



**Strategic Plan for Economic  
Development  
Town of Northfield, New Hampshire  
March 2012**



Prepared by:  
Capital Regional Development Council  
[www.crdc-nh.com](http://www.crdc-nh.com)

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## PLAN OVERVIEW

The Town of Northfield has recently begun working proactively on an economic development strategy. In late 2011, the Northfield Economic Development Corporation was reorganized. The NEDC is comprised of local government officials, business leaders and interested community members. NEDC members are committed to strengthening the reputation of Northfield as a competitive option for business investment from both existing, recruited and newly evolving businesses. The fundamental goals and desired results of the Northfield Economic Development Corporation are to put in place policies and programs that result in job growth, an enhanced property tax base and a diversity in products and services provided by businesses. The key goal is to strengthen the commercial property tax base to establish a better balance between the residential and commercial tax base.

### Focus

The guiding theme of the Strategic Plan is based on the guiding theme that ***Economic development is broadly defined as the allocation of public resources to stimulate private investment.*** What programs and policies can government implement to make Northfield more competitive in the attraction of private investment? The following are additional outcomes that the NEDC is working toward.

1. REPUTATION: The reputation that Northfield is business friendly with consistent messages and policies. There is a clearly defined and articulated value proposition for Northfield.
2. POINT OF CONTACT: There is one primary knowledgeable point of contact to address all questions related to economic development programs and resources.
3. BUSINESS FRIENDLY REGULATIONS: There is a clear, responsive, predictable and streamlined regulatory and permitting process.
4. COLLABORATION: Strong relationships are established and maintained with regional, state and federal officials; existing businesses, real estate professionals, lenders and other centers of influence.
5. IMPORTANCE OF INVESTING IN ECONOMIC DEVELOPMENT INFRASTRUCTURE: The public is educated on and understands the importance of proactive economic development efforts and the investments needed to make Northfield a competitive location for new business investment. Elected officials provide adequate resources to encourage private investment.
6. SITES & BUILDINGS: There exist development-ready sites served with appropriate utilities and proper zoning.

### Capital Regional Development Council

To prepare the initial Strategic Plan, the NEDC engaged the Capital Regional Development Council. CRDC is the largest of the ten Regional Development Corporations recognized by the New Hampshire Community Development Finance Authority to provide business development and economic development resources to New Hampshire communities and

businesses. CRDC provides direct business lending through a variety of loan funds and programs. It also develops real estate projects in strategic partnerships with communities and provides economic development consulting services to cities and towns located throughout Sullivan, Merrimack and Hillsborough Counties.

#### COMMUNITY BUSINESS SURVEY

Between December 2011 and February 2012, CRDC performed telephone interviews with twenty-five (25) business leaders and local officials identified by the Northfield Economic Development Corporation as a broad representative cross-section of community members. The questionnaire was designed to survey Northfield's business development reputation and what initiatives might be undertaken to strengthen its competitive position as a place friendly to private investment. Eighteen of those interviewed own or have management roles in local businesses, while eight participants were exclusively governmental leaders. Several of the business participants also held elected and appointed leadership roles in Northfield government.

Sales Trends: Between 2009 and 2011, most of the businesses surveyed reported a reduction in total annual sales of between 0-20 percent as a direct result of the recession. There was a general consensus of a cautious optimism that 2012 might be a better year, although uncertainty related to the gridlock in Congress and the European sovereign debt crisis may dampen any renewed growth.

Employees: Most of those interviewed also experienced reduced employment during the recession with the average being a 20-30 percent decline. Most businesses did not expect to increase hiring in 2012 determined to wait out the year with existing staff.

Reputation: This question asked if Northfield was a good place to do business. There was a broad range of responses from generally positive to extremely negative, with the business participants responses generally more negative. The overall theme from all participants was more negative than positive. Even those generally satisfied said that the Town of Northfield could do more to encourage and invest in economic development. Comments included:

- The Planning & Zoning Boards could be better educated in the importance of business investment. Streamline and accelerate the permitting process.
- Recruiting new investment from businesses is very competitive and Northfield needs to be more proactive.
- Very limited availability of strategic sites appropriately zoned with municipal water and sewer infrastructure. (This was a universal complaint by more than 90 percent of the participants.)

