in the region.

“It's a shame, it's a crisis. And we need to start really from the ground up and that is in the planning boards in our community. The constraints that are part of residential building are cumbersome. And it's a shame for my kids that are in their twenties that they can't look forward to purchasing a home right now. We have a serious issue in the state of New Hampshire regarding housing inventory itself and we really need to start from the ground up. And that is talking to our communities, our planning boards, ordinances, and making some serious changes, allowing more people into our communities.”

“I'm really hoping that towns will start to remember as we're looking at projects for the future, sometimes this is the impact of really slowing things way down. Because there are projects that might have been viable two or three years ago that people would not agree to. Now they say, Oh, you're right, that would be a good idea. Well now it's 35% more to build it and the developer doesn't want to build it. And most real estate developers are in it for the profit if they're not non-profit housing developers. So I think that when you've got a good project, moving on it as soon as you can is better than making them go through hoops.”

Lack of Regional Collaboration: Participants noted that the history and structure of municipal government has negatively impacted regional cooperation which the group felt was necessary to successfully address challenges such as housing.

“It's difficult here and everywhere to get people regionally to cooperate. So the most important thing in the next 10 years is to get people to regionally cooperate for the better good. Because one city can't do all of it. You know, we may be the hub of the Upper Valley, but we cannot do all of it really. Our other partners have to step up. And we have got to be friendly to other partners and our other communities. Sometimes my elected officials are only worried about us. Well, you can't be because this economy is regional. It is not just this city to confine to this city. It never has been and never will be.”

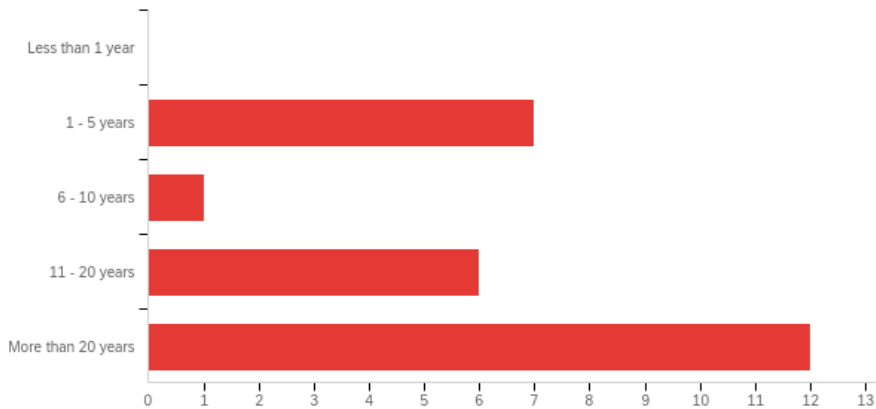
“Regionally we can look and work together about where we can put different sorts of housing and different types of housing and create more of a regional plan. To make that happen would be, I think, very beneficial.”



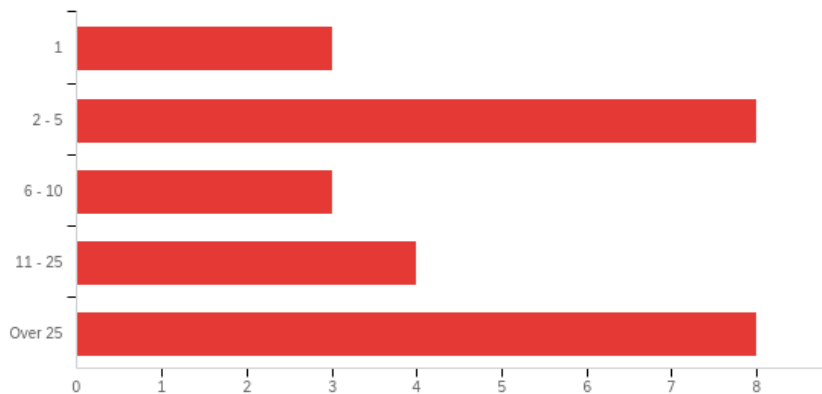
Business Survey Participation

Thirty-five respondents completed the on-line survey. Responses to descriptive questions include:

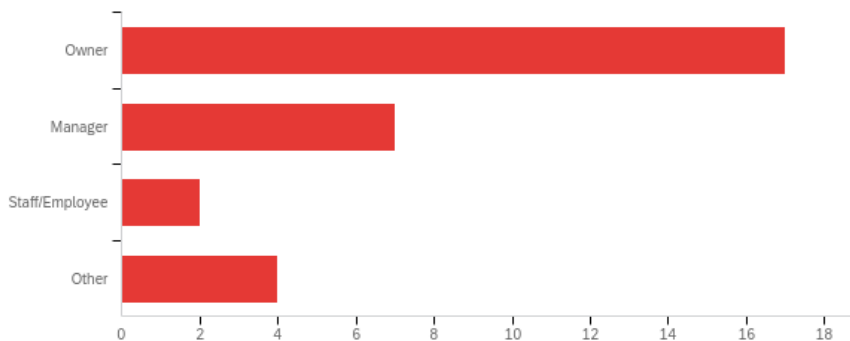
How long has your business been in the Upper Valley?



How many employees does your business have in the Upper Valley?



What is your role in your business?

