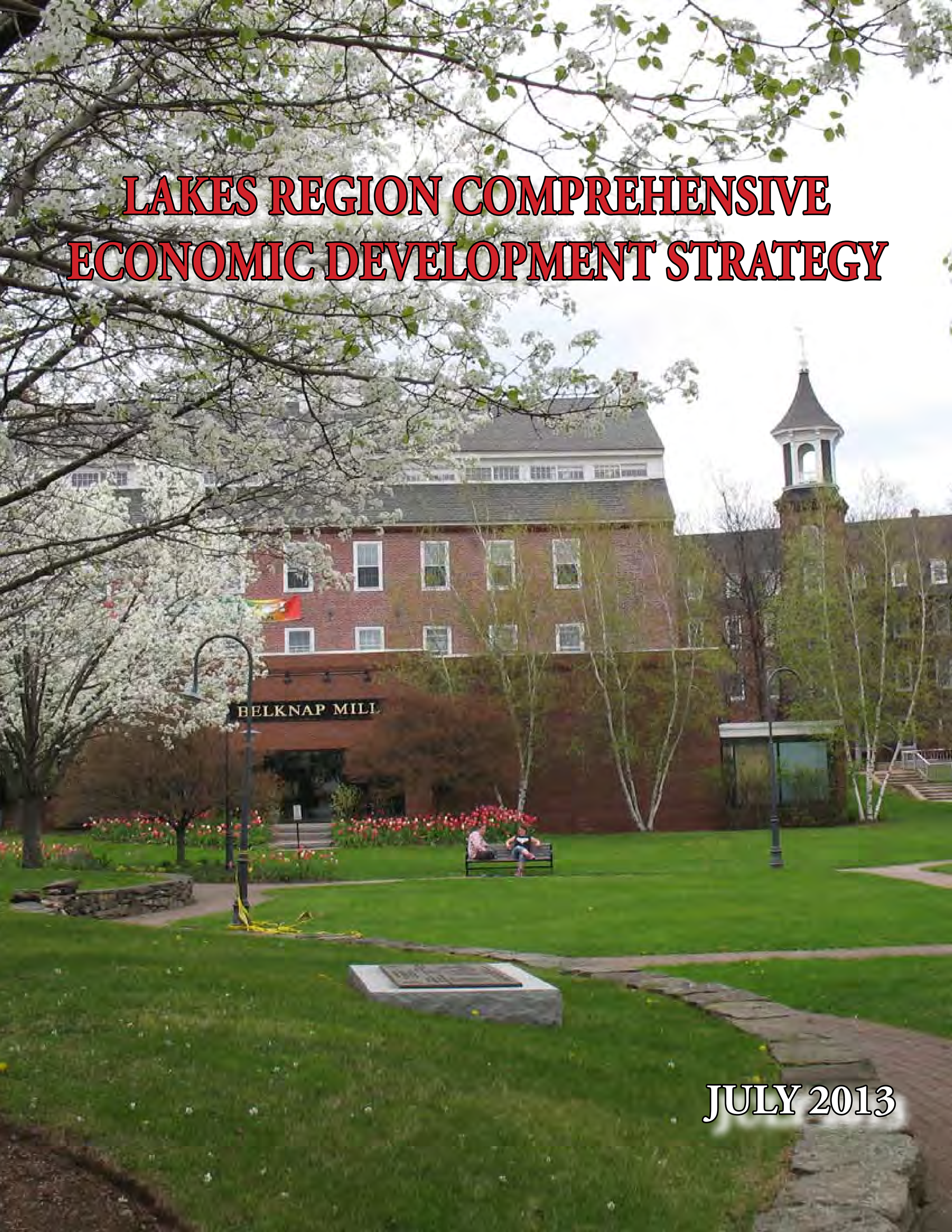
LAKES REGION COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY



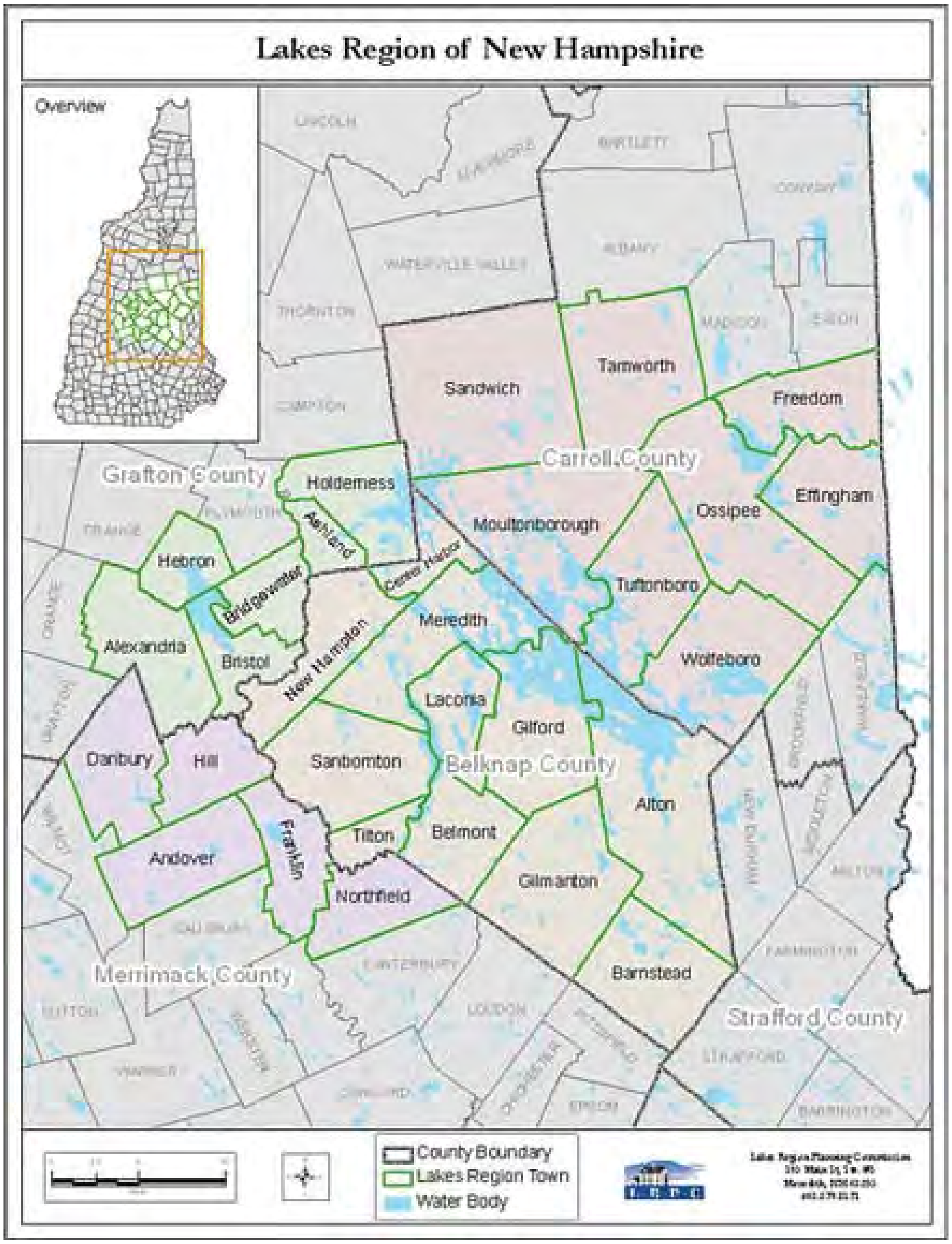
JULY 2013

DEDICATION

The 2013 Lakes Region Comprehensive Economic Development Strategy is dedicated to Richard Waitt, formerly of Gilford, NH, who passed away during the preparation of this report. Dick was an ardent supporter of regional planning, and a staunch proponent for community and economic development.

DRAFT

LAKES REGION COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY



Lakes Region Planning Commission
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June 2013

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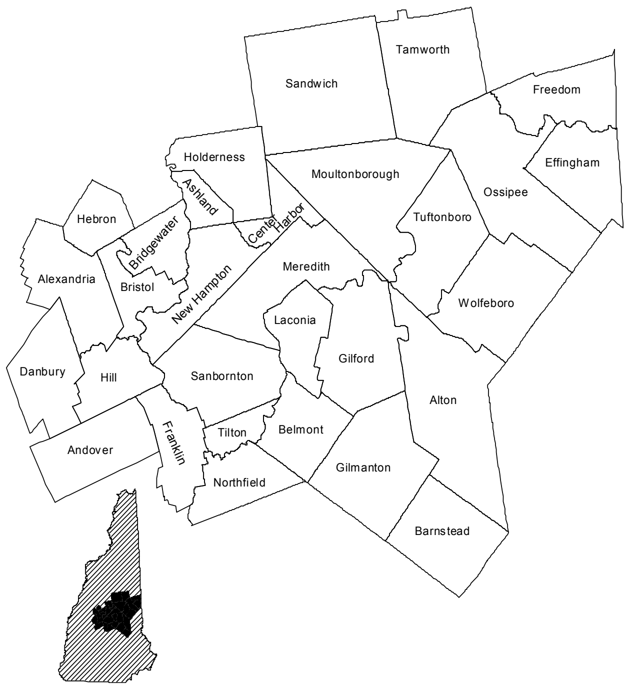
THE LAKES REGION PLANNING COMMISSION



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North Country Resource Conservation & Development Project

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Shirley Ganem
Wentworth Economic Development Corporation (former)

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Gerald Coogan, AICP

Lakes Region CEDS 2013

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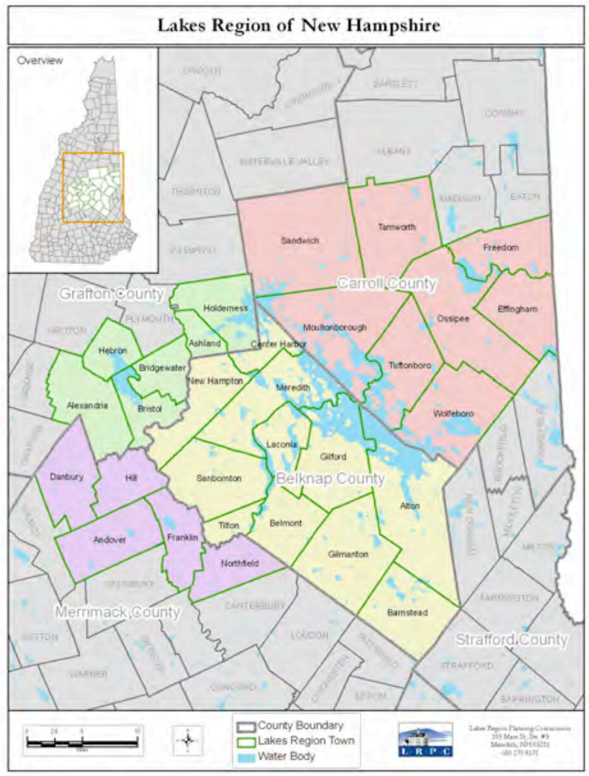
Introduction

The 2013 Lakes Region Comprehensive Economic Development Strategy (CEDS) is a roadmap for increased economic opportunities in the region. The purpose of the CEDS is to establish a process that will lead to job creation and retention, promote a more stable and diverse regional economy, and improve the overall economic wellbeing of the region. The 2013 CEDS updates and expands the 2009 CEDS. The Lakes Region CEDS Committee, a group of private and public sector representatives, assisted with the direction and formulation of the document.



The Lakes Region Plan CEDS:

- Presents the region's goals and strategies;
- Describes the region's challenges and opportunities;
- Details the demographics, infrastructure, and natural resources of the region;
- Identifies the planning processes underway in local communities, the region and state as a whole; and
- Offers priority projects for planning and implementation.

The CEDS, a requirement of the U. S. Economic Development Administration (EDA), is necessary in order for an applicant to apply for assistance under the EDA's public works and economic adjustment programs. The 2013 CEDS was created to assist EDA and the region in establishing regional priorities for projects and investments. The general public, government and corporate decision-makers, and business investors can use the CEDS as a guide to understanding the regional economy and to take effective, progressive actions to enhance the overall economic development potential of the region.

Lakes Region Planning Commission

The Lakes Region Planning Commission (LRPC) serves all of Belknap and portions of Carroll, Grafton, and Merrimack counties in New Hampshire. Authorized under New Hampshire State Statutes, NH RSA 36:45 as a governmental entity, LRPC is one of nine regional planning commissions in the state and serves the communities and state in an advisory capacity.

Professional planners who assist committees, local governments, state and federal agencies staff the LRPC. Major functional program areas include transportation, natural resources, natural hazards, economic development, and land use planning. In fiscal year 2012, 15% of the Commission's funding came from local appropriations, while the lion's share came from local, state and federal contracts.

LRPC has played a supportive role in past economic development activities in the Region. The Commission provided staff and support in preparing Economic Development Programs (EDPs) for the region in 1985 and 1994. These programs led to the formation of regional economic development councils (RDCs) and continued long-range strategic planning. At present, the Belknap Economic Development Council (BEDC) serves the entire county while the Wentworth Economic Development Council (WEDCO), Grafton County Economic Development Council (GCEDC) and the Mt. Washington Valley Economic Development Council (MWVEDC) serve the Lakes Region portion of Carroll, Grafton, and Merrimack counties.

The Commission is also focused on providing technical assistance to local governments in the Region. These activities are coordinated and developed through a wide network of public and private relationships. These contacts include the staff of cities and towns, the NH Department of Resources and Economic Development, the NH Community Development Finance Authority, the NH Office of Energy and Planning, the local chambers of commerce, RDCs, local utility companies, non-profit organizations, the Lakes Region Community College, and local economic development committees. These organizations are regional collaborators in economic development.

Changes in the local and national economy, technology, and world trade have challenged governments everywhere to take a more active role in the economic activities influencing community development. This enhanced role of local government underscores the need for professional technical staff to develop and implement programs designed to preserve and expand existing business as well as attract new investment. Equally important is the effort needed to coordinate these development activities to reduce duplication of services.

LRPC has a role to facilitate sustainable regional economic development and to encourage communication and participation from all stakeholders. Several organizations address the broad range of issues associated with economic development in the Region. RDCs, the Lakes Region Community College, utility companies, banks, and the local chambers of commerce all cooperate with one another – many of their members serve on more than one board – with the goal of revitalizing the Region. LRPC works with all of these groups, providing an open network of communication and assistance.

As times and situations change, the Lakes Region will explore new opportunities for 'what's next' in terms of building sustainable, effective economic development strategies. This 2013 CEDS builds on the previous CEDS and earlier regional planning efforts. Many challenges remain, including a decline in manufacturing employment, the rapid greying of the population, and the need to attract young professionals.

CEDS Requirements

The Economic Development Administration identifies several key subject areas for a CEDS, such as economic development background, analysis of economic and community development problems and opportunities, goals and objectives, public and private sector participation, proposed projects, prioritized projects, economic clusters, a plan of action, performance measures, and state-regional cooperation endeavors. All of these components are found in the 2013 CEDS, within the seven major headings and appendices, as noted in the paragraphs following this section. As a performance based plan, the CEDS has a vital role in identifying efforts that the Lakes Region may undertake to successfully navigate through dynamic and challenging economic circumstances. The LRPC and regional collaborators will monitor recommendations in the 2013 CEDS annually, and make adjustments as needed to move the region toward its goal of being part of a vital economy.

CEDS Background Data

The initial three chapters of this document provide the background information required in the CEDS related to the environment, local infrastructure, and a detailed examination of the region's population and housing trends. The fourth chapter examines activities and planning documents that relate directly to the activities of the Lakes Region CEDS.

1. Environmental Profile

The Lakes Region possesses abundant natural resources that make it an attractive place to live and recreate. The area has numerous lakes and ponds with the largest and most well known being Lake Winnipesaukee, Lake Winnisquam, Newfound Lake, and Squam Lake. The many waterbodies, in combination with nearby mountains, rivers, and other amenities in close proximity to large population centers, continue to make the region a desirable place for visitors, residents, or those seeking to relocate to the region.

The environmental profile identifies the high percentage (85%) of land in the region that is identified as forestlands, with approximately 12% of the region's overall area classified as conservation or public lands. As in other similar regions, public access to water bodies and trails can sometimes be a contentious issue. The region contains many town forests as well as four well-utilized state parks. The section concludes with a discussion of the area's historic and cultural resources and the impact on tourism in the region's 30 communities.

2. Infrastructure

Although the Lakes Region is known for its natural resources and recreational opportunities, the region's infrastructure supports a viable and diverse year-round economy. The section on the region's infrastructure provides detail regarding the many industrial parks in the area as well as information regarding water and sewer availability. Of key interest in the region are the locations of health care related resources, varied educational institutions, the state and region's strong transportation infrastructure and planning process, and the growing availability of broadband services.

3. Demographics

Current and projected demographics of the region affect the proposed recommendations contained in the CEDS. The region's close proximity to Boston, combined with projected increases in the number of those of retirement age over the next twenty years, will affect the region's housing market, health care system, and overall economy. These trends, coupled with data that show a declining number of school age children residing in the region, will force policy discussions related to future land use, education, information technology, elder services, and health care.