- Maximize development on key roads.
- There is excellent Interstate access, although there is a realization that an additional much needed interchange at exit 19 is not going to occur in the foreseeable future.
- Involve business leaders more in government with representation as elected or appointed positions.
- There is no defined business recruitment and development program.
- There is insufficient product (land/buildings).
- Some leaders want to maintain the status quo, with no desire for change.
- The Planning and Zoning Boards have recently gotten stronger and support key projects.
- Utility costs and taxes are high.
- Leadership needs to make business development a priority and invest in doing so. "Need to spend money to make money."
- There is a deep polarization and competition with Tilton.

Initiatives: This question focused on what the Town could do to increase business development. There was universal support for the Northfield Economic Development Corporation although not everyone knew who was on it and what their agenda was.

- Identify key development areas, make certain that zoning is appropriate for the desired types of investment, and extend water and sewer to serve these strategic areas. Consider developing an industrial park. (product development)
- Determine the types and size of desired business investment and establish a proactive program to identify and recruit new investment.
- Work closer with identified partners that provide financial, planning and development assistance to make certain that all appropriate resources are deployed to assist growing businesses.
- Publicize the great recreation trails and resources in Northfield and try to recruit related businesses.
- Build on existing business base.
- Publicize Northfield's desire to attract new investment.
- Perform a thorough review of all development regulations and amend as necessary to better accommodate compatible business development.
- Focus recruitment on low impact, high revenue investment.
- Partner with neighboring communities and establish a regional business recruitment strategy.
- Research communities throughout New Hampshire with business development successes and emulate program and policies when appropriate.
- Take advantage of New Hampshire's incentives-Tax Increment Financing, 79-E & Economic Revitalization Zones, for example.

- Perform selected demolition on dilapidated sites, especially in high visibility neighborhoods.
- The Town should consider hiring a full-time planner.
- Include the community in key decisions with a strong commitment to inclusiveness.

Summary: Despite the challenges of the past several years and the constructive criticism articulated in the survey, there is a strong sense that the Town of Northfield has potential and the opportunity to strengthen business development with new initiatives. There is an opportunity for NEDC and Board of Selectmen to re-commit to strengthening Northfield's business development reputation by adopting, implementing and providing sufficient financial resources to a proactive economic development and business development strategy.

### STRATEGY PLAN OUTLINE

Based on the comments from the survey, combined with CRDC's experience working with successful New Hampshire communities, the following Strategic Plan outline is advanced.

The Plan is divided into the following sections.

1. Purpose & Mission Statement
2. Assessment of Strengths and Weaknesses
3. Goals and Strategies
4. Community Business Survey Summary
5. Web Site Content
6. Collaborative Partners
7. Implementation

### PURPOSE STATEMENT

A "*Purpose Statement*" describes why an organization exists. This statement should guide the actions of the organization, spell out its overall goals, provide a sense of direction, and guide strategic decision making. The organizational purpose must be closely tied to providing a product or service that fills the needs of the target market and/or customer base.

The purpose of the NEDC is summarized below:

- To establish a long range economic development strategy.
- To work on policies and projects that generate jobs, help retain existing jobs, and stimulate industrial and commercial growth in the Town of Northfield.
- To advise the Board of Selectmen and other organizations and committees on issues regarding economic development.

### NEDC MISSION STATEMENT

The mission of NEDC is:

- To ensure that Northfield focuses on the future and is a community with responsible business growth as its priority.
- To proactively pursue a robust business climate by stimulating creative and viable avenues of growth for new and existing businesses.
- To facilitate diversification of the property tax base with an emphasis on increasing the commercial and industrial tax base; and the creation of employment opportunities, thereby building an enriched quality of life.

### SMALL TOWNS/BIG IDEAS

In a case study recently completed by the University of North Carolina's School of Government and the North Carolina Economic Development Center entitled Small Towns Big Ideas, the report identified and documented small towns that are surviving and in some cases thriving. Forty-five small towns with populations less than 10,000 were studied throughout the U.S. The intent of the report was to collect real stories from real places that are successfully facing the challenges of small town America in the 21<sup>st</sup> century. The report is intended to provide transferable ideas to policy makers and local officials on what works. The following is a summary of its lessons learned.