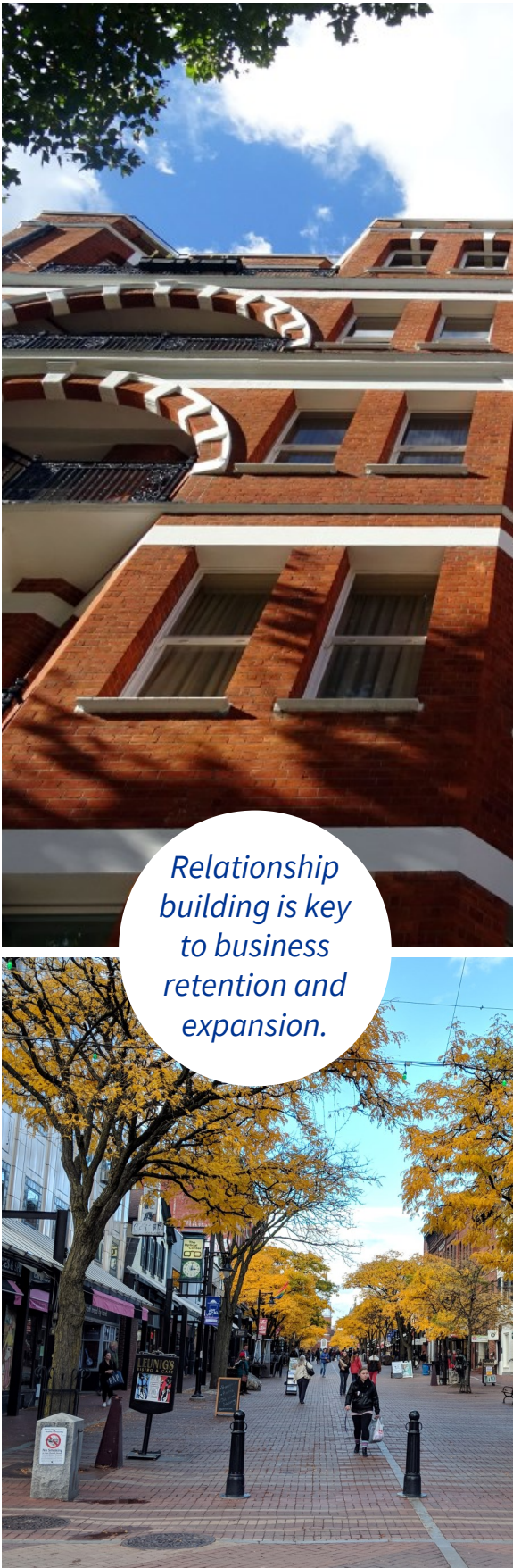


92% reported their businesses were locally owned. 36% reported their business had multiple locations.

Survey Results

- 77% of respondents anticipate staffing needs will increase over the next 3 years.
- 85% indicated that recruiting qualified employees is challenging for their business.
- 52% indicated plans to grow or expand their business over the next 5 years. Types of expansion included:
 - Increasing sales team;
 - More technicians and expansion into cutting edge technologies;
 - Increase in manufacturing volume by 50%;
 - Another apartment rental building is permitted to be built;
 - We just opened a new satellite;
 - Additional locations will be added;
 - Adding services;
 - More hours, days.
- Staffing challenges and housing costs were listed most frequently as factors preventing expansion by those who indicated they did not plan to expand.
- 16% indicated they were considering downsizing or selling their business.
- 80% indicated that workforce conditions were important to their business.
 - 71% expressed dissatisfaction with the availability of skilled labor;
 - 70% expressed dissatisfaction with employee health care costs.
- 90% indicated energy costs were important to their business.
- 100% indicated energy reliability was important to their business.
- 78% indicated renewable energy cost and availability were important to their business.
- 95% indicated telecommunications and broadband reliability and cost were important.
- 75% indicated they were dissatisfied with energy costs.
- 100% indicated that community attitudes towards business were important.
 - More than 90% indicated they were either very or moderately satisfied with local business support including community attitudes toward business, community promotion, UVBA, and EDC.
- 90% indicated quality of life factors were important to their business.
 - Housing availability and cost, healthcare facilities and availability of childcare were ranked of highest importance among quality-of-life factors;
 - 85% were dissatisfied with housing availability and cost;
 - 56% were dissatisfied with availability of childcare;
 - 100% were satisfied with access to recreational and cultural opportunities and social organizations;
 - 95% were satisfied with schools;
 - 75% were satisfied with access to health care facilities.
- 90% expressed that they were either expressed they were either moderately or very satisfied with government and regulatory services including Fire and Police, sewer and water.
 - 21% indicated they were dissatisfied with planning and zoning and code enforcement.

55% agreed with the statement “**Municipal officials in the Upper Valley value the retention of my business.**”



Relationship building is key to business retention and expansion.

Key Take Aways and Potential Next Steps

Housing Availability and Affordability: Housing is a critical component to economic development and is a significant factor in employee recruitment. As this was the most frequently cited concern in both the business roundtables and surveys, continuing to identify opportunities to take action and create partnerships to address the housing challenge at all levels is critical.

Planning, Zoning, Regulations: While there is overall support for planning efforts in the region, there is a perception that there is a lack of flexibility of zoning regulations and an unwillingness to work collaboratively to address concerns resulting in lost opportunities. Working together to identify some simple ways to make zoning and permitting regulations more flexible or streamlined can have a significant impact. Just one or two minor changes can signal to the business community that the community really wants to accommodate and support local businesses and see them thrive.

Quality of Life: The businesses surveyed appreciated the high quality of life: recreation, arts, community in the Upper Valley. It is important to consider how to maintain or strengthen the quality of life. Additionally, businesses identified opportunities to better highlight community assets to promote the region for potential new employees.

Ongoing Business Engagement: Relationship building is key to business retention and expansion. This process was one step in engaging local business leaders. During the process, participants shared that they appreciated the chance to connect with community leaders and each other. Continued communication and engagement is important both in building trust and in identifying opportunities to address the challenges both businesses and communities are experiencing.

Expand Regional Partnerships: Many businesses operate across more than one community and issues identified in this process impact the region as a whole. Employees and businesses looking into moving into the area do not stop at the borders of one town but look holistically at the region. Each community's decisions impact the other. Seeking opportunities to increase dialogue and identify ways to partner across the region in long term planning has the potential to bring significant benefits.