4. Related Local, Regional and State Planning Processes

Planning processes that relate to the work of the CEDS are outlined in this chapter of the document. The chapter covers the work of the New Hampshire Workforce Housing Council, Eastern Lakes Region Housing Coalition, the RDCs, the Lakes Region Planning Commission's goals and objectives and 2010 Regional Housing Assessment. Information from state and regional planning efforts contributed to the 2013 CEDS. The chapter also examines the vision statements contained in local master plans.

The Regional Economic Development Strategy

The key sections of the CEDS relate to the goals, objectives and strategies developed by the CEDS Committee as well as the measures of the CEDS performance. Chapter 5 summarizes the goal setting process as directed by the CEDS Committee. The CEDS Committee reviewed the 2009 goals and objectives and concluded that the goals of Building Employees, New Economy, Social Capital and Cultural Heritage, and Sustainability remain relevant. The Committee also added three new goals to foster Entrepreneurship, the Creative Economy, and Quality of Place.

Chapter 6 describes the eleven priority projects that constitute the CEDS Action Plan, and Chapter 7 contains the performance measures worksheets to quantify the implementation of the CEDS.

5. CEDS Goals and Objectives, Defining Regional Expectations

The goals, objectives, and strategies developed during the preparation of the 2013 Lakes Region CEDS are found in this section. The vision statement recommended by the 2013 CEDS Committee is as follows:

> *Recognizing the critical importance of maintaining and nurturing our natural environment and diverse cultural heritage, the Lakes Region Community will strive to improve the quality of life of its cities and towns through the increased capacity and prosperity of its businesses, civic, social, and education institutions, and its citizens. All our efforts will be characterized by respect, communication, cooperation and integration with others and will exhibit stewardship toward our magnificent natural resources.*

This section describes the process used to develop the regional vision for the CEDS and the related goals and objectives. The CEDS Committee reviewed the 2009 goals and objectives and updated them based on current demographics and changing economic conditions. In addition to an examination of demographics, the environment and local infrastructure, the CEDS committee updated the analysis of the region's strengths, weaknesses, opportunities, and threats (SWOT analysis), and recommended a few changes over the past five years.

6. Plan of Action

The Plan of Action summarizes the outreach effort the CEDS Committee followed to develop the Action Plan, and includes a prioritized list of projects designed to implement the vision of the 2013 CEDS. Eleven projects are identified and divided into implementation and planning/organizational categories.

The stratified priority list of projects:

Implementation

1. Downtown Riverwalk, Laconia
2. Missing Link Pedestrian Bridge, Tilton
3. NH Rt 140 sewer extension, Northfield
4. Comprehensive redevelopment project, Franklin
5. Nickerson Business park, water extension, Tilton
6. Garden Theatre, Laconia
7. Ossipee Mt. Grange Hall, Ossipee
8. Winnipesaukee Pier, Laconia
9. Surf Coaster property, Laconia
10. Burial of utility wires in the Weirs, Laconia

Planning/Organizational

1. Wood Pellet Feasibility Study, Belknap

7. Performance Measures

The final chapter of the 2013 Lakes Region CEDS contains the measures that have been defined to guide the implementation of the CEDS. These performance measures are organized by CEDS goal and are organized with a logic model that identifies partners, activities, outputs, outcomes and indicators.

Lakes Region CEDS 2013

1. Environmental Profile

The Lakes Region is highly prized as a place of great natural beauty. The abundant mountains, lakes, and pastoral settings provide residents and visitors with incomparable views and recreational opportunities. As the name implies, the region is composed of a system of inter-connected waterways. Of the total 818,000 acres composing the Lakes Region, 15 percent of the region is covered by surface waters and wetlands (LRPC, 2012). Map 1 illustrates the land use for the Lakes Region. These waterways, natural resources, and corresponding quality of life have been noted as the most important benefit to regional businesses. The following environmental profile gives an overview of the region's highlights.

Geography

Situated between the White Mountains to the north and the more densely populated Merrimack Valley to the south, the Lakes Region serves as an easily accessible destination with an ideal mix of pristine natural resources and modern amenities. While the region's lakes and rivers remain the most sought after resource, the mountains, forests and wetlands of the area serve as not only a aesthetic and recreational resource, they also provide important ecosystem services such as habitat for native species and filtration of rainfall and runoff.

Lake Winnipesaukee, New Hampshire's largest lake, has a total surface area of 44,600 acres. Maximum and mean depths are 180 and 43 feet, respectively. The lake is natural, but is raised by damming to an elevation of 504 feet. Eighty-three relatively small tributaries draining a watershed of 215,133 acres provide the main water source for the lake.

There are 240 miles of shoreline (this includes the shoreline length of islands over five acres in area) and about 250 islands (the total number of islands is frequently debated, depending on definition of "island"). The shores and many of the islands are well developed with numerous dwellings, from cottages to mansions, but some areas between the developments remain forested

The table below list key features of other important water bodies in the region:

Table 1.1 Major Lakes of the Lakes Region

Lake	Area (acres)	Maximum Depth (feet)	Communities
Lake Winnipesaukee	44,600	180	Alton, Center Harbor, Gilford, Laconia, Meredith, Moultonborough, Tuftonboro, Wolfeboro
Squam Lake	6,700	99	Holderness, Sandwich, Center Harbor
Lake Winnisquam	4,300	150	Belmont, Laconia, Meredith, Sanbornton, Tilton
Newfound Lake	4,100	182	Alexandria, Bridgewater, Bristol, Hebron
Ossipee Lake	3,100	50	Freedom, Ossipee
Lake Wentworth	3,000	82	Wolfeboro
Lake Waukewan	900	70	Meredith, New Hampton

While not nearly as mountainous as other parts of the State, the Lakes Region has many peaks and sightseers enjoy breathtaking views at all times of year, but particularly in the fall, during foliage season. Table 1.2 lists the ten highest peaks in the Lakes Region:

Table 1.2 Highest Peaks in the Lakes Region

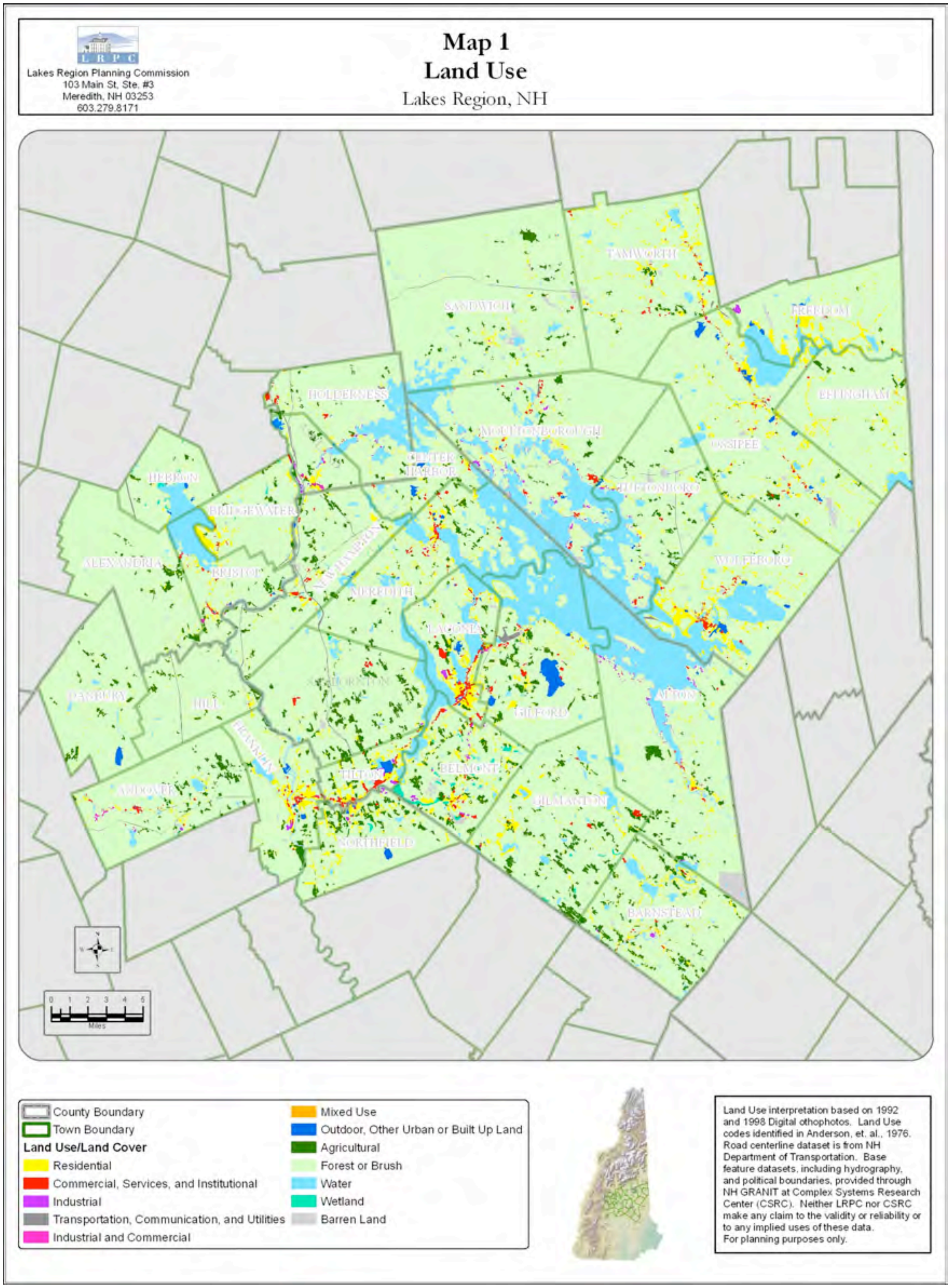
Mountain	Community	Elevation
Mt. Shaw	Tuftonboro	2,990'
Black Snoot	Tuftonboro	2,803'
Faraway Mountain	Moultonborough	2,782'
Black Mountain	Sandwich	2,732'
Mt. Israel	Sandwich	2,630'
Mt. Roberts	Moultonborough	2,582'
Mt. Flagg	Tuftonboro	2,390'
Belknap Mountain	Gilford	2,382'
Gunstock Mountain	Gilford	2,245'
Mt. Squam	Sandwich	2,223'

Agricultural Land

Historically, agriculture and forestry were widespread throughout the Lakes Region. As development pressures increased, many farms were subdivided. These pressures are still being felt throughout the region. Today, approximately 3.73 percent of the region is used as agricultural land (LRPC, 2012). There are efforts to conserve these fields, meadows and woods with various land trust tools like conservation easements or lease of development rights, thereby protecting the agricultural way of life and beautiful landscapes unique to the Lakes Region.

Although soils are not consistently fertile (only two percent of New Hampshire soils are classified as prime agricultural soils), certain areas are very productive for agriculture or forestry (see Map 2). The region has a wide range of agricultural businesses – both commercial and wholesale. Businesses include everything from large-scale farm product operations, farmers markets, pick-your-own fruits, dairies, Christmas trees, maple syrup, livestock operations, and horticultural growers to niche markets, agricultural tourism, and retail. There are also community gardens where people grow their own and surplus is given to food pantries.

Farming opportunities in the Lakes Region are diverse and expanding due to the farmers' resourcefulness and adaptability to new opportunities. Farms in niche markets, such as organic foods, are gaining in popularity. There are currently farmers markets and farm stands in nearly every town in the region, whereas in the 1990s there were about twelve in the entire state. In fact, some communities have now begun holding indoor markets in the winter as a way of providing year-round opportunities for local farmers to market to their neighbors. Several larger farms in the region are now pre-selling their produce to customers who pick them up each week. The New Hampshire Department of Agriculture believes this may be due, in part, to consumers looking for more local food sources amid fuel increases, national food recalls, and a focus on more sustainable living.


L R P C
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Map 1
Land Use
Lakes Region, NH
Miles
County Boundary
Town Boundary
Land Use/Land Cover
Residential
Commercial, Services, and Institutional
Industrial
Transportation, Communication, and Utilities
Industrial and Commercial
Mixed Use
Outdoor, Other Urban or Built Up Land
Agricultural
Forest or Brush
Water
Wetland
Barren Land
Land Use interpretation based on 1992 and 1998 Digital othophotos. Land Use codes identified in Anderson, et. al., 1976. Road centerline dataset is from NH Department of Transportation. Base feature datasets, including hydrography, and political boundaries, provided through NH GRANIT at Complex Systems Research Center (CSRC). Neither LRPC nor CSRC make any claim to the validity or reliability or to any implied uses of these data.
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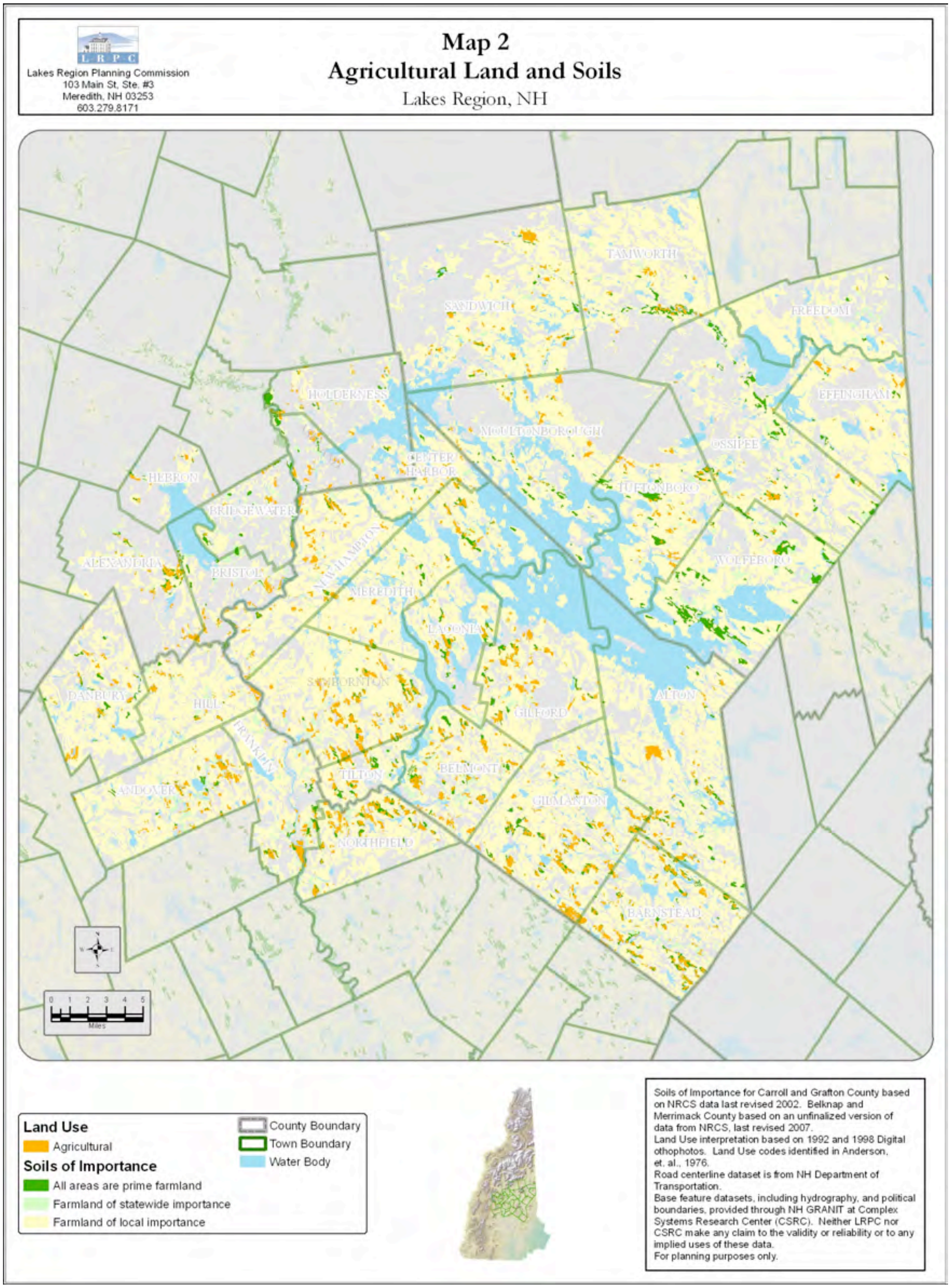


Whereas agricultural land composes less than four percent of the region's land use, nearly 85 percent of the region is classified as forestland (LRPC, 2012). Map 1 shows the prevalence of forestlands. These forests function as habitat, rainwater infiltration sites, buffers for surface waters and wetlands, and provide the backdrop for tourism and recreation throughout the region. Many of these forests are also managed for timber harvesting, maintaining the livelihood of residents while contributing to the local economy and tax base. A symbiotic relationship between foresters, farmers, recreation, and tourism can maintain forestland and protect the base of the region's recreation and scenic values.

Recreation and Public Access

The vast majority of land ownership in the Lakes Region is private. Respecting private property rights while providing public access to the lakes and waterways, trails and trailheads is a challenge to communities in the region.

Lake access has been of particular concern to many communities. Swimming, fishing, and boating all require public access areas for parking or launching. Tourism and economic development are linked closely to water recreation in the region, and towns want to have the ability to further develop the avenues available to them. As development pressures on land use increase, public access points decrease. Many of the regions lakes and ponds currently have very limited access to non-shorefront owners.

Some communities did not establish public access points in years past and are finding it too late to do so as waterfront properties have skyrocketed in value. However, even those that did establish public access points are finding that they are becoming inadequate to handle the large number of boaters or hikers. As such, many outdoor recreational resources in the region rely on landowners to allow access to private lands. Incentives to keep this land open and accessible, such as the "current use" property tax relief program, will assist in protecting these recreational opportunities.