In small towns, community development is economic development. Community development in this sense is defined as activities aimed at building the capacity of a community and addressing challenges through a long-term lens. Community development includes revitalization of blighted neighborhoods, leadership development and supporting youth entrepreneurship, for example. Community development goes beyond immediate job creation.

Successful small towns tend to be proactive and future oriented; they embrace change and assume risk. Many of these communities "hit bottom" and decided to try new approaches and take risks. Being proactive means to act on a particular challenge before it becomes a problem. It requires a lot of trial and error and willingness to fail from time to time, but opening the community to new ideas and risks have paid off.

Successful community economic development strategies are guided by a broadly held local vision. The successful communities established a broadly held community vision including goals for all manners of development activities. Various stakeholders meet on a regular basis to establish the joint visions and monitor programmatic success. Local people are the community's most important resource and are deeply involved in all levels of planning. It also requires paying special attention to integrating newcomers into the community, including young people, the leaders of tomorrow.

Defining assets and opportunities broadly yields innovative strategies that capitalize on a community's competitive advantage. For example, in an ironic twist, the arrival of a Wal-Mart to Oakland, Maryland gave local leaders the opportunity to help Main Street retailers diversify their product lines. Unique assets of small towns may include people, non-profit organizations, open space, farms, parks, museums, historic architecture, local attitudes or any number of other things.

Innovative local governance, partnerships and organizations significantly enhance the capacity for community economic development. This includes new ways to approach challenges and thinking regionally. Cross-jurisdictional partnerships can assist towns by pooling resources toward shared objectives. It also requires the forging of partnerships with regional developers, bankers and utility companies, and collaborative partners that provide business development and financing tools.

Effective communities identify and celebrate short-term successes to sustain support for long-term community economic development. Given the long-term nature of economic development programs, the fact that measurable results from a particular project may take many years, small town leaders must repeatedly make the case for the importance in investing in economic development. The best way to maintain support is to demonstrate and celebrate success, no matter how small. Small successes build momentum and earn community buy-in.

Viable community economic development involves the use of a comprehensive package of tools, rather than a piecemeal approach. There is no silver bullet. No single strategy saved any of the communities in the study. Successful development is always multifaceted. Nothing should be taken off the table and approaches evolve over time. Decisions about what to do and why have to be based on local conditions, context and capacity.

#### PRELIMINARY ASSESSMENT OF NORTHFIELD'S STRENGTHS AND WEAKNESSES (SWOT)

The initial work performed by CRDC was to reach out to the business community and local officials via a business survey to gauge the perceived business development reputation of the Town of Northfield as discussed above. The following is a summary of the Strengths, Weaknesses, Opportunities and Threats related to business development in Northfield as articulated by the survey participants and from CRDC's research.

A SWOT analysis is a strategic planning method used to evaluate the Strengths, Weaknesses, Opportunities and Threats involved in economic development.

#### INTERNAL (Categories the community can influence.)

Strengths: attributes of the community that are helpful to business development.

Weaknesses: attributes of the community that are harmful to business development.



EXTERNAL (Categories with limited community influence.)

Opportunities: external conditions that are helpful to business development.

Threats: external conditions that are harmful to business development.

***Competitive Advantage: Matching strengths to opportunities.***

Strengths

1. ECONOMIC DEVELOPMENT COMMITTEE: Newly re-energized economic development committee.
2. FOCUS ON BUSINESS DEVELOPMENT: Renewed commitment of elected and appointed officials to focus on business development.
3. DEVELOPMENT CAPACITY: Strategically located community on I-93.
4. STRATEGIC SITES: There is development capacity with vacant underutilized parcels with good transportation access subject to additional infrastructure investments.