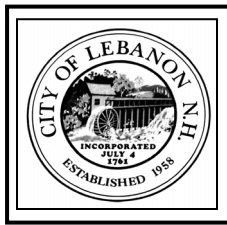




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CITY OF LEBANON ~ PLANNING & DEVELOPMENT

MEMORANDUM

TO: Economic Development Commission

CC: Nathan Reichert, Planning & Development Director

FROM: David Brooks, Deputy City Manager

RE: Review and Update of Master Plan Chapter 6: Economic Development

DATE: February 10, 2023

Economic Development Commission members,

The City's Master Plan was adopted by the Planning Board on March 26, 2012 as "a comprehensive plan to implement the community vision for 2030." We are now over half-way through the 18-year planning horizon on which the Master Plan is based. While implementation efforts continue across various chapters and led by various boards, committees, and City departments, it is time to review and update the Plan to track efforts and resources, to document progress and achievements over the last 10 years, and to outline a refined set of actions and strategies to be pursued in the remaining years leading up to the 2030 planning horizon.

Last year, the Planning & Development Department initiated a new approach to reviewing and updating the Master Plan on a chapter-by-chapter basis over the next 3-4 years. The Department started with Natural Resources (Chapter 5) and Energy (Chapter 13), two of the chapters on which the City has made significant progress and which have seen significant changes in existing conditions and circumstances since 2012. In 2023, the Department will be working on the Economic Development (Chapter 6) and other chapters.

However, instead of working with the former Steering Committee for the Implementation of the Master Plan (SCIMP), the Planning Department plans to work directly with the Economic Development Commission (EDC) to review and update the Economic Development chapter. The Department believes that EDC, whose purpose and charge aligns with the Economic Development chapter, is best positioned to function as the "champion" for reviewing and updating the chapter and, subsequently, to monitor implementation and track progress into the future.

Attached is a memo providing some background on the Master Plan and outlining the Planning Department's overall approach to updating the Plan as developed last year. It is important to note that the proposed update process is meant to bring each chapter up-to-date with respect to accomplishments over the last 10+ years; it is not meant to be a re-write of the chapter if it is determined to be substantially out of step with the community's goals and aspirations.

Within the overall framework for the update process, the following is a rough outline of specific steps for the EDC as it reviews and updates the Economic Development chapter:

Step 1: February-March, 2022

Review the Economic Development chapter's *Vision & Purpose* Statement

If the Commission feels that the existing *Vision & Purpose* statement still accurately reflects the direction the community would like to proceed with respect to Economic

Development, or if the statement requires only minor modifications, then the Commission would proceed to Step 2 and beyond. However, if the Commission feels that the *Vision & Purpose* statement no longer reflects the community's goals or needs with respect to the chapter, then the City may halt the review and update process until a broader visioning effort can be undertaken to ascertain the community's new preferred direction.

Step 2: April – June, 2022

Review and update the Outcomes, Actions, and Strategies of the Economic Development chapter

This will be the opportunity to 'check off' actions and strategies that have already been completed and to remove any actions and strategies that are no longer necessary, feasible, or desirable. This will also be an opportunity to add new actions and strategies that are now possible or appropriate. Ideally, the review process will result in a shorter, more-focused list of actions and strategies to be pursued in the remaining 6-7 years leading up to 2030. This may also be an opportunity to incorporate additional details on timelines, key stakeholders, potential costs, and funding sources to help with implementation of the remaining actions and strategies.

Step 3: July – August, 2022

Review and update the body of the Economic Development chapter, including the *Issues & Priorities, Existing Conditions & Trends, and Future Challenges & Opportunities*.

This will be the opportunity to document past efforts and accomplishments since 2012 as well as changes in conditions and circumstances since the Economic Development chapter was last reviewed. This is also where we will outline and update what opportunities and challenges that still remain to be tackled prior to 2030.

Step 4: September – November, 2022

Decide to support all proposed changes to the Economic Development chapter and request that the Planning Board formally adopt the updated chapter.

By statute, the Planning Board is responsible for preparing and amending the Master Plan to guide the development of the municipality. As a result, it is the Planning Board that is tasked with holding a public hearing and for making the final decision to adopt the updated chapter into the Master Plan. The EDC would be expected to help present and advocate for the updated chapter to be formally adopted into the Master Plan.

While the Planning Board will hold a public hearing at the end of the process to formally adopt the updated chapter, the Planning Department will also take steps to inform the public that EDC will be working to review and update the chapter over a series of meetings. We will also look for opportunities to report out on the actions and strategies that have already been completed so the general public can be made aware of accomplishments over the past 10+ years. Obviously, the Commission's meetings are already publicly noticed, but we will take steps to spread the word more broadly.

The Planning & Development Department looks forward to working with the Economic Development Commission members to complete this review and update process so that City resources and effort can continue to be appropriately directed toward the community's goals with respect to Lebanon's Economic Development.



CITY OF LEBANON ~ PLANNING & DEVELOPMENT

MEMORANDUM

TO: SCIMP Committee
Planning Board
Board/Committee Chairpersons and Staff Liaisons
City Department Heads

CC: Shaun Mulholland, City Manager
Paula Maville, Deputy City Manager
Planning Department Staff

FROM: David Brooks, Planning & Development Director

RE: Lebanon Master Plan Review and Update Process

DATE: January 4, 2022

As you know, the City's Master Plan was adopted by the Planning Board on March 26, 2012 as "a comprehensive plan to implement the community vision for 2030." We are now just over half-way through the 18-year planning horizon on which the Master Plan is based.

Previous implementation strategies created with and for the Steering Committee for the Implementation of the Master Plan (SCIMP) envisioned focusing efforts and resources on key themes for certain time periods, while leaving open the possibility of addressing significant issues as they arose (see the Gantt chart below). In reality, the City has had to be much more flexible and opportunistic in its implementation efforts and has rarely been able to focus on themes in the sequence or for the duration envisioned in the chart below. As an example, Downtown Lebanon became a focus as early as 2014 due to concerns brought to light by the condition of the tunnel under the pedestrian mall. As a result, efforts to focus on West Lebanon's downtown were delayed until late 2019. Similarly, the City has already begun to take a more proactive approach to economic development instead of waiting until 2023.