In 2003, approximately 97,330 acres (11.8 %) in the region were conservation or public lands. As of today, there are 128,428 acres of conservation or public lands, comprising 15.7 percent of the total land area in the region (see Map 3). Land trusts throughout the region have assisted landowners, towns, and organizations accomplish this increase. One such example is the Lakes Region Conservation Trust. Since 1979 it has worked with landowners in nearly every town in the region to protect over 21,700 acres of land with ecological, scenic, recreational, or historical value, including 32 miles of shoreline on Lake Winnipesaukee, Squam Lake, and other lakes, ponds, rivers, and streams throughout the Lakes Region, 19 summits, and 85 miles of hiking trails. Table 1.1 shows the total amount of conservation and public lands in each town in the region.

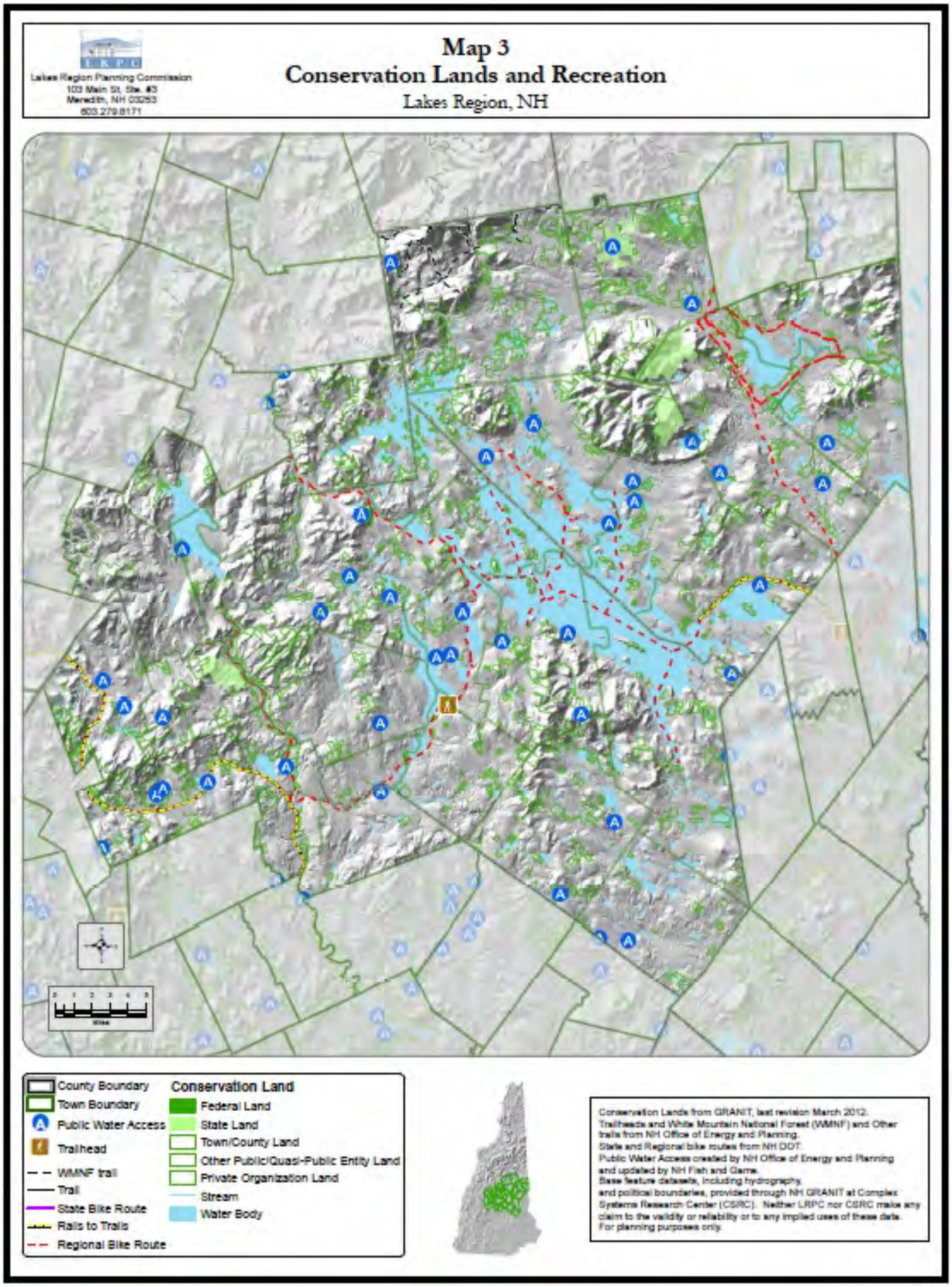
Table 1.3: Acres of Conservation and Public Lands in the Lakes Region by Town

Municipality	Acres of Conservation and Public Lands*	Percent of Total Municipal Area (land and water)	Percent of Total Lakes Region Conservation and Public Lands
Alexandria	3,446	12.3%	2.7%
Alton	3,795	7.1%	3.0%
Andover	6,020	22.9%	4.7%
Ashland	968	13.1%	0.8%
Barnstead	1,221	4.3%	1.0%
Belmont	403	2.0%	0.3%
Bridgewater	161	1.2%	0.1%
Bristol	908	6.5%	0.7%
Center Harbor	574	5.5%	0.4%
Danbury	2,317	9.5%	1.8%
Effingham	6,252	24.5%	4.9%
Franklin	2,947	15.8%	2.3%
Freedom	4,609	19.0%	3.6%
Gilford	6,357	18.6%	4.9%
Gilmanton	6,058	15.9%	4.7%
Hebron	707	5.9%	0.6%
Hill	4,144	24.2%	3.2%
Holderness	1,661	7.2%	1.3%
Laconia	952	5.7%	0.7%
Meredith	2,455	7.0%	1.9%
Moultonborough	13,328	27.7%	10.4%
New Hampton	2,834	11.5%	2.2%
Northfield	197	1.1%	0.2%
Ossipee	8,739	18.1%	6.8%
Sanbornton	4,143	13.0%	3.2%
Sandwich	23,070	38.3%	18.0%
Tamworth	13,569	35.0%	10.6%
Tilton	99	1.3%	0.1%
Tuftonboro	4,165	13.1%	3.2%
Wolfeboro	2,329	6.2%	1.8%
Total	**128,428**	**15.7%**	**100%**

Society for the Protection of NH Forests 2012

If permanent protection is not possible, an agreement can be made between the town and landowner to allow the public access to the resource. Since they are non-binding, these agreements can be given or revoked at any time. One caveat to establishing public access on private lands is the treatment of those lands. If private property owners see an increase in vandalism, littering, or a disregard for their property, the accessibility will come to an end. Educating the public at trailheads and sponsoring Adopt-a-Trail programs can help prevent these destructive activities from occurring.

There are numerous town forests in the region, as shown on Map 3. Four popular state parks are located in the Lakes Region. They are Wellington State Park in Bristol, Wentworth State Park in Wolfeboro, Ellacoya State Park in Gilford and White Lake State Park in Tamworth. The White Mountain National Forest borders the region to the north and extends south into the town of Sandwich, comprising the largest segment of conservation land in the region (shown on Map 3).



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Map 3
Conservation Lands and Recreation
Lakes Region, NH
County Boundary
Town Boundary
Public Water Access
Trailhead
WMNF trail
Trail
State Bike Route
Rails to Trails
Regional Bike Route
Conservation Land
Federal Land
State Land
Town/County Land
Other Public/Quasi-Public Entity Land
Private Organization Land
Stream
Water Body
Conservation Lands from GRANIT, last revision March 2012.
Trailheads and White Mountain National Forest (WMNF) and Other trails from NH Office of Energy and Planning.
State and Regional bike routes from NH DOT.
Public Water Access created by NH Office of Energy and Planning and updated by NH Fish and Game.
Base feature datasets, including hydrography, and political boundaries, provided through NH GRANIT at Complex Systems Research Center (CSRC). Neither LRPC nor CSRC make any claim to the validity or reliability or to any implied uses of these data.
For planning purposes only.

Tourism

According to the Institute for New Hampshire Studies at Plymouth State University, the State of New Hampshire hosted over 34 million visitor trips in Fiscal Year 2011 and total spending by tourists was estimated at $4.2 billion. This represents an incremental annual decline from 2008, when tourism receipts were estimated at $4.5 billion. Tourists primarily come to New Hampshire to visit relatives, engage in outdoor recreation, sightsee or participate in other leisure activities. Business trips constitute less than 13% of New Hampshire's tourism traffic. Scenic drives, shopping, sightseeing, beaches during the summer months and skiing during the winter months are among the most popular activities. Table 1.4 lists tourism activities by season in New Hampshire (Institute for New Hampshire Studies, Plymouth State University).

Table 1.4: Activities in New Hampshire

Activity	Spring	Summer 2010 & 2011	Fall	Winter '09-10 & '10-11
Visit Friends/Relatives	36%	44%	44%	37%
Sightseeing	24%	24%	24%	10%
Shopping	16%	17%	17%	24%
Ski/Snowboarding	4%	--	--	15%
Beach	5%	19%	19%	--
Fine Dining	11%	8%	8%	15%
Hiking/Backpacking	7%	10%	10%	6%
Historic Sites/Museums	8%	8%	8%	3%
State/National Parks	5%	9%	9%	2%

*Institute for New Hampshire Studies, Plymouth State University

Recognizing the integral link between the health of New Hampshire's lakes and the State's economy, the New Hampshire Lakes Association released a 2007 study *("Economic Impact of Potential Decline in NH Water Quality"* available online at http://www.nhlakes.org) that quantified the impact of water quality decline statewide not only in terms of dollars, but also in terms of lost jobs. Not surprisingly, as the table below illustrates, the study confirmed that the impact of declining water quality would impact the Lakes Region much more significantly than any other part of the State:

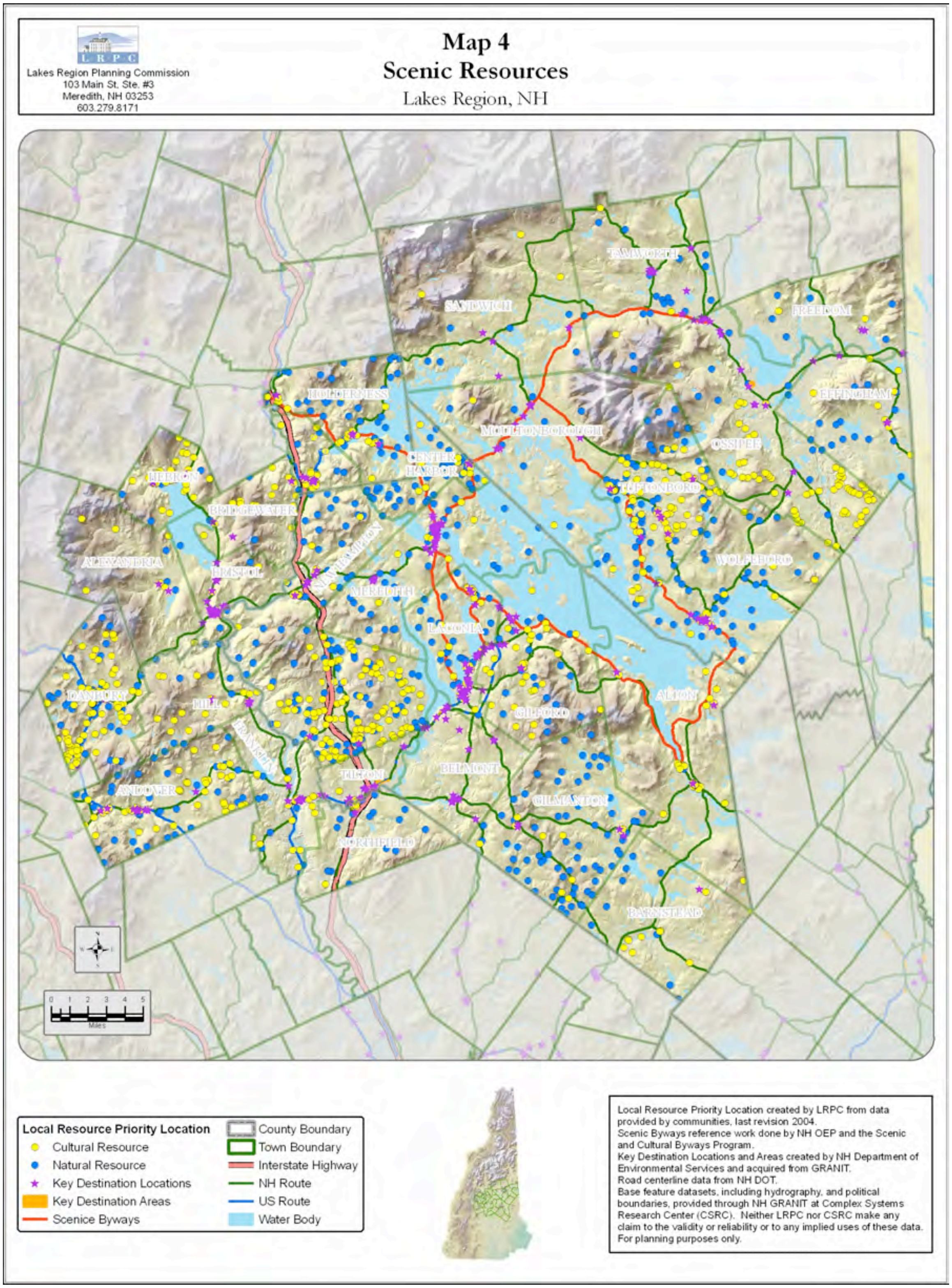
Table 1.5 Regional Impacts of Perceived Declines in Water Quality

Region of New Hampshire	Lost Sales	Lost Income	Lost Jobs
Lakes Region	**$25 million**	**$8.8 million**	**396**
White Mountains	$11.8 million	$4.2 million	189
Merrimack Valley	$8.3 million	$3 million	131
Seacoast	$2.6 million	$930,000	43
North Woods	$1.8 million	$640,000	29
Dartmouth/Sunapee	$870,000	$310,000	14
Monadnock	$509,000	$180,000	9

Historic and Cultural Resources

There are currently 91 individual National Register Historic Places in the Lakes Region, including nineteen National Register Historic Districts. Pictured here is Laconia's Federal Building, built in 1939 and placed within the National Register of Historic Places in 2011. The Lakes Region's historic districts vary greatly in size, from the small downtown districts of the villages of Center Harbor, Alton, and Andover to the districts encompassing Center Sandwich village, downtown Tilton and the Central Street/downtown area of Franklin. Walking tours of historic structures and sites are popular in several towns.

Photo courtesy US General Services Administration


Lakes Region Planning Commission
103 Main St, Ste. #3
Meredith, NH 03253
603.279.8171
Map 4
Scenic Resources
Lakes Region, NH
TAMWORTH
SANDWICH
FREEDOM
HOLDERNESS
EFFINGHAM
MOULTONBOROUGH
CENTER HARBOR
OSSIPEE
HEBRON
TUFTONBORO
BRIDGEWATER
NEW HAMPTON
ALEXANDRIA
BRISTOL
WOLFEBORO
MEREDITH
LACONIA
DANBURY
HILL
ALTON
GILFORD
FRANKLIN
TILTON
BELMONT
ANDOVER
GILMANTON
NORTHFIELD
BARNSTEAD
Miles
Local Resource Priority Location
Cultural Resource
Natural Resource
Key Destination Locations
Key Destination Areas
Scenice Byways
County Boundary
Town Boundary
Interstate Highway
NH Route
US Route
Water Body
Local Resource Priority Location created by LRPC from data provided by communities, last revision 2004.
Scenic Byways reference work done by NH OEP and the Scenic and Cultural Byways Program.
Key Destination Locations and Areas created by NH Department of Environmental Services and acquired from GRANIT.
Road centerline data from NH DOT.
Base feature datasets, including hydrography, and political boundaries, provided through NH GRANIT at Complex Systems Research Center (CSRC). Neither LRPC nor CSRC make any claim to the validity or reliability or to any implied uses of these data.
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Scenic Resources

The unique scenic qualities of New Hampshire are characterized by quaint, traditional villages surrounded by the lakes, mountains and pastoral settings. Thousands of visitors flock to the region annually to enjoy these beautiful rural landscapes. Many state and town roads provide opportunities to view the historic towns and panorama as they wind their way through the region.

The region has many designated scenic byways (Map 4). The state Scenic Byway system also identifies 67 miles of roadway as the Lakes Region Tour. One end of the Lakes Tour begins at the traffic circle in the town of Alton on NH Route 28. The Byway travels north along NH Route 28, follows NH Route 109 to the intersection with NH Route 25. At the intersection of NH Routes 109 and 25, the Byway forms a "T". The northeast arm follows NH Route 25 easterly to the Watson Corner intersection of NH Route 16 in West Ossipee. The northwest arm of the "T" continues through the towns of Moultonborough and Center Harbor to downtown Meredith. Here NH Route 25 joins US Route 3 and travels north. Leaving the downtown, the Byway route continues north until it reaches the intersection of NH Route 175 in Holderness. NH Route 175 leads the Byway to the northern boundary of Holderness and Plymouth, the northern terminus of the Lakes Tour.