Weaknesses

1. BRAND: No defined Northfield Value Proposition or Brand.
2. STRATEGY: No proactive business development marketing plan, collateral materials or targeted business recruitment strategy.
3. CONTACT: No defined single point of contact for business development questions and liaison with economic development resources.
4. REGULATORY: Some historical perceived lack of support for business development by Planning Board. Some frustration doing business in Northfield.
5. MIXED MESSAGES: Some perception of local leadership sending mixed messages to businesses- vocal support, but no programs or funding for economic development.
6. WEB: No business development web page in conformance with industry standards.
7. STRATEGIC SITES (PRODUCT): Limited availability of fully utilitized and appropriate zoned sites for industrial and commercial development.
8. SITES LISTINGS: No comprehensive list of available sites and buildings linked to EDC and Town web page.
9. BUSINESS PARKS: No developed aesthetically designed business or office parks.
10. TIFS: No active Tax Increment Financing Districts. (See definition below.)
11. INCENTIVES: No adopted business development incentives.

Tax Increment Financing (TIF)

TIF is defined as the financing of public infrastructure (roads, water, sanitary sewer, sidewalks) with new property taxes generated by the newly taxed construction, expansion or renovation of properties within a defined TIF district. Nothing is taken away from the existing tax payer and taxes do not increase for existing tax payers. TIF districts fund infrastructure improvements with the new taxable revenue from new private investment that results directly from the new infrastructure. The new tax revenue generated on the value of the new improvements is set aside to pay the debt or cost of the new infrastructure in the defined TIF district. Property taxes collected in the TIF district are divided into two streams. The first stream is set at the original value of the property before development, known as the base rate. This tax revenue continues to go where it did prior to the adoption of a TIF district, to the town, county and schools. The second stream contains the additional

tax revenue generated by the higher property tax value after improvements. This stream is dedicated to pay for the new infrastructure, typically during a twenty year TIF district term.

#### Opportunities

1. LOCATION: Strategic location on I-93.
2. AFFORDABILITY: Rents appear to be competitive for growing young families.
3. AIR SERVICE: Less than one hour to the Boston Manchester Regional Airport and less than 30 minutes to Concord airport that maintain active private and corporate service.
4. STATE CAPITAL: Proximity to state capital.
5. MEDICAL: Proximity to excellent medical facilities.
6. MARKETS: Proximity to major market of Boston and suburbs.
7. HIGHER EDUCATION: Proximity to community college (NHTI) in Concord.
8. ACCESS: State Highways 3, 132 & 140.
9. RECREATIONAL: Close proximity to a variety of four-season recreational resources.
10. TELECOM: Good broadband telecom infrastructure.
11. BANKS: Strong regional banking presence in Northfield and nearby Tilton.
12. NON-TRADITIONAL FINANCING: Access to business financing resources-CRDC, BFA, CDFR, Vested for Growth, etc.

#### Threats

1. PUBLIC TRANSPORTATION: No or limited public transportation.
2. ELECTRIC: New Hampshire experiences higher costs than surrounding states.
3. NATURAL GAS: Limited natural gas availability.
4. TAX STRUCTURE: State tax structure high reliance on property tax with no sustainable broad based tax structure.
5. INCENTIVES: Limited statewide business development incentives.
6. POPULATION: New Hampshire has a higher than the national average of aging population.
7. REMOTE NATIONAL LOCATION: Remote northern New England location-limited access to national markets.
8. COMPETITION: Proactive business development policies and direct incentives in adjacent states.

#### ECONOMIC DEVELOPMENT GOALS AND STRATEGIES

The following goals and strategies are designed to guide business development in the Town of Northfield.

##### General Overall Goals

To seek a balance between growth and quality of life by encouraging economic development that strengthens and broadens the non-residential property tax base, establishes high-paying new and diverse skilled jobs and increases the quality of life for the Town's residents by adding diverse products, services and amenities.

Strategies:

- Continue to evaluate and assess the regional market and customers to learn business needs.
- Organize, fund and maintain the Northfield Economic Development Corporation to guide and implement a proactive development strategy.

1<sup>st</sup> Year Action: Develop short, medium and long range goals for the Corporation.

Collaboration Goal

Reach out and establish clear relationships with all local, regional and statewide development partners. Identify the specific resources each can bring to growing businesses and establish a process to engage partners quickly as needed.