Master Plan Theme	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
transportation																		
landuse																		
env/energy																		
openspace																		
water resource																		
nat res protection																		
cult/arts																		
downtown - W Leb																		
downtown - Leb																		
urban design																		
historic																		
housing																		
utilities																		
recreation																		
econ dev																		
dev review																		
government																		

Shading represents the years where the theme is a focus. Gradient indicates opportunistic addressing of theme.
Does not preclude opportunistic (grants, co-located projects, etc.) addressing of Master Plan actions at other times
MP Update - proposed timeframe for updating the Master Plan
MP Redo - proposed timeframe for a major overhaul of the Master Plan and the Master Plan process

Although the City has addressed a lot of the actions and strategies outlined in the Master Plan and made progress on many of the Plan's themes, implementation overall has been much more scatter-shot than originally intended.

Tracking and reporting on implementation efforts has also been a challenge. The 2012 Master Plan does not include a stand-alone implementation chapter and there is often little detail included within the chapter Outcomes as to how or when to address the various actions and strategies. In the first years after adoption, there was relatively little attention paid on how to keep track of efforts and resources and how best to report on successes and achievements to the broader public. As a result, by the time the Planning Department, Planning Board, and SCIMP attempted to develop a tracking and reporting system around 2018, the task of summarizing more than 6 years of effort across 17 themes had become overwhelming and never gained significant traction.

The original implementation strategy anticipated two planned updates to the Master Plan to be undertaken 6 years and 12 years following adoption, specifically in 2018 and 2024. However, while the effort to create a tracking and reporting process stalled, there was no effort made at a general Master Plan update around 2018. Now that nearly 10 years have passed since its adoption, a review and update of the Master Plan is warranted.

In the years since the Master Plan was adopted, it has become clear to the Planning Department that the SCIMP committee may not be the best mechanism for implementing or updating the Plan. Composed of members of the City Council, Planning Board, and Conservation Commission, SCIMP does not have broad representation reflecting the themes covered by the Master Plan or necessarily even a solid understanding of what has been happening or should be happening with other chapters of the Plan, such as Economic Development, Historic Resources, or Community Design and Civic Art. As a result, the Planning Department envisions winding down and eliminating the SCIMP committee.

Instead, the Planning Department now envisions working directly with existing boards or committees, whenever possible, to review and update individual chapters of the Master Plan. Where there is an existing board or committee whose purpose and charge aligns with a particular chapter of the Master Plan, we believe that board or committee is much better positioned than SCIMP to function as the "champion" for reviewing and updating the chapter and, subsequently, to monitor implementation and track progress into the future. For example, Planning staff proposes to work with the Economic Development Commission on the Economic Development chapter (Chapter 6), the Heritage Commission on the Historic Resources chapter (Chapter 11), and the Arts & Culture Commission on the Community Design and Civic Art chapter (Chapter 12). For any chapters where there is no existing board or committee to work with (e.g. Community Facilities and Services or Housing), the Planning Department proposes to create a short-term task force or working group composed of appropriate stakeholders to complete the review and update process.

To ensure adequate staffing and other resources for the effort and to avoid burnout in the process, the Planning Department proposes to address a few chapters per year over a multi-year period. The chapter update process would begin with a review of the *Vision & Purpose* statement to ascertain whether, in the opinion of the board, committee, or working group, it still accurately reflects the community's goals or needs with respect to the particular topic. Where a *Vision & Purpose* statement is determined to still be accurate, the next step would be to review and validate the *Issues & Priorities* section and to bring the *Existing Conditions & Trends* and *Future Challenges & Opportunities* sections up-to-date based on actions and accomplishments or changes of circumstances since 2012. Finally, the update process would include a review and update of the *Outcomes* and the corresponding *Strategies* and *Actions* for each chapter to remove strategies or actions that have been completed or deemed inappropriate and to consider adding

new strategies or actions that may now be feasible. Where possible, it may be appropriate to consider adding an implementation section and/or further details on timelines, key stakeholders, potential costs, and funding sources for the updated actions and strategies. Following the review and update process by the appropriate board, committee, or working group, the revised chapter would be forwarded to the Planning Board for review, a public hearing, and proposed adoption into the Master Plan.

If, during the chapter review process, it is determined that a current *Vision & Purpose* statement is no longer accurate or reflective of the community's goals or needs, then it would most likely be appropriate to re-engage the broader public as part of a visioning process for that particular chapter before revisiting the other sections of the chapter. The Planning Department will determine a process and schedule for any such visioning efforts, as necessary.

The Planning Department proposes the following tentative schedule for reviewing and updating Master Plan chapters on a rolling basis over the next few years, (understanding that the timing and sequence of chapter updates may still change):

<u>Year</u>	<u>Chapter</u>	<u>"Champion"</u>
2022	Natural Resources (Ch. 5)	Conservation Commission
2022	Energy (Ch. 13)	Lebanon Energy Advisory Committee
2023	Housing (Ch. 7)	Working Group/TBD
2023	West Lebanon CBD (Ch. 4)	West Leb. Revitalization Advisory Comm.
2023	Economic Development (Ch. 6)	Economic Development Commission
2024	Historic Resources (Ch. 11)	Heritage Commission
2024	Transportation (Ch. 9)	Working Group/TBD
2024	Recreation (Ch. 10)	Working Group/TBD
2023	Community Art and Civic Design (Ch. 12)	Arts & Culture Commission
2025	Community Facilities and Services (Ch. 8)	Working Group/TBD
2025	Land Use (Ch. 2)	Planning Board
2025	Lebanon CBD (Ch. 3)	Working Group/TBD

At the end of the process outlined above, we anticipate having an updated Master Plan that will continue to guide the community through to the end of the original planning horizon of 2030. We will also have engaged boards and committees primed to continue monitoring implementation efforts, tracking progress, and reporting on achievements.