The Lakes Region is also becoming increasingly popular as a bicycling destination for its rural character, village centers and challenging routes. Recently, Lakes Region Planning Commission released a NH DOT approved Lakes Region Bicycle and Pedestrian Plan. The plan, available online at http://www.lakesrpc.org/TAC/FINAL_Bicycling_and_Walking_Plan%2002_28.pdf was developed to provide the communities in the Lakes Region with additional information about existing biking and walking infrastructure, and to reinforce local revitalization efforts that desire to make their communities safer and more enjoyable places to live and visit.

The Lakes Region Bicycle Routes Map (Appendix A) highlights cycling routes on state and town roads. It also shows unpaved trails, distance between intersections, state parks and forests, and village centers. Gunstock Mountain in Gilford and Ragged Mountain in Danbury offer mountain biking trails in addition to renowned alpine and Nordic skiing.

Areas of concern for tourism, noted in the Lakes Region Tourism Profile, continue to be: seasonality, water quality, public access to lakes, ponds, streams and mountains, and increased traffic. It is important for the region to find an appropriate balance between the conservation and preservation of the area's natural and historic resources, and the promotion of tourism and economic development.

Recent Initiatives

Smart Growth Assessments (http://www.lakesrpc.org/services_resources.asp)

A Smart Growth Audit, or Assessment, is a process by which a community reviews the eight Smart Growth Principles, adopted by the State of New Hampshire, then explores whether the Master Plan, ordinances, and regulations support these principles. Beginning in 2007, Lakes Region Planning

Commission (LRPC) formed a partnership with the Audubon Society of New Hampshire (ASNH), Conservation Department, to develop a coordinated review of land use planning documents for a community. This collaboration incorporates a smart growth review by LRPC and a review of wildlife habitat and natural resources by ASNH.

To date, Smart Growth Assessments have been completed for Sandwich, Gilmanton, Moultonborough, Barnstead, Bristol, Franklin and Laconia.

Lakes Winnipesaukee Watershed Management Plan

Preparing a watershed management plan for Lake Winnipesaukee has challenged planners and decision makers for some time. In addition to being the state's largest water body and a significant economic force, its physical structure and shape is more a system of interconnected bays rather than a single cohesive body of water. Each embayment has differing characteristics and land-based influences and in-lake responses to nutrient inputs. Thus, management should be done for each embayment, accounting for these characteristics.

More than 10 years ago, focus groups held throughout the Lake Winnipesaukee Watershed developed a vision describing a public/private partnership that would bring all interests together to speak with one voice. A concern for the future of the watershed and the need to balance recreational uses, development, and the economy with protection of water quality and healthy ecosystems was the consensus of the groups.

In December, 2010, the **Winnipesauke Gateway** website (www.winnipesaukeegateway.org), a "one-stop shopping" source for maps, environmental plans, water quality data, recreational opportunities, and more within the Lake Winnipesaukee River Watershed, released the Management Plan for Meredith, Paugus and Saunders bays. Prepared by the Lakes Region Planning Commission and a group of nine other partner agencies and organizations, this plan will be followed by others in the years ahead. Currently, LRPC is developing a plan for the Center Harbor Bay watershed and conducting background research with the communities of Sandwich and Moultonborough for a Moultonborough Bay Management Plan.

In addition to other interactive modules, the Winnipesaukee Gateway website is now developing interactive water quality data and plans to work with DES to integrate it with the state's environmental monitoring database.

Newfound Lake Watershed Management (http://www.newfoundlake.org/watershedmasterplan.html)

In 2009, several partners, including the Newfound Lake Region Association released *Every Acre Counts*, a Management Plan representing the results of a 30-month, $350,000+ regional environmental planning effort to protect the water resources of the 63,150-acre Newfound Watershed.

The Plan identifies threats to the shared natural resources and enumerates specific implementation actions designed to protect them. It helps to promote an understanding of the shared resources in the region, and is a key component in managing those resources on a watershed scale, a scale that goes well beyond individual town boundaries. This plan provides a comprehensive analysis of the Newfound Watershed and creates a "toolkit" of implementation actions and methods to maintain and improve the environmental quality of the Watershed into the future.

Household Hazardous Waste (HHW) (http://www.lakesrpc.org/services_hhw.asp)
For more than 20 years, LRPC has coordinated regional HHW collections at various locations throughout the Lakes Region and has strived to provide residents and communities with the best information possible for making decisions regarding the purchase and disposal of materials that are harmful to the Lakes Region environment.

Currently the communities of Alexandria, Andover, Belmont, Bridgewater, Bristol, Center Harbor, Effingham, Franklin, Freedom, Gilford, Gilmanton, Hebron, Hill, Holderness, Laconia, Meredith, Moultonborough, New Hampton, Northfield, Ossipee, Sanbornton, Sandwich, Tamworth, and Tilton all hold hazardous waste collection events. Residents and taxpayers of these communities are eligible and encouraged to bring their hazardous waste products to any of the collection sites. In addition to the periodic events held within the communities, the Lakes Region Household Hazardous Product Facility in Wolfeboro provides a permanent site where residents and taxpayers of Alton and Wolfeboro can dispose of hazardous waste year round. The facility was created through an intermunicipal agreement between Alton and Wolfeboro with assistance from Lakes Region Planning Commission.

Brownfields (http://www.lakesrpc.org/services_economic_brownfield.asp)
LRPC has begun the process of developing Brownfield Assessments Plans. In August 2009, the LRPC was awarded two three-year Brownfields Community-Wide Assessment Grants ($200,000 for Petroleum and $200,000 for Hazardous Substances) from the U.S. Environmental Protection Agency (EPA) to assist public and private property owners with site assessment and redevelopment planning for contaminated properties. The goal of the Lakes Region Brownfields Environmental Assessment Program is to return vacant and underutilized properties to public or private uses.

Funding for the current LRPC Brownfields effort ends this year. Several sites were assessed for Phase 1 and Phase 2 environmental threats. In addition, three sites were awarded additional funding for clean up: the Mica Building in Bristol, Ernie's Garage in Tilton and Guay's Garage in Franklin. Going forward, LRPC will continue to pursue additional Brownfields funding opportunities.

Groundwater Protection (http://www.lakesrpc.org/services_resources.asp)
Tri-Town Aquifer: The towns of Belmont, Northfield, and Tilton worked with the Lakes Region Planning Commission since 2001 to carry out a thorough assessment of potential threats to the stratified drift aquifer that underlies their communities. Funding for the effort was provided in part through a Sourcewater Protection Grant from the NH Department of Environmental Services.

The collaborative continued in 2008 with the development of groundwater protection zoning overlays and ordinances for each town. This was the recommendation that received the highest priority in Protecting Shared Drinking Water Resources. The ordinances were based on the NHDES model groundwater ordinance and then specifically designed to address potential threats to the shared aquifer that currently serves as a source of drinking water, and which has the potential to continue to be a source of drinking water in the future. Today, each of the towns has successfully passed ordinances to protect their groundwater resources. This represents a major step to help protect a vital drinking water supply in an area of high commercial development. The hope is that this project will continue to foster collaboration among the three towns to protect the long-term viability of their common drinking water resources.

Ossipee Aquifer: The Ossipee Aquifer Protection Project sought to address present and potential threats to water quality in the Ossipee Aquifer watershed in the Lakes Region of New Hampshire, and assist the towns of Sandwich, Tamworth, Ossipee, Effingham, Freedom, and Madison in long-term planning efforts to protect their drinking water resources. The Ossipee Source Water Protection Project was developed due to concern for the long-term quality of the drinking water supplies in the face of noticeably increasing growth projected by NH's Office of Energy and Planning. The Green Mountain Conservation Group (GMCG), Ossipee Watershed Coalition (OWC), municipal planning boards and conservation commissions, and Lakes Region Planning Commission (LRPC) are partners in ensuring the aquifer resources are protected for current and future generations.

Conservation Districts

The Lakes Region's County Conservation Districts are non-regulatory public agencies that work to help land owners and users manage their soil, water, forest, and other natural resources. As a subdivision of the State of New Hampshire, conservation districts are a partnership of federal, state and local agencies interested in the wise use of natural resources.

Rivers Management and Protection Program (http://www.lakesrpc.org/services_resources.asp)

The Pemigewasset River was included in the Rivers Management & Protection Program (RMPP) under RSA 483 in 1991. Subsequently, the Pemigewasset River Local Advisory Committee (PRLAC) was created as part of RMPP as a state chartered advisory committee responsible for developing a Management Plan for the entire river corridor. The Plan was completed in 2001 and many of its recommendations have now been implemented, including annual water quality monitoring in the river. Beginning in the summer of 2002, the Pemigewasset River Local Advisory Committee began monitoring the quality of the water at six sites along the river.

Milfoil Eradication

In 2002, the US GAO reported that "... researchers used an economic model based on property values to estimate damages to lakefront properties in New Hampshire from milfoil... Their estimates showed that between 1990 and 1995, property values on milfoil-infested lakes were about 16 percent lower than similar properties on uninfested lakes." In addition to such severe economic impacts, milfoil negatively impacts recreation and overall ecosystem health. In response, many communities in the Lakes Region have begun taking steps to control milfoil.

In Moultonborough, for example, the Town has established a milfoil committee with the adopted goal of bringing "the infestation of milfoil under control in all recreational waters (both lakes and streams) within the borders of the town." Beginning in 2010, Moultonborough began implementation of a five-year management plan that has the town investing significant resources to protect not only its tax base, but the natural beauty and environmental health of the community.

Lakes Region CEDS 2013

2. Infrastructure

Webster's Dictionary defines infrastructure as "the basic installations and facilities on which the continuance and growth of a community, state etc. depend such as roads, schools, power plants, transportation and communication systems etc." Over time infrastructure appeared in a broader context, which includes social/human infrastructure (health care, education, counseling, social services, etc.) and "green" infrastructure (open space, conservation, trails, etc.). The CEDS update mentions these two other types of infrastructure in recognition of their contribution to the overall economic wellbeing of the community and region as a whole. This current version of the CEDS adheres to the traditional concept of infrastructure involving industrial parks, sewer and water systems, transportation and telecommunications. This definition of infrastructure consists of the facilities and services, such as roads, water and sewer systems, broadband, etc. necessary to support continued economic activities and continued private investment. Maintaining these services and facilities while planning for future needs enables communities to direct future growth and development to areas with infrastructure. These community facilities and services provide for a safe and healthy environment and allow communities to grow and expand. However, available services and facilities vary by town as many are rural and have not developed infrastructure.

Industrial Parks

Several municipalities in the region have established a designated industrial park, listed in Table 2.1. The parks are currently, or have future plans to be serviced by public sewer and water. Manufacturing and light industry are generally located in these parks, along with some commercial facilities. Map 5 shows the location of each of these parks.

Table 2.1: Industrial Parks in the Lakes Region

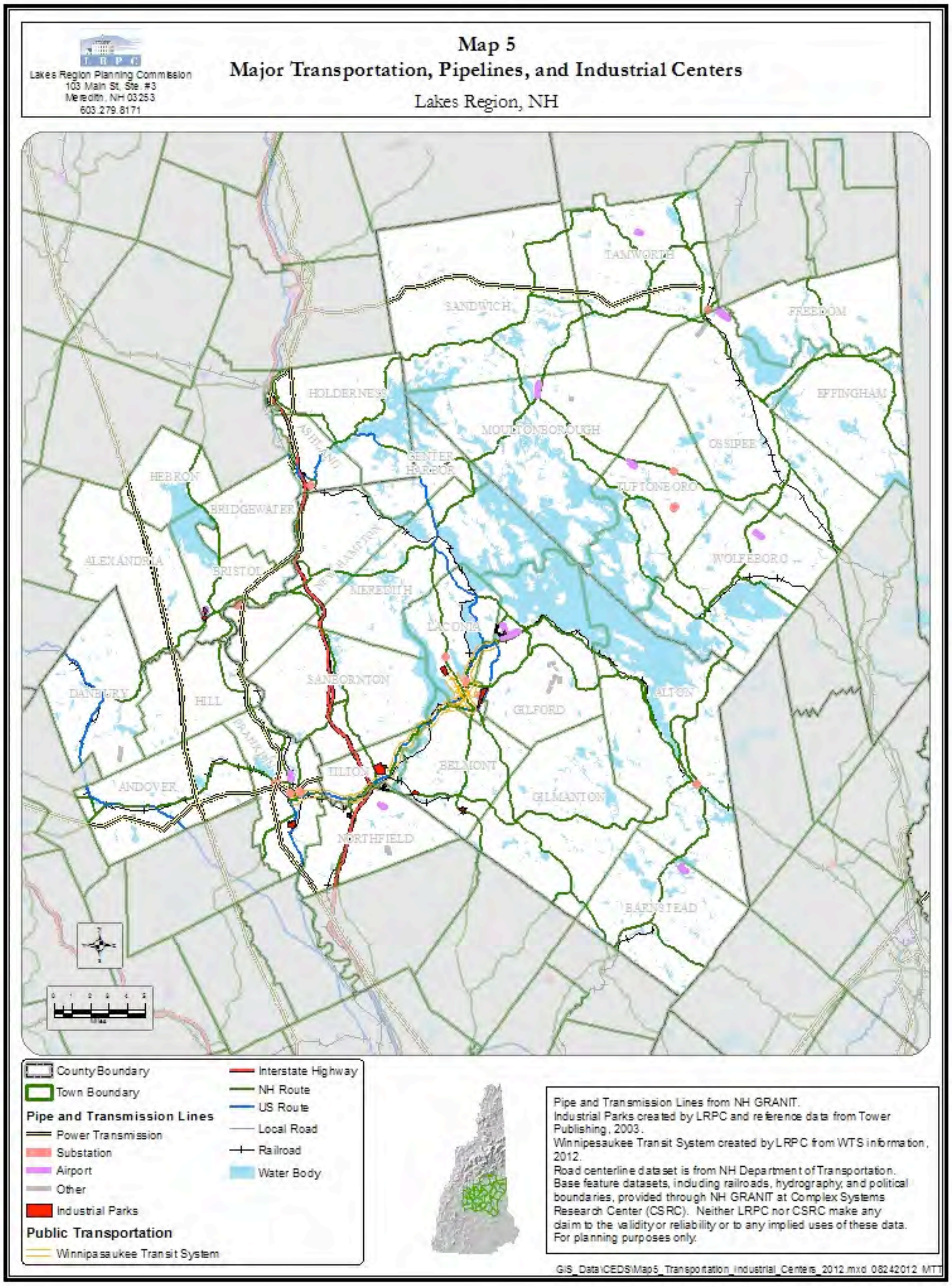
Name	Town	Infrastructure				Status		
		Water	Gas	WW	Rail	Acres	Lots	Available
Ashland Business Center	Ashland	Y	N	Y	Y	8.312	6	6 buildings
Belmont Industrial Park	Belmont	N	N	Y	N	38.31	8	5
Belknap Business & Ind. Park	Belmont	Y	N	Y	N	39.04	7	4
Cormier Industrial Park	Northfield	Y	Y	N	N	96.0	6	4
Franklin Business Park	Franklin	Y	Y	Y	N	120.00	14	5
Freudenberg-NOK & airstrip	Bristol	Y	N	Y	N			
Laconia Airport Business & Industrial Park	Gilford	Y	Y	Y	N	50	6	3
Lake Business Park (Phase 1)	Laconia	Y	Y	Y	N			
Lake Business Park (Phase 2)	Laconia	Y	Y	Y	N	54.00	19	14
Nickerson Business Park	Tilton	N	Y	Y	N	71.00	15	10
Northfield Industrial Park	Northfield	N	Y	N	N		14	8
O'Shea Industrial Park	Laconia	Y	Y	Y	N	110	18	None
Whitten Industrial Park	Gilford	N	Y	Y	N	34.74		

Source: LRPC

*Infrastructure Available:

- Y = available
- N = not available
- U = not known

Source: Local governments, property owners, real estate brokers.



Lakes Region Planning Commission
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Map 5
Major Transportation, Pipelines, and Industrial Centers
Lakes Region, NH
TAMWORTH
SANDWICH
FREEDOM
HOLDERNESS
EFFINGHAM
ASHLAND
MOULTONBOROUGH
OSSIPEE
CENTER HARBOR
HEBRON
TUFTONBORO
BRIDGEWATER
NEW HAMPTON
WOLFEBORO
ALEXANDRIA
BRISTOL
MEREDITH
LACONIA
SANBORNTON
DANBURY
HILL
GILFORD
ALTON
FRANKLIN
TILTON
BELMONT
ANDOVER
GILMANTON
NORTHFIELD
BARNSTEAD
Miles
County Boundary
Town Boundary
Pipe and Transmission Lines
Power Transmission
Substation
Airport
Other
Industrial Parks
Public Transportation
Winnipasaukee Transit System
Interstate Highway
NH Route
US Route
Local Road
Railroad
Water Body
Pipe and Transmission Lines from NH GRANIT.
Industrial Parks created by LRPC and reference data from Tower Publishing, 2003.
Winnipesaukee Transit System created by LRPC from WTS information, 2012.
Road centerline dataset is from NH Department of Transportation.
Base feature datasets, including railroads, hydrography, and political boundaries, provided through NH GRANIT at Complex Systems Research Center (CSRC). Neither LRPC nor CSRC make any claim to the validity or reliability or to any implied uses of these data.
For planning purposes only.
GIS_Data\CEDS\Map5_Transportation_Industrial_Centers_2012.mxd 08242012 MTT

Sewer Supply System

There are eight relatively small wastewater treatment facilities with a large regional facility known as the Winnipesaukee River Basin Project (WRBP). Table 2.2 lists the facility, its capacity, treatment process and method of solid disposal. Map 6 on page 2-8 shows the areas serviced by public sewer and public water. While some facilities have expansion plans, due to the region's current slow growth environment, no actions are anticipated in the next three years. Treatment facilities have operation and maintenance plans to address replacement of combined sewer/stormwater overflows and old, leaking conveyance systems. While wastewater treatment has become safer and more efficient, issues remain such as becoming more energy efficient and meeting or exceeding environmental regulations.