Strategies:

- Involve CRDC, the New Hampshire Division of Economic Development, the local chamber of commerce and the regional planning commission in routine NEDC activities and events.
- Consider joining appropriate organizations to establish networks.
- Routine participation in regional economic development events and programs.
- Establish quarterly reports to the Selectmen, planning and zoning boards from the EDC and local business community to strengthen the business-local government relationship. Invite collaborative partners to present their programs to the Selectmen and planning board.

1<sup>st</sup> year actions:

1. Identify local, regional, state and federal partners.
2. Assess the role of potential partners in the development process.

Regulatory Review Goal

Perform a detailed review of all land use policies, regulations, fees and zoning regulations and do a competitive review of regulations and fees in surrounding communities and revise as necessary.

Strategies:

- Develop streamlined permitting process.
- Establish single point of contact in town government to shepherd projects through the entire regulatory process.
- Overall review local regulatory processes and fees to strengthen the business friendly reputation of the permitting process.

- Consider the establishment of Tax Increment Financing Districts to fund expansion of appropriate utilities to strategic development areas.
- Consider adopting 79-E and Revitalization Zones.

**1<sup>st</sup> year actions:**

1. Review regulations in communities with successful development efforts.
2. Develop 'best practices' assessment of local regulatory review.
3. Establish contacts with Town, Sewer District and Water District.

**Business Development and Retention Goal**

Retain and strengthen existing businesses in Northfield.

**Strategies:**

- Establish routine business visitation program.
- Establish monthly business e-newsletter to send to all local businesses with relevant business content.
- Invite businesses to monthly EDC meetings as guests to discuss ongoing concerns or issues.
- Establish a strong economic development web site with appropriate content and resources.
- Establish and routinely update commercial/industrial/office buildings and sites database.
- Identify and market a single point of contact to address business development.

**1<sup>st</sup> year actions:**

1. Establish NEDC website.
2. Establish single point of contact to address business development.
3. Establish personal relationships with Northfield's largest employers.

**Business Recruitment Goal**

Establish a proactive business recruitment program that creates diverse and stable jobs while attracting a variety of products, services and business types.

**Strategies:**

- Identify business types and specific companies to aggressively recruit.
- Link database of sites and buildings to NEDC and Town web sites.
- Identify strategic development sites suitable for commercial and industrial development.

- Update the Town's and EDC's web site to attract economic development in accordance with the attached content outline. (See later section in this report for content.)
- Develop and implement a business recruitment marketing plan.
- Identify key properties and buildings ready for development. Establish relationships with property owners, developers and commercial real estate professionals.

**1<sup>st</sup> year actions:**

1. Develop database of strategic development sites.
2. Develop NEDC website.

**RECOMMENDED ECONOMIC DEVELOPMENT WEB SITE CONTENT**

Source: Role of Websites in Facilities Location by Dennis Donovan, Wadley-Donovan Group, May 16, 2002

The web has become an indispensable tool for corporate site selectors and site selection consultants. Its impact is of particular importance during the final "drill down" stage when a short list of 3-5 sites (or communities) is being considered and detailed information is needed to assist in making the final selection. Most site selection research is performed using web resources and unless a community makes it to the final short list, you will never know if you are being considered or have been eliminated based on the lack of availability of information. Site selectors look for reasons to eliminate communities and weak web pages make elimination easy. The following minimum information needs to be easily accessible on a web page. Good design and ease of navigation are very important.

**Primary Locational Criteria**

1. Population, household income, employment by industry sector and adult educational attainment. Wages by occupations, unemployment and employment data.
2. State and local taxes, property, income, business profits, worker compensation rates, all costs of doing business, etc. Details on exemptions.
3. Proximity, in miles, to key transportation resources (interstates, international airports, local FBO airports, rail, inland ports, sea ports, etc).
4. Proximity to Foreign Trade Zones.
5. Housing costs and overall residential and commercial real estate trends. Average annual square foot costs for industrial, commercial and office space.
6. Description of trade area, On-demand drive time reports in 15, 30 and 45 minutes (ESRI.com).
7. Utility providers, connection fees and operational costs-water, sewer, power, natural gas & telecom. Describe capacity issues if they exist.
8. Comparative local educational benchmark criteria.
9. Proximity to higher education (community colleges, universities, colleges), names, number of students, primary educational focus, etc...
10. Aerial photos and plans of strategic commercial/industrial development areas.
11. Local regulatory review process and fees.
12. General information on quality of life, cost of living, recreational and cultural resources.
13. Medical facilities proximity, size in beds and specializations.