Economic Development

Vision & Purpose

The City of Lebanon shall promote high-quality economic development that provides safe, healthy working conditions, and rewarding careers and employment opportunities for residents of the City and region. In accordance with the “Residents-First” policy, economic development in Lebanon shall benefit our residents and enhance quality of life in the City. Our economic development strategy shall foster a vibrant and sustainable local economy by:

- Encouraging and attracting enterprises that contribute to the total welfare of the City of Lebanon, while also recognizing Lebanon’s role as an employment center for the Upper Valley.
- Preserving and enhancing the natural and built environment of Lebanon, and promoting a high quality of life for those who live in, work in or visit our City.
- Implementing economic development and redevelopment strategies that do not result in a greater tax burden for City residents.
- Striving to support a mix of businesses from a variety of economic sectors to better protect our local economy from sudden shifts within a single industry and to increase our resistance to economic downturns.
- Adopting land use policies that encourage redevelopment of existing non-residential sites and development of existing lands zoned for non-residential use before extensively developing any additional lands for non-residential use.
- Maintaining the infrastructure needed to support economic development at high service levels, including fostering state-of-the-art communications infrastructure throughout the City.
- Encouraging new non-residential construction and renovation of existing non-residential structures to result in high-quality buildings that can be reconfigured and adapted so that the same structure may serve different purposes over time.
- Supporting a variety of housing options that will allow those working within the City, at all income levels, to also live in the City.
- Understanding that a strong economy requires a well-educated and skilled workforce, and providing educational and workforce training opportunities for residents at all stages of life.

Issues & Priorities

Sustainable Economic Development

Sustainable economic development is more than just increasing the number of jobs, tax receipts and square footage of commercial/industrial space in the City. It means growth that is not driven by depleting our resources, but rather by renewing them. It means growing our economy while also enhancing quality of life in Lebanon and protecting environment quality - making the City an even better place to live for the next genera-



key points | vision & purpose

- Promote high-quality economic development that benefits City residents and enhances quality of life in the City
- Foster a vibrant, diversified and sustainable local economy
- Encourage redevelopment and full use of existing commercial/ industrial sites and land before designating additional land for commercial/industrial use
- Provide the infrastructure, housing and education needed to support our desired level of economic development

key points | issues & priorities

- Seek sustainable growth that is not dependent on exhausting local resources to fuel economic expansion
- Maintain a diverse economy that is not dependent on a single large employer or economic sector
- Recognize the importance of the City's quality of life in attracting new firms to locate in Lebanon and in retaining well-educated and skilled workers



tion. Sustainable economic development has a triple bottom line resulting in economic benefits, environmental benefits and social benefits.

Top priorities for sustainable economic development in Lebanon include:

- Redevelopment of under-utilized commercial and industrial sites.
- A more diverse local economy that is not dependent on a single large employer or sector.
- Jobs that pay a livable wage.
- Growth opportunities for existing businesses.

Achieving sustainability will require a proactive approach to economic development. Given Lebanon's role as the economic center of the Upper Valley, the pressure for continued economic expansion will likely remain strong, and for this reason, the City must carefully plan for growth. The community must determine where and how much it will grow, and then it needs to implement strategies to appropriately guide economic and community development. If instead the City takes a passive approach, it may find itself overwhelmed with growth planning challenges and a division among City government, business, and residents that will stall proactive decision-making.

6 | B-2

Economic Diversity

As a former milling center, Lebanon needs only to look back its own history to see the danger posed by a local economy dependent upon a single large employer or economic sector. During the past 60 years, the City's economy has become stronger and more diversified. Economic diversity means having both businesses from many different economic sectors and jobs of various levels and types.

The City needs to maintain and enhance economic diversity in order to be better insulated from contraction and downturns, whether within a particular industry or across all sectors. While the performance of a local economy will always be affected by the inevitable ups and downs of business cycles, a diversified economy will experience less dramatic change between the highs and lows.

A diverse economy also creates a variety of employment opportunities. This allows workers to more easily transition between jobs and change careers, remaining employed throughout their working lives without having to relocate to find work. A diverse economy requires a diverse workforce. Increased social diversity creates a more dynamic City and improves residents' quality of life.

Providing infrastructure, housing and educational opportunities can help support a diverse economy. In particular, the City needs an adequate supply of workforce housing and state-of-the-art communications infrastructure if it wants to continue to keep existing businesses and attract new employers.

6 | B-3

Quality of Life

Quality of life may seem a somewhat intangible concept, but for many companies it is a key consideration when deciding where to locate. Will the community be a place that employees will want to live? If not, the company may have difficulty attracting and retaining qualified workers or workers may be forced to commute

from more distant communities, particularly if it must compete with other firms for highly skilled or educated employees.

The Upper Valley offers a quality of life that is very desirable - the region's communities have retained their small-town character while adding urban and cultural amenities. Lebanon benefits from the presence of DHMC and the associated health services it provides, as well as Dartmouth College next door in Hanover, which provides residents with access to world-class arts, culture and athletics. Within the City itself, the Opera House is a well-programmed entertainment venue and anchors a burgeoning downtown arts community. Lebanon and neighboring communities have a thriving 'creative economy' that enriches the region. Additionally, the Upper Valley is only a short trip from major metropolitan areas, large tracts of wilderness, and a variety of recreation opportunities including ski slopes and ocean beaches.

6 | C Existing Conditions & Trends

6 | C-1 Role as Regional Center

Lebanon has historically been and continues to be a regional economic center for the Upper Valley due to:

- Transportation access (proximity to the junction of two interstate highways, a municipal airport and rail service).
- Availability of land and supporting infrastructure for commercial and industrial development and redevelopment.
- A highly regarded medical center, community hospital, academic institutions, and spin-off enterprises.
- Multiple decades of local and regional planning for community and economic development.
- Small-town feel with some urban amenities and conveniences.
- Abundant natural, scenic and historic resources of the City and region.
- Cultural and recreational attractions within the City and region.

Lebanon has remained a regional center while surviving financial panics, industrial collapse, fires, the Great Depression, and the flight of the cotton and woolen mills to the South. In each transition, new businesses have brought new opportunities and new residents. During the 1960s, the fortuitous routing of Interstate 89 and nearby Interstate 91 came just in time to breathe new life into the town after the collapse of the textile industry, making West Lebanon the retail center of the Upper Valley. The new highways also facilitated industrial and commercial business.