Table 2.2: Waste Water Treatment Facilities in the Lakes Region

Facility	Area Serviced	Flow* (MGD**)	Process	Solids Disposal
Ashland Wastewater	Ashland	1.6	AL/DC	LA
Bristol Wastewater	Bristol	0.5	OD/UV	LF
Center Harbor Wastewater	Center Harbor, Moultonborough	0.2	PS/SP	
Franklin Wastewater - Winnipesaukee River Basin Project	Franklin, Laconia, Gilford, Belmont, Northfield, Tilton, Meredith, Sanbornton	11.51	AS/UV	LA
New Hampton Village Precinct	New Hampton	0.08	SP	LA
Ossipee Wastewater	Ossipee	0.11	ST/SD	LA
Plymouth Village Water & Sewer District	Holderness	0.7	RBC/DC	CO
Sandwich Wastewater	Sandwich	0.02	ST/SF/SD	
Wolfeboro Wastewater	Wolfeboro	0.6	EA/SI	CO

Source: NH DES Wastewater Engineering Bureau

**The flow amount shown is what the WWTF is designed to treat – not what is being used.*
***MGD = Millions of Gallons per Day*

Wastewater Treatment Process Key		Solids Disposal Key
AL - Aerated Lagoon	RBC - Rotating Biological Contactor	LA - Land Application
AS - Activated Sludge	SD - Subsurface Disposal	LF - Landfill
DC – Dechlorination	SF - Sand Filter	CO - Composting
EA - Extended Air	SI - Spray Irrigation	
OD - Oxidation Ditch	SP - Stabilization Pond	
OF - Overland Flow	ST - Septic Tank	
PS - Pump Station	UV - Ultraviolet Disinfection	

Source: NH Department of Environmental Services, 2012

Regional highlights.

- The NH Department of Environmental Services (DES) on behalf of several Lakes Region municipalities administers and manages the Winnipesaukee River Basin Project (WRBP) based in Franklin NH at the Franklin Wastewater Treatment facility. The WRBP facility treats wastewater from 10 surrounding communities with a capacity of 11.51 million of gallons per day (MGD) and a daily average usage of about 6.0 MGD. The system serves portions of the cities of Laconia and Franklin, towns of Belmont, Center Harbor, Gilford, Meredith, Moultonborough, Northfield, Tilton and Franklin. Potential users can connect to the system by following current DES, WRBP and each community's procedures. The WRBP is a significant regional asset that allows for continued economic development while preserving the Lakes Region's water quality. The WRBP has completed a facility-wide retrofit including an innovative aeration blower technology that reduces energy consumption by 20% and a new "green roof" that minimizes storm water runoff and reduces building heating and cooling costs.

- Center Harbor – Moultonborough – The Bay District Sewer Commission operates stabilization lagoons which pre-treat wastewater from portions of the towns of Center Harbor and Moultonborough and discharges the partially treated wastewater to the WRBP.

- New Hampton – the town operates two large stabilization lagoons supporting the common and school areas. Lagoons use is alternated yearly. The facility has a groundwater discharge permit. There are no outstanding compliance issues and no expansion plans.

- Ossipee – operates a large subsurface disposal system (26 leach fields) and received primary treated wastewater pumped up from the village. It also has septage receiving capacity. The facility has permits for both activities. No proposed expansion plans.

- Sandwich – the municipal wastewater disposal site is a large septic system and existing flows do not make it eligible for a groundwater discharge permit. The system is operating as designed.

- Wolfeboro – operates a large an unlined wastewater storage lagoon to receive treated wastewater from the WWTF. The stored water is discharged to either the spray irrigation site (May thru October) or to a remote rapid infiltration basin (RIB) disposal site. The groundwater permit for the unlined lagoon/spray irrigation site was renewed and is in effect until April 2016. The permit for the RIB site is currently under review for renewal. There have been issues at the RIB site concerning hydraulic loading but after extensive testing and monitoring, the issues appear to have been identified and resolved. The facility is continuing to operate as designed.

Table 2.3 below provides information on the amount of septage in gallons received by the WRBP in 2007 and 2011. It is interesting to note the fluctuation in the amount of septage coming to the WRBP facility each year. Amounts have always fluctuated with the economy and weather conditions (harsh winters and poor tourist seasons reduce septage tank maintenance). Municipalities may also have signed other 485-A:5b agreements (see http://www.gencourt.state.nh.us/rsa/html/L/485-A/485-A-5-b.htm) with other facilities. This statute provides for inter municipal agreements for septage disposal. With the current economic conditions and an increase in the WRBP tipping fee by $5/1000 gallons in 2011, area septage haulers likely found other outlets. Comparing the difference from CY 2007 and CY 2011, WRBP experienced an overall decline of 7.8% or 412,850 gallons of total septage received. WRBP's increased rates are consistent with the "market" rate changed by other WWTPs. The WRBP does not control the amount charged by haulers to customers. WRBP charges the haulers for the volume received. Some area haulers may have increased their rates more than just passing through the actual tipping fee increase and thus reduced the number of customers or they may have decided to use another facility.

Table 2.3 Septage Received by the WRBP in 2007 and in 2011

Municipality	CY 2007		CY 2011		Change
Alexandria	59,200		31,800		-46.3%
Alton	39,450		37,100		-6.0%
Andover	169,850		92,600		-45.5%
Ashland	9,850		7,800		-20.8%
Barnstead	2,000		1,200		-66.6%
Belmont	351,100		243,400		-30.1%
Bridgewater	67,900		53,100		-21.8%
Bristol	225,100		133,900		-40.5%
Center Harbor	73,350		83,500		13.8%
Danbury	53,100		17,250		-67.5%
Effingham	7,800		4,500		-42.3%
Franklin	244,250		221,600		-9.3%
Freedom	7,150		8,050		12.6%
Gilford	413,850		385,600		-6.8%
Gilmanton	145,550		74,200		-49.0%
Hebron	45,400		22,450		-50.5%
Hill	50,100		25,400		-49.3%
Holderness	81,350		46,950		-42.3%
Laconia	97,300		139,050		43.3%
Meredith	478,950		422,700		-11.7%
Moultonborough	618,950		810,300		30.9%
New Hampton	109,450		44,500		-59.3%
Northfield	224,450		262,750		17.1%
Ossipee	7,450		39,050		424.2%
Sanbornton	330,800		298,300		-9.8%
Sandwich	36,800		47,300		28.5%
Tamworth	85,100		36,850		-56.7%
Tilton	150,050		193,700		29.1%
Tuftonboro	21,000		12,900		-38.6%
Wolfeboro	4,000		0		-100%
LR Total	4,210,650		3,797,800		7.8%

Source: Winnipesaukee River Bain Project, 2012

The WRBP does not have any significant interceptor projects planned and is not expanding its collection system. All current WRBP capital improvements are at the WWTP Capital Improvement Plan and do not result in an increase in the design capacity. The WRBP webpage includes its 10-year Capital Improvements Plan. http://des.nh.gov/organization/divisions/water/wrbb/index.htm

Since a large portion of the Lakes Region is rural and not served by a wastewater treatment facility, most households and businesses use individual septic systems. These individual systems can pose a threat to the water quality due to the potential lack of proper maintenance and repair. Another issue of concern is that many septic systems are not upgraded when small summer camps on the shorelines are converted to larger, year-round homes. These older septic systems have often been poorly maintained, do not have the capacity to handle the additional load, and are frequently nearing their life expectancy. These issues can contribute to sewage entering the lakes and rivers, and bacteria entering the ground water. Many locations along the shoreline are currently impaired due to *fecal coliform* and *Escherichia coli* bacteria, or chlorophyll A and algal blooms, leading to beach closures and unsafe water quality conditions. A few organizations in the region routinely provide education and outreach to homeowners in order to raise awareness about the maintenance requirements of a septic system, or how to identify a failing system.

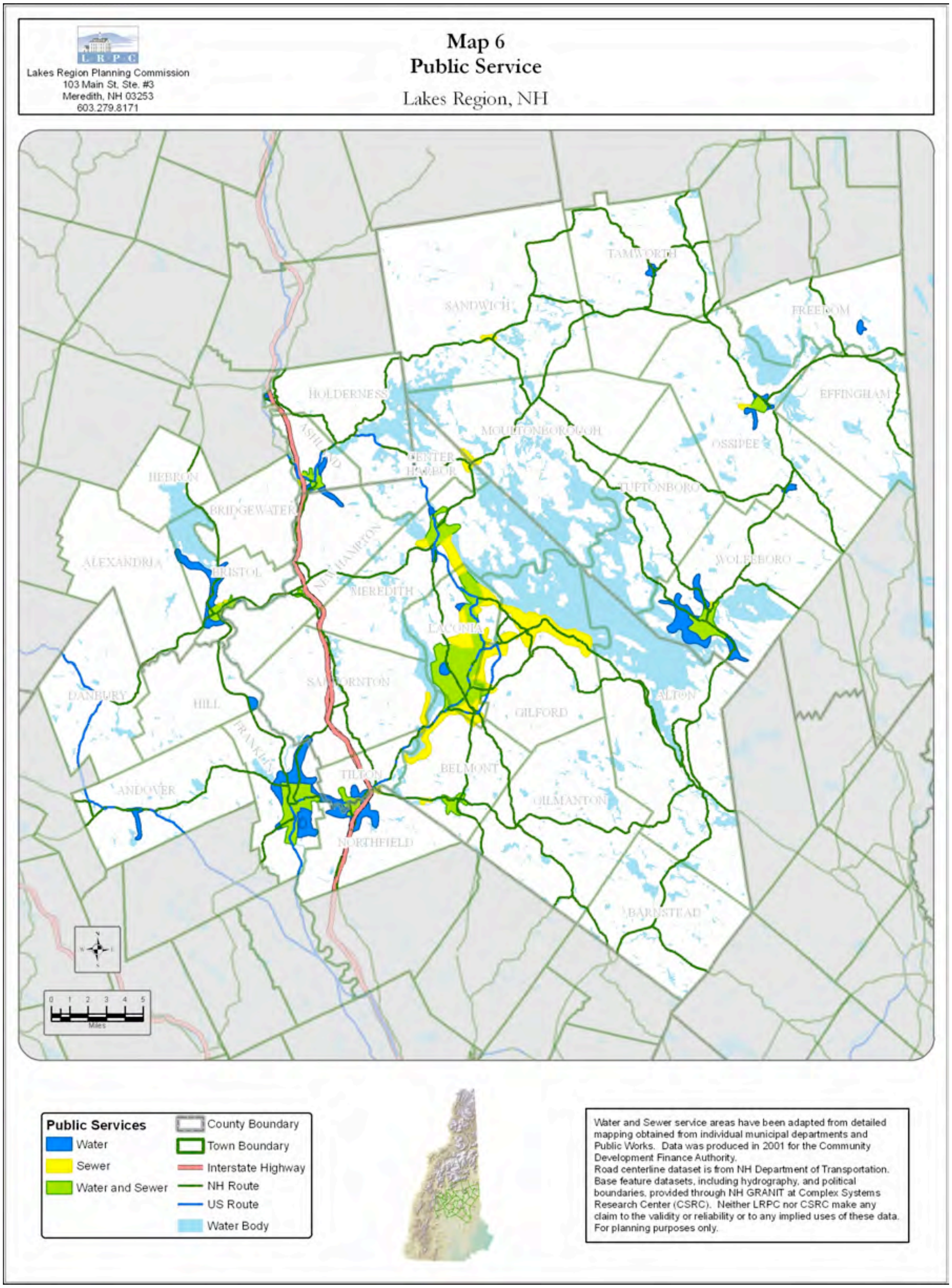
As the population has increased, so has the amount of waste treatment by-products of septic and sludge, from both septic systems and wastewater treatment facilities. Traditional disposal methods are increasingly difficult to use and pose their own unique set of problems and issues. As research is conducted and the population becomes more aware of the issues, more informed decisions can be made to better recycle or dispose of these products.

Water Supply System

The Lakes Region contains 42 percent of the total water area in the state of New Hampshire. In addition to the nearly 12 percent of surface water covering the region, approximately five percent sits over stratified drift aquifers. Compared to bedrock aquifers, stratified drift aquifers are the more productive. However, they are also the most vulnerable to contamination. This is of particular importance when determining allowable land use activities over high yield (transmissivity) areas. Due to the characteristics of these high-yield areas, gravel pits are often located on them. Other sources of potential contamination sources include leaking underground storage tanks, failing septic systems, improper disposal of hazardous chemicals, or vehicular accidents. Planning and zoning are tools communities can use to address these potential problems by adopting an aquifer overlay district, wellhead protection district, greater setbacks from surface waters, and limiting contact recreation in surface waters providing drinking water.

While there is currently an abundance of clean, potable water for the region, protection of these vital resources should be paramount to communities. The majority of the region gets its water from private ground water wells. A permit is required from the New Hampshire Department of Environmental Services for any private water system withdrawing greater than 57,600 gallons per day (GPD).

Public water supply systems in the region provide town and business centers with water from mainly ground water sources (Map 6). All systems operating in the region are listed in Table 2.4.


Lakes Region Planning Commission
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Map 6
Public Service
Lakes Region, NH
TAMWORTH
SANDWICH
FREEDOM
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Public Services
Water
Sewer
Water and Sewer
County Boundary
Town Boundary
Interstate Highway
NH Route
US Route
Water Body
Water and Sewer service areas have been adapted from detailed mapping obtained from individual municipal departments and Public Works. Data was produced in 2001 for the Community Development Finance Authority.
Road centerline dataset is from NH Department of Transportation. Base feature datasets, including hydrography, and political boundaries, provided through NH GRANIT at Complex Systems Research Center (CSRC). Neither LRPC nor CSRC make any claim to the validity or reliability or to any implied uses of these data. For planning purposes only.

Table 2.4: Public Water Supply Systems in the Lakes Region

Community Water System (CWS)	Town	Category*	Population Served	Service Connections
Alton Water Works	Alton	Large CWS	1750	703
Andover Village District	Andover	Major CWS	650	120
Ashland Water Department	Ashland	Major CWS	1500	550
Pac Locke Lake Water System/SEC S	Barnstead	Small CWS	83	33
PEU Locke Lake Water System	Barnstead	Major CWS	2120	856
Belmont Water Department North	Belmont	Large CWS	150	50
Belmont Village Water District	Belmont	Large CWS	1612	645
Bristol Water Works	Bristol	Major CWS	3327	1331
Franklin Water Works	Franklin	Major CWS	7000	2600
Freedom Water Precinct	Freedom	Major CWS	163	67
Gilford Village Water District	Gilford	Small CWS	130	36
Gunstock Acres Village District	Gilford	Large CWS	1440	576
Hill Water Works	Hill	Large CWS	350	139
Laconia Water Works	Laconia	Major CWS	12000	5800
Meredith Water Department	Meredith	Major CWS	3500	1052
Paradise Shores	Moultonborough	Major CWS	1881	753
New Hampton Village Precinct	New Hampton	Major CWS	600	125
Tilton Northfield Water District	Northfield	Major CWS	2500	941
Carroll County Complex	Ossipee	Small CWS	210	37
Ossipee Water Department	Ossipee	Major CWS	850	325
Tamworth Water Works	Tamworth	Small CWS	265	60
Lochmere Village District	Tilton	Small CWS	345	138
Wolfeboro Water and Sewer	Wolfeboro	Major CWS	5550	2300