14. List of available sites and buildings showing sizes, available utilities, costs, etc.
15. Proximity to trucking, common carriers, FEDEX, UPS terminals, etc.
16. List of business incentives, work force training resources and grants, etc.
17. Recent trends in business growth, job losses, 10-20 regional/community major employers with numbers of employees, types of businesses, etc.
18. List of union activity if present and percentage of organized labor force in region.

Site Map with drop down as listed below that will contain all of the above information.

Demographics	Establishing a business and permitting process
Labor Force	List of sites and buildings updated regularly
Wages	Aerial maps and plans
Training/Education	Housing prices and locations
Major Employers	Proximity and description of medical services
New/expanding employers	Zoning maps and regulations
Recent downsizing employers	Overall quality of life data
Market Proximity	Transportation resources
Utilities	Environmental regulations & programs
Taxes	Business development incentives
Interactive GIS	

### COLLABORATIVE PARTNERS

New Hampshire Division of Economic Development (Concord)

Chris Way, Interim Director (603/271-2591)

Michael Bergeron, Business Development Manager (603/271-2591)

Business development and recruitment, workforce training

Community Development Finance Authority (Concord)

Glenn Coppelman, Economic Development Director (603/717-9117)

Project financing & grants

New Hampshire Small Business Development Center (Durham)

Mary Collins, Director (603/862-4879)

Small business guidance, business plan assistance

New Hampshire Business Finance Authority (Concord)

Jack Donovan, Director (603/415-0191)

Business financing

Capital Regional Development Council (Concord)

Stephen Heavener, Executive Director (603/369-6000)

Business financing, grant writing, real estate projects & economic development consulting

Lakes Region Planning Commission (Meredith)

603/79-8171

Planning assistance, grant writing

USDA Rural Development (Concord)

Steve Epstein, Business Programs Specialist (603/223-6041)

Business and infrastructure financing programs

Vested for Growth (Concord)  
James Key-Wallace, Senior Investor (603/856-0724)  
Business financing programs

### **IMPLEMENTATION**

The Northfield Economic Development Corporation should carefully review this Plan and prioritize and formulate a WORK PLAN based on suggested goals and strategies. It should contain a list of prioritized activities divided into ongoing efforts, one year, two to three year and three year and beyond activities. The Work Plan needs to include the following sections.

#### **Ongoing Efforts**

Primary Responsible Person  
Identified Partners  
Resources  
Challenges/Solutions  
Evaluation Schedules  
Success Measures

#### **Immediate Actions (Within One Year)**

Primary Responsible Person  
Identified Partners  
Resources  
Challenges/Solutions  
Evaluation Schedules  
Success Measures

#### **Mid-Term Actions (Within Two-Three Years)**

Primary Responsible Person  
Identified Partners  
Resources  
Challenges/Solutions  
Evaluation Schedules  
Success Measures

#### **Long-Term Actions (Within Three-Ten Years)**

Primary Responsible Person  
Identified Partners  
Resources  
Challenges/Solutions  
Evaluation Schedules  
Success Measures

All activities suggested in this Plan require regular review and revision based on changes in the regional, state and national business climate; additional and loss of resources and partners; changes in priorities and competency of leadership and experience.

## **CONCLUSION**

The Town of Northfield has articulated a desire to proactively address economic development challenges. Acknowledging that the status quo is unacceptable is an important initial step to impacting the future. This Plan contains a variety of strategies and suggested actions to start to strengthen Northfield's competitive position in the business development marketplace. It does not contain quick answers or a magic bullet to solve identified problems; it provides a framework, based on proven successes and best practices from other communities, to improve the economic development investment process.

Prepared by:  
Stephen Heavener  
Executive Director  
Capital Regional Development Council  
Concord, New Hampshire  
[www.crdc-nh.com](http://www.crdc-nh.com)  
[sheavener@crdc-nh.com](mailto:sheavener@crdc-nh.com)  
603/369-6000

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