Dartmouth-Hitchcock Medical Center's (DHMC) move to Lebanon in the early 1990s, combined with Dartmouth College's role as an innovator in the technological revolution, has resulted in spin-off businesses locating in Lebanon. This has brought a new wave of bright, technically savvy and entrepreneurial people to the City, and is fostering Lebanon's emergence as a biomedical and high-tech hub on the cutting edge of research, innovation and manufacturing.

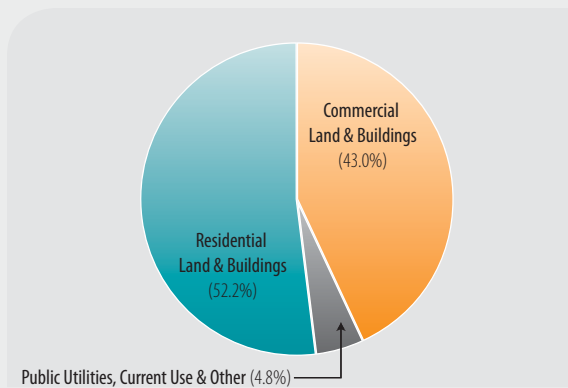


key points | existing conditions & trends

- Lebanon continues to be the economic center of the Upper Valley and currently maintains a diversified economic base.
- Since the 1960s, Lebanon has added more than a million square feet of non-residential space per decade on average and continues to have land available for new development, redevelopment and infill.
- Lebanon's labor force has experienced "full employment" since the mid-1990s and jobs within the City pay wages higher than state and regional averages.
- The supply of workforce housing continues to be a constraint on economic growth in the Upper Valley.

Business	Sector	Employees
Dartmouth Hitchcock Medical Center/Hitchcock Clinic	Healthcare services	7,433
Timken	Ball & roller bearings	593
Alice Peck Day	Healthcare services	500
Lebanon School District	Education	377
TomTom	Mapping	316
Hypertherm	Manufacturing	237
City of Lebanon	Municipal	210
Fuji Film Dimatix	Technology	202
Luminescent Systems Inc.	Electroluminescent lighting	187
Thermal Dynamics	Plasma cutting torches	183

lebanon's major employers



2009 percent of local assessed valuation by property type
New Hampshire Department of Revenue Administration

Lebanon currently maintains a diversified economic base including a variety of retail enterprises, healthcare businesses ancillary to DHMC and Alice Peck Day Memorial Hospital, and an industrial base anchored by firms such as:

- Timken (aerospace industry manufacturing ball bearings and rollers)
- TomTom (mapping data)
- Fluent, Inc. (fluid technology)
- Mascoma Corporation (alternative fuels)
- Hypertherm (plasma cutting technology)

DHMC and other major employers in the region, such as Dartmouth College, United States Army Cold Regions Research and Environmental Laboratory (CRREL), and the Veteran's Administrative Hospital have been relatively immune from economic recession. Having these industries in the region benefits the City of Lebanon immensely. They also contribute to the City's economic well-being by attracting other businesses and service industries, which provide further employment opportunities.

6|C-2

Land and Space for Non-Residential Uses

Lebanon's current zoning includes eight non-residential or mixed-use districts (light industrial, rail access industrial, heavy industrial, general commercial, central business, neighborhood commercial, professional business and medical center). These districts provide opportunities for businesses of various types, sizes and intensities. Most of these districts have either land available for development, or sites suitable for redevelopment or infill.

Lebanon had about 900,000 square feet of non-residential space in 1959. In the five decades since, the space occupied by commercial, industrial, medical, government and other institutional uses has grown to more than 8.8 million square feet. The Lebanon Planning Board has recently approved, or is currently reviewing, approximately 2.5 million square feet of non-residential growth, which is projected to be built out during the next 20 years.

Commercial land uses make up a greater percentage of the tax base in Lebanon as compared to other Upper Valley municipalities. The City's broad tax base results in a reduced tax burden on residential property owners to fund local schools and municipal services.

6|C-3

Employment and Wages

More than 19,000 people work in Lebanon. Approximately 61 percent of the City's resident workforce is employed in Lebanon (approximately 5,000 people) and more than 13,000 people commute into the City. Lebanon residents, and Upper Valley residents in general, enjoy relatively short commutes with an average travel time to work for City residents that is less than 15 minutes. The ability to live and work in close proximity is one of the factors that contributes to Lebanon's quality of life.

Lebanon has experienced job growth in the service sector, particularly education, health, social services, and retail, during the past 20 years similar to many communities across the country. However, the City has seen employment growth in management, professional and related occupations in recent decades as well. During the 2000s, employment in Lebanon grew by more than 2,600 jobs.

Lebanon's average annual unemployment rate was 3.8 percent in 2009. The unemployment rate in the City has remained below four percent since 1994 despite several intervening downturns in the U.S. economy. A four percent unemployment rate is usually considered "full employment." The unemployment rate in the Lebanon Labor Market Area (LMA) has been the lowest in the state for some time.

Besides the unemployment rates, average weekly wages provide another measure of economic health. The average weekly wage for a private sector worker in Lebanon in 2009 was \$1,048. Jobs in Lebanon are among the highest paying in the region and pay significantly better than the state average. Higher wages in Lebanon and the Upper Valley may be attributed in part to Dartmouth Hitchcock Medical Center and Dartmouth College, both of which directly pay relatively high wages and indirectly generate high-paying spin-off business and industry.

6 | C-4

Housing

Economic growth is dependent upon housing growth, particularly workforce housing. For more than a decade, several major employers in the Upper Valley have been expressing a need for additional workforce housing opportunities, and they have been working with organizations such as the Upper Valley Housing Coalition, Habitat for Humanity, and Twin Pines Housing Trust to find solutions. Although Lebanon has experienced approximately 16 percent housing unit growth during the 2000s, the City still may not be keeping pace with the demand resulting from both the continued rate of growth in the non-residential sector, as well as past historical growth rate disparities between non-residential development and housing development.