Source: NH DES website

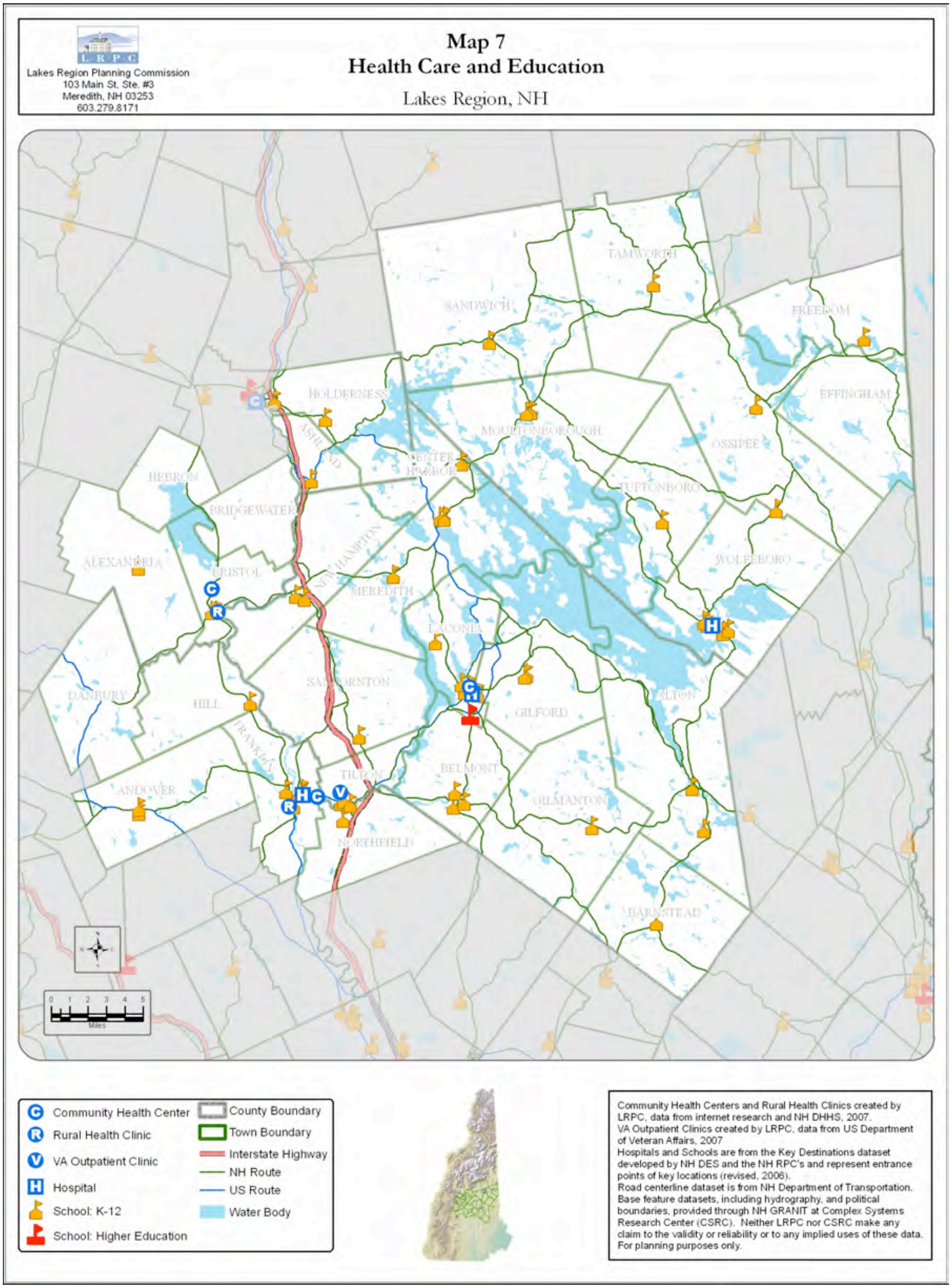
*****Category **-** identifies the size/type of CWS:

- Major CWS (>1500 population or surface water)
- Large CWS (>1000 population)
- Small CWS (<1000 population)

Source: NH Department of Environmental Services, 2012

Health Care Services

There are many health care facilities throughout the region (Map 7). Available health care services include specialty services such as physical therapists, pediatrics, and obstetrics, to hospitals and walk-in clinics. Several full-service hospitals are located in the region.


Lakes Region Planning Commission
103 Main St, Ste. #3
Meredith, NH 03253
603.279.8171
Map 7
Health Care and Education
Lakes Region, NH
TAMWORTH
SANDWICH
FREEDOM
HOLDERNESS
EFFINGHAM
ASHLAND
MOULTONBOROUGH
OSSIPEE
CENTER HARBOR
HEBRON
TUFTONBORO
BRIDGEWATER
NEW HAMPTON
ALEXANDRIA
BRISTOL
WOLFEBORO
MEREDITH
LACONIA
DANBURY
SANBORNTON
HILL
ALTON
GILFORD
FRANKLIN
TILTON
BELMONT
ANDOVER
GILMANTON
NORTHFIELD
BARNSTEAD
0 1 2 3 4 5
Miles
Community Health Center
Rural Health Clinic
VA Outpatient Clinic
Hospital
School: K-12
School: Higher Education
County Boundary
Town Boundary
Interstate Highway
NH Route
US Route
Water Body
Community Health Centers and Rural Health Clinics created by LRPC, data from internet research and NH DHHS, 2007.
VA Outpatient Clinics created by LRPC, data from US Department of Veteran Affairs, 2007
Hospitals and Schools are from the Key Destinations dataset developed by NH DES and the NH RPC's and represent entrance points of key locations (revised, 2006).
Road centerline dataset is from NH Department of Transportation.
Base feature datasets, including hydrography, and political boundaries, provided through NH GRANIT at Complex Systems Research Center (CSRC). Neither LRPC nor CSRC make any claim to the validity or reliability or to any implied uses of these data.
For planning purposes only.

LRGHealthcare – A charitable healthcare trust, which includes Lakes Region General Hospital and Franklin Regional Hospital.

Lakes Region General Hospital is located in Laconia and is a community and regional acute care facility. It has a licensed bed capacity of 137 beds and currently staffs 107 beds. In January, 2000, the Hospital added the trade name LRGHealthcare to describe its growing continuum of services. This organization has grown into a full health care system for Lakes Region residents, offering a wide range of medical, surgical, psychiatric, diagnostic, and therapeutic services, wellness education, support groups, and other community outreach services. The hospital, which serves as a Level III Trauma Center, has 98 active staff physicians, 90 percent of whom are Board-certified.

Franklin Regional Hospital is a 25-bed critical access community hospital, serving 11 area towns with a population of approximately 32,000 people. The hospital provides a range of medical specialty areas including cardiology, audio laryngology, family practice, gynecology, internal medicine, neurology, obstetrics, ophthalmology, orthopedic, pediatrics, podiatry, pulmonary medicine, rheumatology, and urology. The hospital also offers a full range of rehabilitation services, education services, an occupational health program, and senior wellness and exercise classes at the Twin Rivers Intergenerational Program facility. It is also in the process of adding services in the areas of diabetes, heart failure, and wellness. In 2002, Lakes Region General Hospital and Franklin Regional Hospital merged under LRGHealthcare, a healthcare charitable trust.

Huggins Hospital is located in Wolfeboro. It is a non-profit, licensed, 55-bed community hospital with critical access designation. It provides primary and secondary medical services to 14 communities in and around the Lakes Region. Huggins' services include a 27-bed Skilled Nursing and Rehabilitative Care Unit, 15 assisted living suites, an adult day program, Back Bay Rehabilitation centers and 12 primary care and specialty medical practices in 12 locations. Several external sites provide physician diagnostic and outpatient services including restorative rehabilitation therapies.

Although located outside the Lakes Region, Speare Memorial Hospital in Plymouth, Dartmouth-Hitchcock Medical Center in Lebanon, and Concord Regional Hospital in Concord, New Hampshire, also provide comprehensive health care to many of the area's residents. Table 2.5 lists the health care and higher education facilities in the Lakes Region.

There are a number of assisted living and long-term care residential facilities throughout the region, including a Veterans Home in Tilton. Many of the services offered in these facilities include residential, medical/dental and nursing care, physical/occupational therapy, recreation, dietetic and social services.

Table 2.5: Health Care and Higher Learning Facilities in the Lakes Region

NAME	TOWN	TYPE
Mid-State Health Center	Bristol	Community Health Center
Health First Family Care Center	Franklin	Community Health Center
Health First Family Care Center	Laconia	Community Health Center
Mid-State Health Center	Plymouth	Community Health Center
Franklin Regional Hospital	Franklin	Hospital
Lakes Region General Hospital	Laconia	Hospital
Huggins Hospital	Wolfeboro	Hospital
Newfound Family Practice	Bristol	Rural Health Clinic
Westside Healthcare	Franklin	Rural Health Clinic
Tilton Outpatient Clinic	Tilton	Veteran Affairs

Source: Local health facilities, 2012

Higher Education Facilities

A common comment received by many in the business community is that young workers entering the labor force at approximately 18 years lack basic English and math skills to perform well in the work environment. With the changing economic and technological work conditions, young people entering the workforce need not only basic educational skills and training but some level of college or advanced training. Access to quality education facilities is necessary to support the social, economic and cultural welfare of a community. For businesses trying to develop their workforce, access to a system of affordable and accessible higher education is crucial. A viable, diverse education system provides opportunities for children and adults alike by giving them the tools and a foundation for a productive, socially involved future. Without a well-educated workforce, New Hampshire and the Lakes Region will be unable to compete with other states for well-paying jobs. This has become a hot topic as “brain-drain” is of increasing concern among the business community. As young adults leave the state to seek education or opportunities elsewhere, they also leave a gap in the current workforce and potentially the future workforce since they take their children with them.

Lakes Region Community College in Laconia is the only higher learning facilities located within the Lakes Region; however, several facilities are close by. These include Plymouth State University in the neighboring town of Plymouth, and Dartmouth College in Hanover. Concord, 30 miles south of the region, is also home to the NH Technical Institute and the University of New Hampshire School of Law (formerly Franklin Pierce Law Center). The main campus of the University of New Hampshire is located in Durham, about an hour’s drive southeast of the region. The Conway office of Granite State College, part of the UNH System, serves eastern New Hampshire.

Telecommunications --- Broadband

The distribution and quality of telecommunication services varies throughout the region. In order to better understand and plan for telecommunications service, a collaboration of multiple partners representing UNH, regional planning commissions, state agencies, and private, non-profit entities created the New Hampshire Broadband Mapping & Planning Program (NHBMPP). The NHBMPP is a comprehensive, multi-year effort that seeks to understand where broadband is currently available in New Hampshire, how it can be made more widely available in the future, and how to encourage increased levels of broadband adoption and usage. The Program, managed by the GRANIT System within the Earth Systems Research Center at the University of New Hampshire (UNH), includes two primary components: a mapping initiative, and a planning and technical assistance initiative.

In the mapping realm, GRANIT is collaborating with the nine regional planning commissions to map areas in the state where broadband service is currently available, as well as areas with no service and areas that are considered underserved. The mapping inventory relies on data collected semi-annually from the 70+ public and commercial entities, both landline and wireless (fixed and cellular) that provide broadband services in New Hampshire. Data is also being collected on broadband availability at individual community anchor institutions, including schools, libraries, medical/healthcare locations, public safety offices, and state/county/municipal buildings. Finally, the mapping component includes a significant effort to develop the first public master address file for the state.

The mapping data will:

- Provide an important baseline assessment for New Hampshire;
- Facilitate effective dialog in the state regarding use and demand for broadband services;
- Assist the state as it seeks to prioritize infrastructure projects; and
- Build a sustainable broadband framework in the future.

In addition, results from the NHBMPP are being provided to the National Telecommunications Information Administration (NTIA) and the Federal Communications Commission (FCC) to assist in the development and maintenance of the national broadband availability map. The NHBMPP includes a significant effort to incorporate the information collected and the momentum generated by the mapping activities into a suite of planning and technical assistance services to benefit municipalities, businesses, institutions, and residents of New Hampshire. The planning activities focus on state broadband capacity building, on developing regional and statewide plans, and on providing technical assistance to various sectors in the state. For additional information and specific information relative to broadband service in a particular Lakes Region community, visit http://www.iwantbroadbandnh.org/ and check out the Town Profile maps.

Table 2.6: Internet and cell providers in the Lakes Region

Internet and cell providers	Satellite providers	Others
AT&T	Wild Blue	Cyberpine Cooperative
Verizon Wireless	Hughes Communications	Lakes Region Wireless
FairPoint	StarBand Communications	Tamworth Wireless
T-Mobile		Wave Communications
US Cellular		Argent Communications
Sprint		Biddeford Internet
		Charter Communications
		Comcast

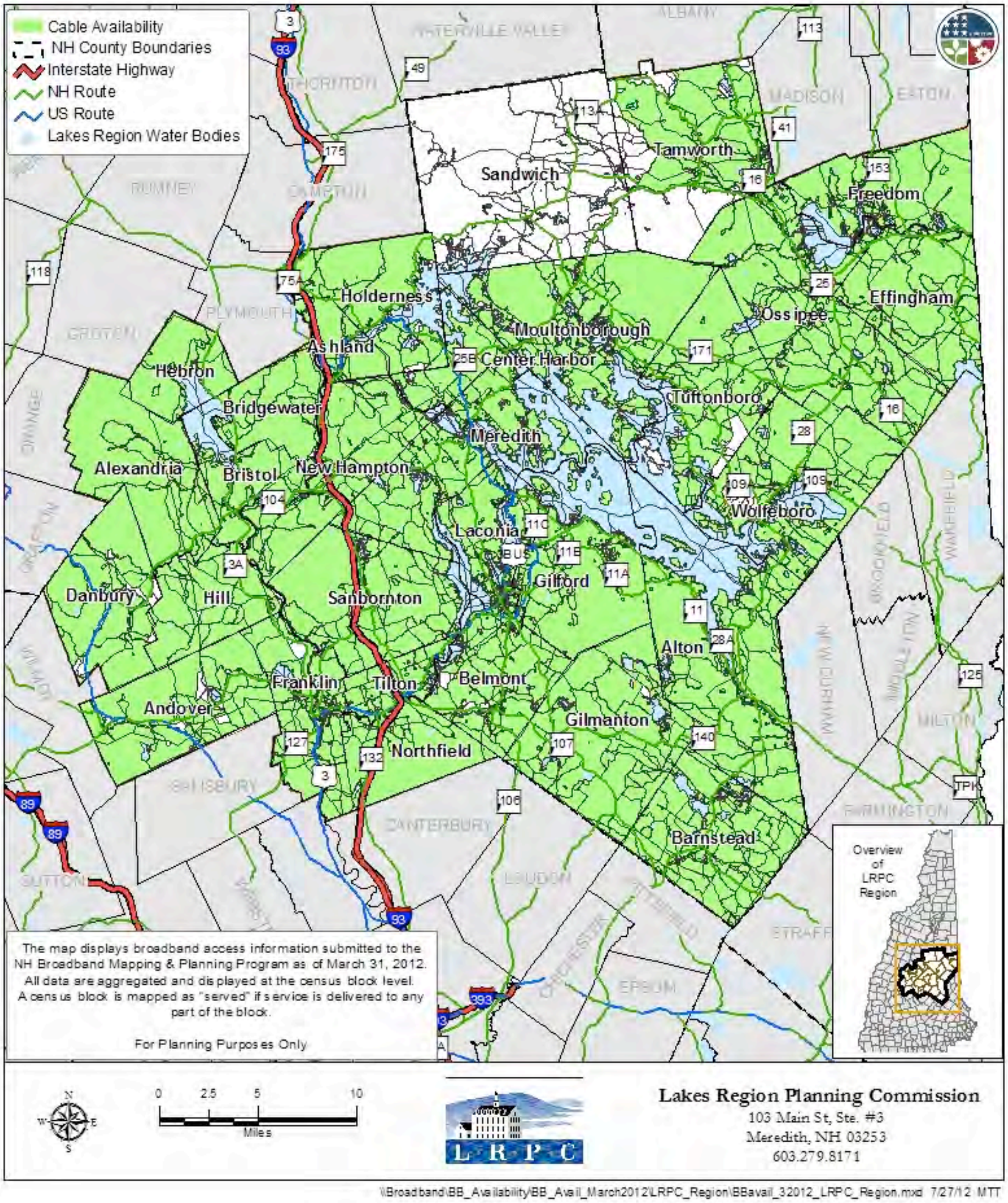
Source: NH Broadband Mapping & Planning Program; NH GRANIT

FairPoint holds a NH PUC franchise to provide the state of New Hampshire telephone service, so the opportunity of dial-up internet service is available to most. High-speed internet, however, is dependent on the proximity of FairPoint's "hub stations" to the end-user. In most cases, a customer must be within a three-mile linear radius of the hub in order to have internet coverage.