Without an adequate supply of housing affordable for their workers, employers can experience challenges in both retention and attraction of employees. For employees, the shortage can result in the need to seek housing further away from the employment center, increasing commutes and associated adverse affects on the environment and transportation network.

In 2011, the Upper Valley Lake Sunapee Regional Planning Commission initiated an effort to analyze housing availability in the Upper Valley, which will be an update to the 2002 Upper Valley Housing Needs Analysis report. When complete, this study should provide a clearer picture of how well the region is doing in meeting the housing needs of its workforce and what actions will be needed in the future to maintain an adequate supply of workforce housing.

6 | D

Future Challenges & Opportunities

6 | D-1

Sustainable Economic Development Strategy

Lebanon should develop a proactive strategy, identifying the community's economic assets and what types of businesses it wishes to encourage. With a strategy in place, the City should then selectively recruit and/or

key points | future challenges & opportunities



- Lebanon needs a sustainable economic development strategy to guide City efforts to recruit and support new businesses.
- Efforts to revitalize the central business districts should continue so that they remain economically viable.
- Economic development efforts should focus on redevelopment of low-density, under-utilized and/or inefficiently developed commercial and industrial sites, particularly along Route 12A and the Miracle Mile.
- Lebanon must preserve its quality of life, which is a key component of the City's economic success.
- The City must carefully consider all proposed expansions of public services and infrastructure. The City's economic development strategy should not increase residents' tax burden to facilitate economic development.
- To remain economically competitive, Lebanon's businesses and residents must have access to state-of-the-art communications infrastructure and technology.
- The Lebanon Airport is a key asset that needs to overcome financial challenges.

support new businesses that can help the City attain its goals. The City of Lebanon must evaluate how much growth is sustainable; certain levels and types of new development could cause unforeseen changes to community character, infrastructure, and the tax base.

It is essential to maintain a coordinated, respectful and cooperative working relationship with current City and regional enterprises, area economic development agencies, regional planning commissions, chambers of commerce, state agencies, and other concerned private and public sector entities that encourage managed growth. The City could consider expanding its Planning Department's mission to include a more active role in decisions related to economic development.

Technological advances have become a driving force - possibly the driving force - in the economy. New jobs in the "thoughtware" sector include computer software, education, engineering, telecommunications, medicine, and the entrepreneurial, creative economy realm. In order to foster new economic opportunities in this sector, Lebanon must support high-speed digital capability (see Section D-5), keep up with ongoing technological advances, and invest in the labor force through support for continuing education and training.

6 | D-2

Central Business Districts

In spite of competition from the 12A commercial area, both West Lebanon Central Business District and the Lebanon Central Business District continue to see reinvestment and revitalization.

Lebanon's downtown pedestrian mall is now the home to many small professional and service businesses, restaurants and retail shops. These businesses, in combination with Lebanon College's downtown campus, have made the mall a thriving place to visit and shop. Colburn Park is an active place in the summer with the farmers' market and summer concerts, and is a great place for families to gather. The downtown Opera House and AVA Gallery are cornerstones of the City's arts scene, bringing people downtown and supporting surrounding restaurants and shops.

West Lebanon Village has also shown improvement over the recent years. The anchor of the village is the new Kilton Library. New businesses have arrived and current ones have expanded. Restaurants have continued to bring traffic to the area. The recently approved River Park project, just north of the village, will bring research labs, office space, associated retail and housing.

The City should encourage mixed uses of structures in both CBDs, for instance combining ground floor storefronts with upper-story residential units. Collocating compatible professional, residential and commercial uses encourages people to live where they work, fostering a vibrant downtown and healthy local economy.

6 | D-3

Redevelopment

As Lebanon grows, public services and infrastructure must be expanded cost effectively. Many of the impacts of such growth can be reduced by directing development toward existing built-up areas, which are already served by existing municipal services and infrastructure.

Inefficiently developed properties, for example, on Route 12A and the "Miracle Mile," (Mechanic Street/Route 4) represent some of the best opportunities for redevelopment in the City. Existing developments should be

evaluated to determine creative solutions for redevelopment (the plans proposed by a Dartmouth College architectural class several years ago could serve as a starting point). Many developed parcels and parking lots could be more intensely redeveloped with multi-use structures, multi-story buildings, shared and structured parking, and shallow setbacks from the roadway. Implementing access management retrofit plans on Route 12A, Miracle Mile, and Mechanic Street, as discussed in the transportation chapter of this plan, would be the first step in redevelopment efforts along with allowing flexibility of the parking requirements to meet the needs of the applicant and the traveling public.

When businesses expand, contract or close, they leave behind commercial and industrial space that can be redeveloped. Although such properties are usually privately owned, it is in the interest of the City to see that these locations are redeveloped in ways that are compatible with Lebanon's Master Plan. Among the desired features are the following:

- Reconfiguring space to maximum density, for example, building up (higher - to appropriate scale) when possible, using underground and shared parking, and reducing building setbacks.
- Integrating residential and workforce housing near commercial, office, educational, research, medical, and light industrial facilities.
- Constructing sidewalks and bus stops, and providing landscaping.
- At riverfront properties, observing setback and water quality requirements, while taking full advantage of the aesthetic potential, for example, siting restaurants, residential apartments, and offices to face the river, rather than backing onto the river.

6|D-4 Quality of Life

Numerous studies on business location decisions have indicated that quality of life plays a key role in corporate decision-making. One of the greatest strengths of Lebanon's economy is that people like to live and work here. If Lebanon's historic, educational, environmental, scenic, recreational, and cultural assets are diminished or lost, then the City could suffer economically in the long run.

Lebanon's economic development strategy should support and strengthen the City's role in the creative economy, cultural and heritage tourism, and recreational sectors. More importantly, it should seek to balance its growth and development with protection of natural, scenic, and historic resources. Current work towards a Zoning Ordinance revision is addressing these goals of compatibility and sustainability.

6|D-5 Public Services and Infrastructure

As Lebanon continues to grow, City government will continue to experience pressure to expand and extend public services and infrastructure. When making those decisions, the City needs to consider the cost to current residents and the impact on the natural environment. In accordance with the "Residents-First" policy, growth and economic development must not degrade the City's quality of life. The City should be seeking economic development that does not increase City taxes. It must be recognized, however, that public services and infrastructure will have to be maintained and expanded as Lebanon grows. Many of the undesirable impacts

of growth can be reduced by directing development toward existing built-up areas already served by public services and infrastructure.

One means of limiting the demand on the water supply and wastewater treatment systems would be to establish an urban services boundary, beyond which such utilities would not be expanded. The establishment of such a limitation would permit the City to focus development in a more concentrated area. The City should also consider expanding the use of impact fees to finance infrastructure associated with new development and consider working with the state legislature to establish a City sales tax. To expand its ability to generate revenue, the City should evaluate any means that would help offset the impacts of commercial development without negatively influencing business or commerce.

6|D-6 Technological Advancement

Residents, businesses, and institutions increasingly depend on the Internet and electronic communications. Businesses of all sizes find a digital presence valuable, if not essential. In order to ensure that businesses in Lebanon will remain competitive, they must have access to dependable, affordable, high-speed digital services. Such services should be available in all parts of the City, to enable residents to conduct home-based businesses and to promote telecommuting. This increased digital presence will also serve to aid in the promotion of training and education through “webinars” and other professional development tools.

With current technology, wired broadband is faster and more reliable than wireless. The most significant impediment to bringing wired high-speed digital service to all corners of the City is ownership and control of the poles. Because the poles are privately owned, customers are limited to the providers currently on the poles. Moreover, private-sector companies often balk at providing high-speed digital service to rural areas because they cannot make back their return on investment within their typical three-year time frame.

Lebanon should advocate that high-speed digital services be available throughout the Upper Valley, so that residents of nearby towns who are employed in Lebanon have the option of telecommuting, which would reduce congestion on Lebanon’s roads.

6|D-7 Lebanon Municipal Airport

Lebanon Airport is a key transportation asset, valued by the region’s many businesses and institutions, as well as by area residents attracted by the recent efforts of the City and Cape Air to expand scheduled airline service. However, passenger enplanements or “boardings” during the 2000s declined in comparison with the 1990s, straining the ability of the airport to limit the financial support received from the City’s General Fund.

During the Master Plan process, residents expressed the desire that the current status of the Lebanon Municipal Airport should change in one direction or the other; either become self-sufficient as a commercial airport providing scheduled flights for the general public, or convert to a general aviation airport. The scheduled 2012 completion of the Airport Master Plan, including an “Airport Summit” event will further illuminate future options or direction for the airport.

Outcomes & Strategies

OUTCOME 1 Seek sustainable growth that is not dependent on exhausting local resources to fuel economic expansion.

STRATEGIES

- 1 Encourage City government to take a more organized and active role in promoting sustainable economic development.
- 2 Promote and retain high quality employment opportunities.
- 3 Continue the progress of revitalizing the City's two Central Business Districts.
- 4 Work with civic associations to engage business owners and generate citizen interest and commitment to the downtown areas.
- 5 Support the revitalization, infill, and increased mix of uses in existing non-residential, locations.
- 6 Seek a way for Lebanon Airport to pay for itself while better serving the needs of residents and businesses, both in Lebanon and throughout the region.
- 7 Continue efforts to expand regional and national passenger connections to and from Lebanon Airport.

ACTIONS

- 1 Develop a proactive strategy for sustainable economic development that identifies the City's economic assets and what types of businesses Lebanon wishes to encourage.
- 2 Recruit and support businesses in accordance with the City's sustainable economic development strategy.
- 3 Explore innovative financing techniques for building structured parking in the West Lebanon Central Business District.
- 4 Evaluate the boundaries of the Central Business Districts.
- 5 Examine existing non-residential areas to identify opportunities for more intensive redevelopment or infill.
- 6 Continue to work with the Regional Planning Commission to develop and maintain an updated inventory of non-residential sites and buildings to facilitate expansion and relocation of businesses.
- 7 Review and amend the City's Zoning Ordinance as needed to encourage more intensive redevelopment of existing residential and non-residential areas and to discourage development in undeveloped areas.
- 8 Establish an urban services boundary for water and sewer.
- 9 Develop an impact fee schedule to support expanded infrastructure associated with new development.
- 10 Evaluate the cost of ending commercial service and, if warranted, convert Lebanon Airport to serve general aviation only if passenger enplanements fail to increase significantly.

OUTCOME 2 Maintain a diverse economy that is not dependent on a single large employer or economic sector.

STRATEGIES

- 1 Make high-speed digital services available throughout Lebanon.
- 2 Continue to encourage private companies to add high-speed digital lines to under-served locations within the City or explore alternatives via regional efforts to bring broadband to the Upper Valley.
- 3 Encourage City government to coordinate with governing bodies of other nearby towns and digital services providers to improve high-speed digital services throughout the region.

ACTIONS

- 1 Ensure that zoning regulations maintain and enhance the mix of downtown businesses, including basic goods and services.
- 2 Develop a long-range plan for digital high-speed telecommunications.

OUTCOME 3

Recognize the importance of quality of life in attracting new firms to locate in Lebanon and in retaining well-educated, skilled workers.

STRATEGIES

- 1 Seek growth and development that preserves or, ideally, enhances Lebanon's quality of life.
- 2 Support the arts and culture as a distinctive and significant component (creative economy) of the local and regional economy.
- 3 Promote Lebanon's historic, environmental, scenic, recreational, and cultural assets.
- 4 Continue to strive for excellence in public education and municipal services, taking into account the impact on taxes levied to City residents.
- 5 Encourage housing in the upper floors of downtown buildings.

ACTIONS

- 1 Implement the zoning revision recommendations outlined in the City's Natural Resources Inventory to protect and enhance the most critical natural resources and open spaces.
- 2 Explore seeking authority from the state legislature to implement a City sales tax.