Map 8 - 1

Broadband Availability in the Lakes Region, NH

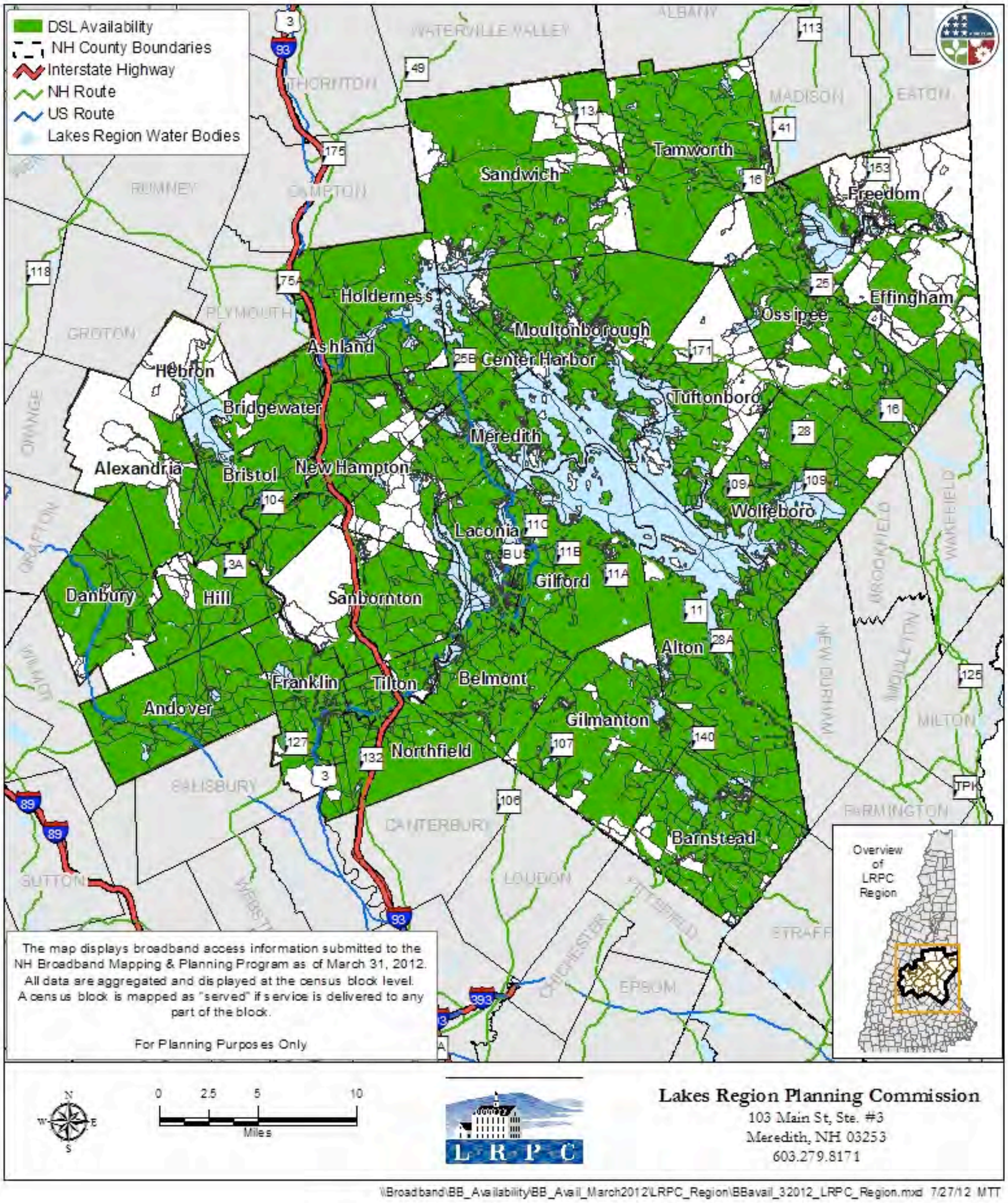
Cable Technology

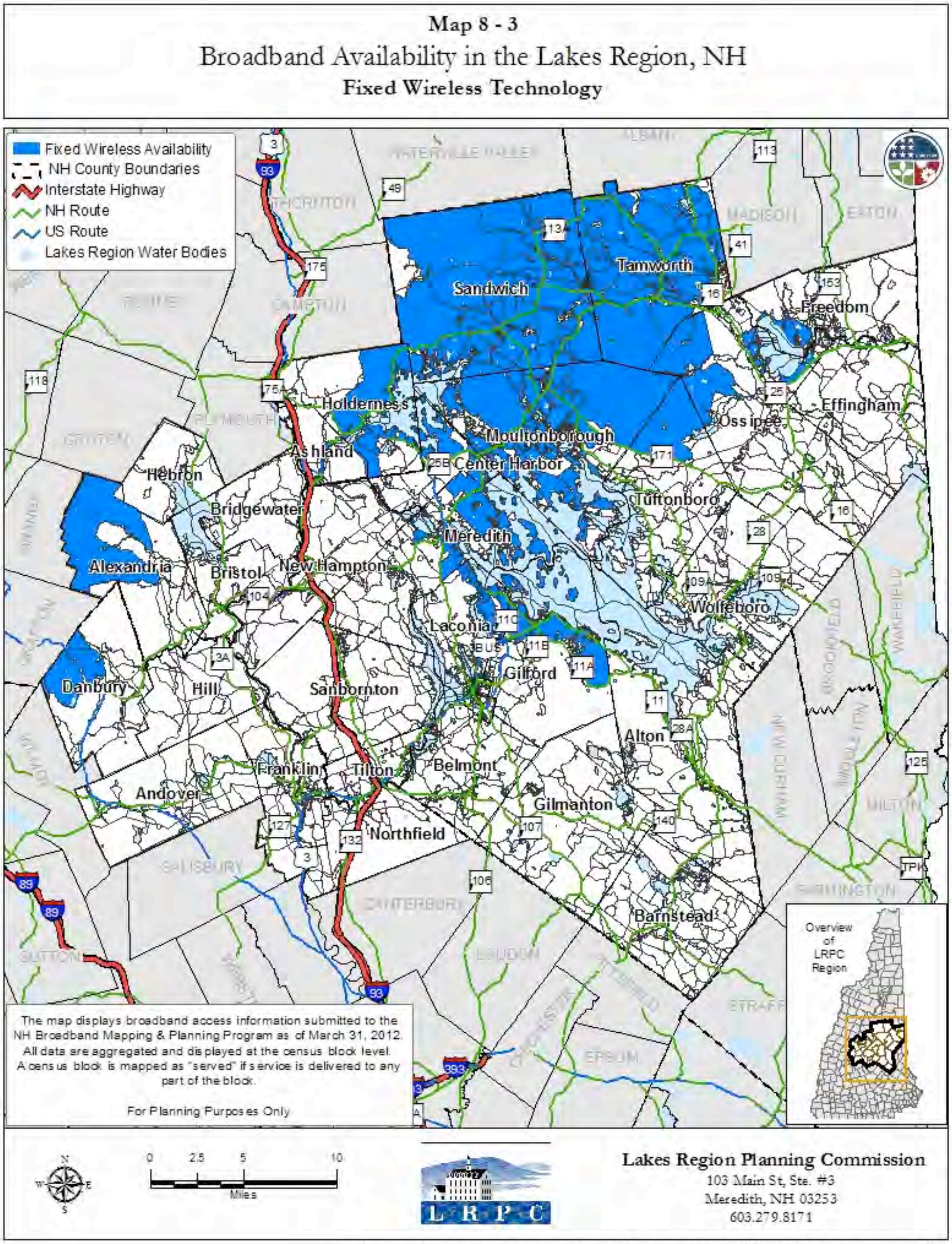


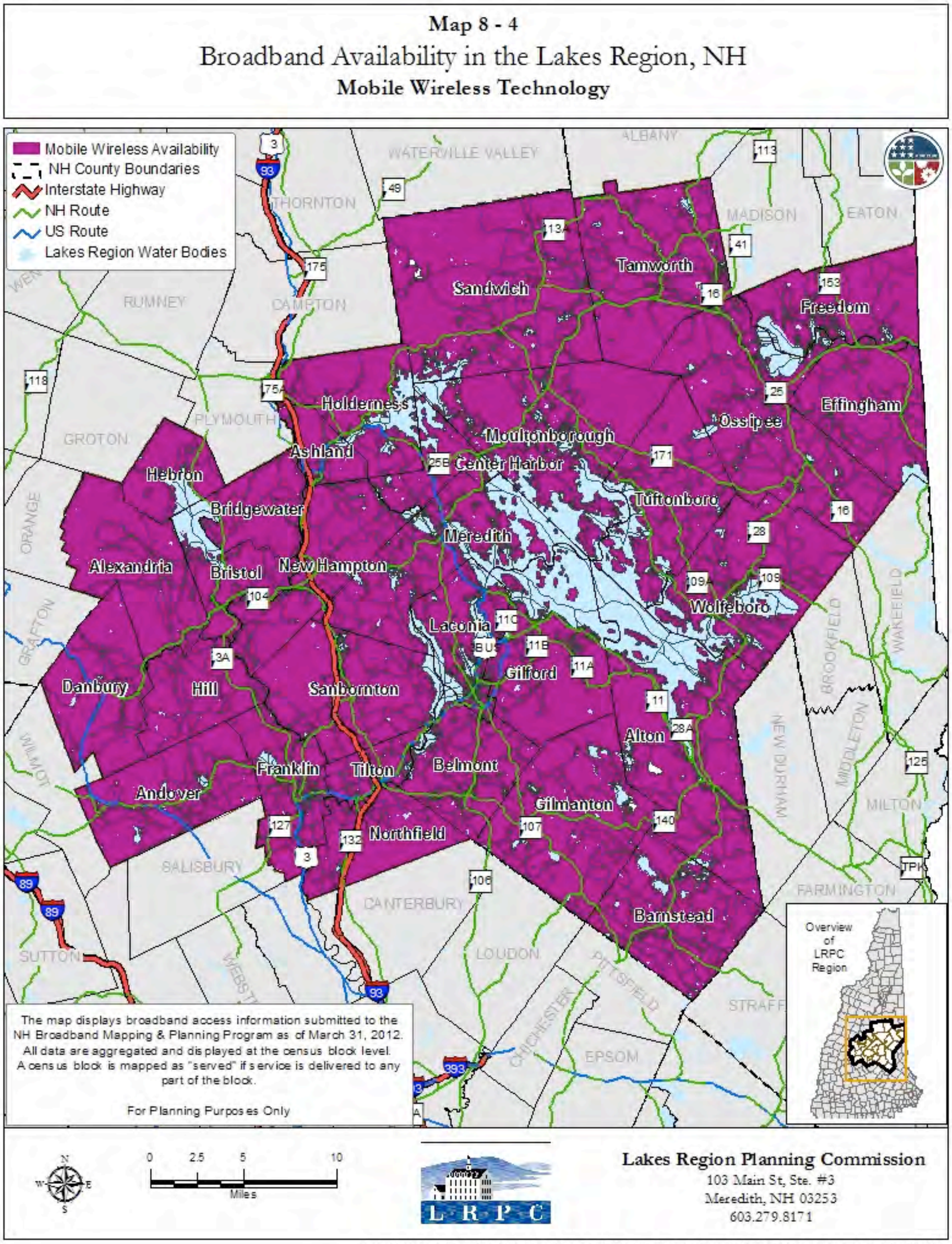
Map 8 - 2

Broadband Availability in the Lakes Region, NH

DSL Technology




Map 8 - 3
Broadband Availability in the Lakes Region, NH
Fixed Wireless Technology
Fixed Wireless Availability
NH County Boundaries
Interstate Highway
NH Route
US Route
Lakes Region Water Bodies
Sandwich
Tamworth
Freedom
Effingham
Ossipee
Holderness
Moultonborough
Center Harbor
Ashland
Hebron
Bridgewater
Tuftonboro
Meredith
Alexandria
Bristol
New Hampton
Wolfeboro
Laconia
Gilford
Danbury
Hill
Sanbornton
Alton
Franklin
Tilton
Belmont
Andover
Gilmanton
Northfield
Barnstead
The map displays broadband access information submitted to the NH Broadband Mapping & Planning Program as of March 31, 2012. All data are aggregated and displayed at the census block level. A census block is mapped as "served" if service is delivered to any part of the block.
For Planning Purposes Only
Overview of LRPC Region
0 2.5 5 10
Miles
Lakes Region Planning Commission
103 Main St, Ste. #3
Meredith, NH 03253
603.279.8171
\\Broadband\BB_Availability\BB_Avail_March2012\LRPC_Region\BBavail_32012_LRPC_Region.mxd 7/27/12 MTT


Map 8 - 4
Broadband Availability in the Lakes Region, NH
Mobile Wireless Technology
Mobile Wireless Availability
NH County Boundaries
Interstate Highway
NH Route
US Route
Lakes Region Water Bodies
Sandwich
Tamworth
Freedom
Holderness
Moultonborough
Ossipee
Effingham
Ashland
Center Harbor
Hebron
Bridgewater
Tuftonboro
Meredith
Alexandria
Bristol
New Hampton
Wolfeboro
Laconia
Gilford
Danbury
Hill
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Franklin
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Belmont
Andover
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Northfield
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For Planning Purposes Only
Overview of LRPC Region
0 2.5 5 10
Miles
L R P C
Lakes Region Planning Commission
103 Main St, Ste. #3
Meredith, NH 03253
603.279.8171
\\Broadband\BB_Availability\BB_Avail_March2012\LRPC_Region\BBavail_32012_LRPC_Region.mxd 7/27/12 MTT

Transportation – highway, transit, air and rail

A balanced and well functioning transportation system is a key ingredient for successful regional planning and economic development.

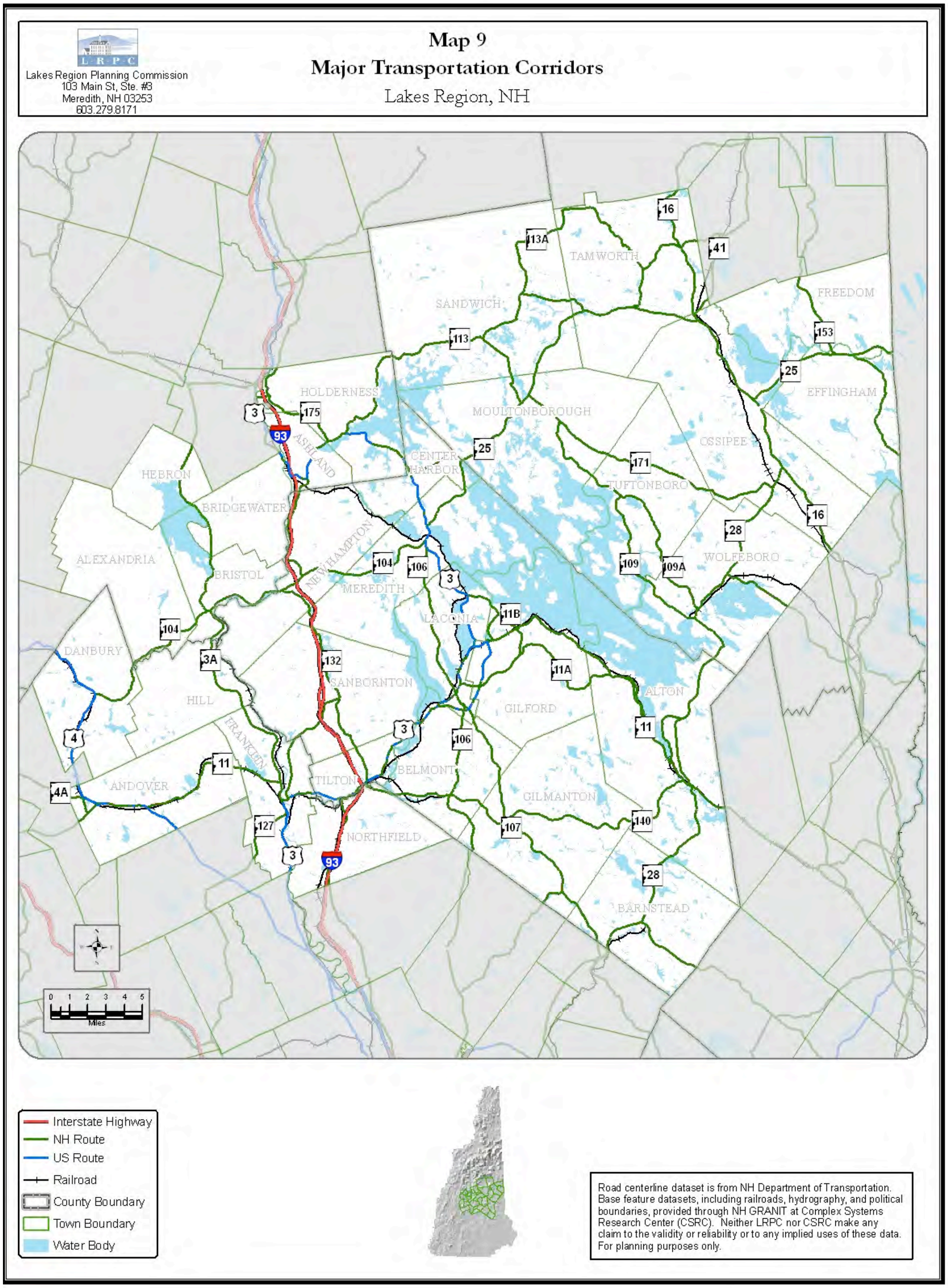
The regional transportation planning process in the Lakes Region is driven by community participation through the Lakes Region Transportation Technical Advisory Committee (TAC) and supported by LRPC and NHDOT staffing. Recommendations related to transportation planning are made by the TAC for consideration by the LRPC Commissioners, who approve the regional transportation policies. The TAC committee membership consists of representatives from LRPC area communities who act as a liaison to local City Councils and Boards of Selectmen.

There are several key elements to the regional transportation planning process in the Lakes Region. The first is the *2008 Lakes Region Transportation Plan*. The Plan outlines the overall transportation planning process and describes the goals and objectives that are the underpinnings of the Plan's strategies. The Lakes Region Transportation Mission Statement is as follows:

> "To provide an integrated, all-mode transportation system in the Lakes Region which offers efficient, effective and safe movement of people and goods, and provides mode choice wherever possible while enhancing and preserving the character and livability of the neighborhoods and the natural, socio/economic, and historical environments where transportation facilities are located."

Another important element in the planning process is the development of the regional transportation improvement program (TIP) every two years. The process to prepare the TIP usually begins with the LRPC soliciting project requests from local communities, followed by an evaluation process by the TAC where new and existing projects are prioritized. The prioritized projects are presented to the LRPC Commissioners for adoption. After LRPC approval, they are submitted to NHDOT for consideration in the statewide Ten Year Plan. Following a series of public hearings held by the Governors Advisory Commission on Intermodal Transportation (GACIT), and potential modifications of the Plan by GACIT and the Governor, the Ten Year Plan is submitted to the Legislature where it may be again amended before adoption.

Due to severe state and federal fiscal constraints, the NH Ten Year Plan is underfunded. The current 2011 TIP prepared by LRPC will be updated in 2013. NH DOT requested the LRPC and other regional planning commissions to reevaluate existing regional project priorities during the last TIP development process. Lakes Region transportation priorities can be found in Table 2.7 on page 2-17. Map 9 shows the region's major transportation corridors.


Map 9
Major Transportation Corridors
Lakes Region, NH
L R P C
Lakes Region Planning Commission
103 Main St, Ste. #3
Meredith, NH 03253
603.279.8171
TAMWORTH
FREEDOM
SANDWICH
HOLDERNESS
MOULTONBOROUGH
EFFINGHAM
OSSIPEE
CENTER HARBOR
ASHLAND
HEBRON
BRIDGEWATER
TUFTONBORO
ALEXANDRIA
BRISTOL
NEW HAMPTON
MEREDITH
WOLFEBORO
LACONIA
DANBURY
SANBORNTON
ALTON
HILL
GILFORD
FRANKLIN
ANDOVER
TILTON
BELMONT
GILMANTON
NORTHFIELD
BARNSTEAD
Miles
Interstate Highway
NH Route
US Route
Railroad
County Boundary
Town Boundary
Water Body
Road centerline dataset is from NH Department of Transportation. Base feature datasets, including railroads, hydrography, and political boundaries, provided through NH GRANIT at Complex Systems Research Center (CSRC). Neither LRPC nor CSRC make any claim to the validity or reliability or to any implied uses of these data. For planning purposes only.

Transportation funding discussions in the 2011 Legislative session have caused NHDOT to develop and disseminate information that demonstrates the potential impacts of discontinuing the motor vehicle registration tax and betterment funding changes. According to information presented by NHDOT the potential impact for the Lakes Region is approximately $12 million in additional highway cuts. Adequate funding for Lakes Region projects in the Ten Year Plan to address the scope of each project is the leading regional priority. Specific Ten Year Plan projects are:

Table 2.7: Lakes Region Transportation Priorities, 2011

ID #	Project	Location
14121	NH 28 from Alton Traffic Circle south 7.0 miles	Barnstead/Alton
2787	US 3/NH 11 Bypass north .4 miles	Belmont/Laconia
10430	NH 25 from Center Harbor T/L south 3.2 miles	Meredith
10431	NH 16/28 Intersection Improvements	Ossipee
13910	NH 16/25/41 Intersection Improvements	Ossipee
14749	NH 16 from Chocorua River north 3.22 miles	Ossipee

Source: NHDOT Ten Year Plan 2011-2020: June 2010

While the state transportation funding debate continues, additional projects have been identified by Lakes Region communities for consideration in the regional Transportation Improvement Plan. Secondary regional transportation priorities include projects previously removed from the TYP and new projects for consideration in the regional TIP in relationship to regional "lifeline corridors." The lifeline corridors are the primary east/west and north/south corridors serving the majority of the traffic flow through and within the region, many of which also provide vital connectivity to other regions. Secondary regional priorities, after existing TYP projects, are located on lifeline Corridors serving upwards of 12,000 average annual daily traffic volumes with considerable influx of seasonal traffic.

Secondary Regional Priorities		
Rank	**Project**	**Location**
1	NH 28 from Alton T/L to Wolfeboro Falls	Wolfeboro
2	NH 104 from I-93 to Meredith Center Road	New Hampton/Meredith
3	Central Square Redesign	Bristol

Public Transit

The Tri County Community Action Program (TCCAP) operates the Carroll County Transit (aka Blue Loon bus). The service area includes much of Carroll County with a flex route system that operates from Wolfeboro to West Ossipee, West Ossipee to North Conway, West Ossipee to Laconia. The dial-a-ride service operates in North Conway, Conway, Bartlett, Albany, Madison, Tamworth, Chocorua, Moultonborough, Sandwich, Freedom, Effingham, Ossipee, West Ossipee, Center Harbor, and Wolfeboro. Carroll County Transit is working to recruit a larger base of volunteers to meet the needs of residents in towns within Carroll County who lack access to service.

The flex route service began operations in January 2012. Information for the first six months of 2012 is below:

Route	**Number of trips provided**
West Ossipee to North Conway	1,313
West Ossipee to Wolfeboro	871
West Ossipee to Laconia	529

The Blue Moon bus desires to expand its current operating hours and to expand its flex route service.

General observations

The services being provided are new to Carroll County and require education and marketing. A sense of trust needs to be built between the riders and the service so that riders know it is a dependable means of transportation for medical appointments, shopping, employment and other activities.

Because of the relative newness of the service in most of Carroll County, representatives of local government and the county do not fully appreciate the need for transportation for their residents. Residents using the services recognize the value of an affordable community transportation service.

The majority of the ridership consists of the elderly, disabled and low-income persons. The Advisory Committee for this project is promoting to others who would not normally utilize public transportation by encouraging them to help protect the environment by reducing their carbon footprint. Adequate funding is a problem in Carroll County.

The potential for transit-oriented development will evolve as the creation of workforce housing, development opportunities and sustainable communities occurs.

Car pooling and ride sharing are currently set up at the state level.

Winnipesaukee Transit System

Belknap-Merrimack Community Action Program (BM-CAP) manages the Winnipesaukee Transit System. At present, the Winnipesaukee Transit System (WTS) serves most of the city of Laconia and the US Route 3 corridor through Belmont, the shopping district in Gilford and the business districts of Tilton and Franklin. WTS coordinates with Carroll County Transit to provide connections for customers riding Carroll County Transit coming from the West Ossipee area. WTS honors transfers for customers from the Blue Loon bus on the WTS route by providing access for these customers to the central Lakes Region. The entire route consists of 11 bus stops with scheduled times and deviations off the route by up to a quarter mile to pick up and drop off passengers at other locations.

The current deviated demand-response route offers all riders flexibility. Customers can call to schedule a pick-up or drop-off within one-quarter of a mile of the designated route when it is safe to do so. Customers can call for a ride from any location to another location (their house, a business, a social services organization, etc.) as long as it is within a quarter mile of the travel corridor. Customers call the WTS ride line a day in advance and deviations are on a first-come, first-served basis as the route schedule permits. To date, WTS has not refused any deviated trip due to too many requests. WTS does not charge for deviations.

There is limited service provided by Concord Trailways with stops in Meredith and Tilton. Unfortunately, the stop times make it difficult to connect with WTS during regular hours of operation. Customers report that they need to travel to Concord for medical appointments, and to make connections to transit services for more southern destinations. The Lakes Region Chamber of Commerce has received several inquiries from tourists needing to travel from Logan Airport to local destinations. WTS will explore the possibility of providing a connector/feeder service for customers needing access to services in Concord.

WTS ridership for FY 2011 was 3,370 vehicle hours of service, 40,794 vehicle miles recorded serving 7,310 customer trips. Seniors consist of 27% of the ridership. Customers report that WTS is their only reliable, affordable, transportation option. Since WTS is ADA accessible, it is also one of the only transportation options available in the region for low-income passengers riders using mobility equipment like wheelchairs, scooters, or walkers.

WTS received funding support from the City of Laconia and the Town of Tilton along with private assistance from Franklin Savings Bank in Gilford to support the expansion of service back out to the Gilford shopping district.

Aeronautics

The state of New Hampshire has 12 airports that are eligible for Federal Aviation Administration (FAA) Airport Improvement Program (AIP) funding. NHDOT provides a State match when federal funding is available. In the Lakes Region, the Laconia Municipal Airport, located in Gilford, is the only FAA / NH DOT eligible airport. The Laconia Municipal Airport is beginning the update of its Airport Master Plan.

There are another 12 airports in the state that are open to the public. Although they do not qualify for FAA funding, they do qualify for NHDOT funding based an 80 (state) 20 (local) split. Due to state budget reductions, there has been no funding for this activity for the past two bienniums. In the Lakes Region, there are three airports in this category: Alton Bay Seaplane Base (Ice Runway), Moultonborough Airport and the Newfound Valley Airport in Bristol.

More than 100 privately owned airports, heliports and seaplanes are available for private use in New Hampshire. They are not required to be registered with the State or with FAA. A website, maintained for FAA, is an excellent source of information: www.gcr1.com/5010web/ (enter "New Hampshire" and click Search). In the Lakes Region, the following "private" airports are registered with the FAA:

- Longview Heliport (Alton)
- Locke Lake Airport (Barnstead)
- Chickville Airport (Center Ossipee)
- Meader's Heliport (Center Ossipee)
- D.W. Heliport (Franklin)
- Franklin Regional Hospital Heliport (Franklin)
- Bossey's Seaplane Base (Meredith)
- Morrison Heliport (Meredith)
- Flying Ridge Heliport (Meredith)
- Smiling Jack Heliport (Meredith)
- Ward Field (Sanbornton)
- Gile Pond Airport (Sanbornton)
- Loons Nest Seaplane Base (Tuftonboro)
- Windsock Village Airport (West Ossipee)
- Winter Harbor Seaplane Base (Wolfeboro)
- Huggins Hospital Heliport (Wolfeboro)
- Mountain View Field (Wolfeboro)

Rail

The Lakes Region has limited rail service. At present there are three rail lines serving the region.

New England Central Railroad brings a limited amount of freight to the Laconia area.

New Hampshire Northcoast, owned by Boston Sand & Gravel, operates five days a week hauling aggregate material from Ossipee to Rochester for transfer to another railroad for downtown Boston. Aggregate material from the Ossipee pit was used for much of the construction of the I-93 "big dig" tunnel through downtown Boston.

The Plymouth and Lincoln Railroad (aka Hobo and Winnipesaukee Railroad) serves primarily as a tourist railroad during the summer season with limited service in the fall. It provides limited freight service.

The state of New Hampshire has debated the future of rail both for passenger and freight service and, at present, there is no clear policy direction as how to proceed. For further information rail, see the NH State Rail Plan, 2012 at: http://www.nh.gov/dot/org/aerorailtransit/railandtransit/documents/FinalStateRailPlan.pdf

Other investment

Federal agencies such as the USDA Rural Development, Department of Housing and Urban Development, and state organizations such as the NH Community Development Finance Authority and the NH Business Development Authority provide investments in the Lakes Region which stimulate economic growth.

Lakes Region CEDS 2013

3. Demographics

According to the 2010 U.S. Census, the population of the United States is 310 million and projected to grow to approximately 400 million by 2040. The Lakes Region's proximity to the Boston Metro area and Portland Maine area along with its popularity as a long-established recreation area and destination for retirees enhances its attractiveness. This section reviews past, present and projected future demographic trends in the Lakes Region through an examination of available data as well as a review of key issues that will likely influence population, housing, and employment trends in the future.

Figure 3.1, New England Megalopolis in 2050

Much of the Lakes Region is less that a two-hour drive from downtown Boston. The U.S. Census Bureau has identified a number of Mega regions or "megapolitan areas" throughout the U.S., with the Lakes Region being the northern edge of the New England Megalopolis in 2050 (see Figure 3.1). Seasonal housing, a wide variety of seasonal activities, accessibility to quality health care, and proximity to smaller, vibrant urbanized areas make the Lakes Region a strong draw.

Table 3.1: Lakes Region Population Trends

Year	Population	% Chg.
1773	2,809	-
1783	5,606	99.6%
1790	12,887	129.9%
1800	22,832	77.2%
1810	30,501	33.6%
1820	38,841	27.3%
1830	43,132	11.0%
1840	44,401	2.9%
1850	44,440	1.0%
1860	44,435	0.0%
1870	40,747	-8.3%
1880	45,873	12.6%
1890	44,416	-3.2%
1900	44,369	-0.1%
1910	45,561	2.7%
1920	44,565	-2.2%
1930	45,503	2.1%
1940	48,739	7.1%
1950	50,570	3.8%
1960	53,044	4.9%
1970	60,461	14.0%
1980	78,126	29.2%
1990	91,900	17.6%
2000	106,428	15.8%
2010	112,735	5.9%

Source: U.S. Census

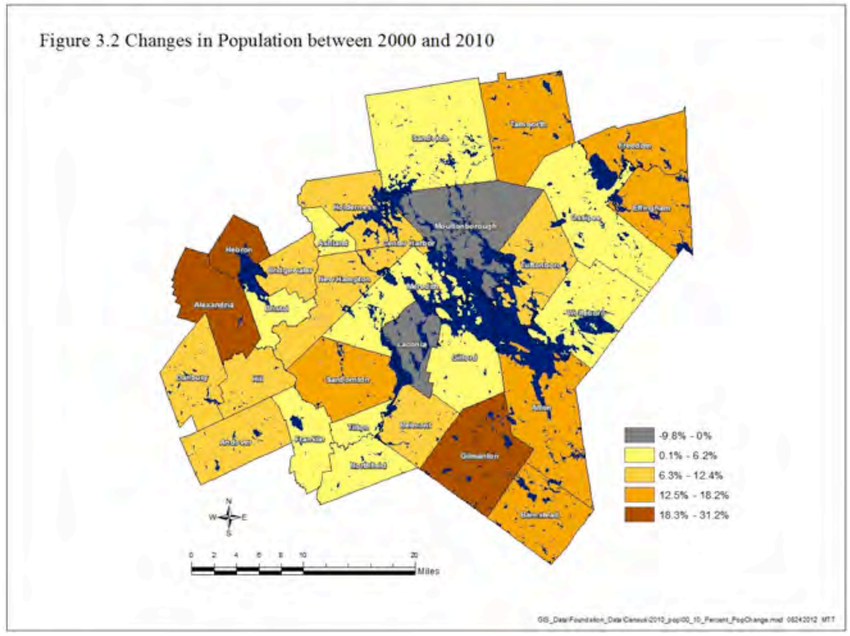
Population Trends

A rapid rise in Lakes Region population began again in the 1970s (see Table 3.1). During that 40-year period, the region's population increased by 52,274 people; from 60,461 in 1970 to 112,735, or an 86.5% increase. This followed generally slow, steady growth over the initial 70 years of the 20th century. The construction of Interstate 93, the maturing of the baby boom generation, immigration, and the overall social, physical and fiscal attractiveness of New Hampshire contributed to the growth. The Lakes Region grew by 36% between 1900 and 1970 and then at more than twice that rate (87%) between 1970 and 2010.

Hebron (31.2%), Gilmanton (23.4%), Alexandria (21.4%), and Barnstead (18.2%) had the fastest growth rates in the region since 2000, with Hebron, the least populous community in the region, growing at the fastest rate (see Figure 3.2). On the other hand, Moultonborough (-9.8%), Laconia (-2.8%), Bristol (0.9%), and Franklin (0.7%) had the lowest rates of growth between 2000 and 2010, with Moultonborough and Laconia experiencing a loss of population, the only two such communities in the Lakes Region. For Moultonborough, this represents a substantial reversal after a period of accelerated growth during the 1990s, when it grew by 51.7 percent, the highest rate of growth for the region during that decade.

However, from 2000 – 2010, the year-round resident population of the Lakes Region grew much more slowly (5.9 percent) with the addition of 6,307 people. The greatest net population growth occurred mostly in the southeast part of the region, in the towns of Alton (748), Gilmanton (717), Barnstead (707), and Belmont (640). These towns had some of the highest rates of growth as well. The addition of 2,812 people in these four communities accounted for 44.6 percent of the total net population change in the region between 2000 and 2010.

Figure 3.2: Changes in Population between 2000 and 2010



One third of the communities in the Lakes Region grew at a rate slower than the region as a whole (5.9%), and 18 communities grew by 8.0 percent or more. While only eight of 30 communities grew at slow to moderate rates of 0.7- 5.0 percent, the flat growth in Franklin and slight declines in Laconia and Moultonborough somewhat offset the rapid growth in the majority of the region.

Since 1990, the population of the region has increased by 22.7 percent with Alton, Freedom, Effingham, Hebron, Barnstead, and Gilmanton all having grown by greater than 44 percent. During the same period, however, the two largest communities in the Lakes Region, Laconia and Franklin, where 26 percent of the region's population resided in 1990, have grown by only 1.3 and 2.1 percent, respectively.

Table 3.2 lists the population of Lakes Region towns, and the percent change relative to previous Census years from 1990 to 2010. The NH Center for Public Policy and NH Office of Energy and Planning believe the future growth in the state will be less than that of the last 40 years.

Table 3.2: Population Change in the Lakes Region of New Hampshire 1990-2010

	Population			Percent Change		
	1990	2000	2010	1990-2000	2000-2010	1990-2010
Alexandria	1,190	1,329	1,613	11.7%	21.4%	35.5%
Alton	3,286	4,502	5,250	37.0%	16.6%	59.8%
Andover	1,883	2,109	2,371	12.0%	12.4%	25.9%
Ashland	1,915	1,955	2,076	2.1%	6.2%	8.4%
Barnstead	3,100	3,886	4,593	25.4%	18.2%	48.2%
Belmont	5,796	6,716	7,356	15.9%	9.5%	26.9%
Bridgewater	796	974	1,083	22.4%	11.2%	36.1%
Bristol	2,537	3,033	3,054	19.6%	0.7%	20.4%
Center Harbor	996	996	1,096	0.0%	10.0%	10.0%
Danbury	881	1,071	1,164	21.6%	8.7%	32.1%
Effingham	941	1,273	1,465	35.3%	15.1%	55.7%
Franklin	8,304	8,405	8,477	1.2%	0.9%	2.1%
Freedom	935	1,303	1,489	39.4%	14.3%	59.3%
Gilford	5,867	6,803	7,126	16.0%	4.7%	21.5%
Gilmanton	2,609	3,060	3,777	17.3%	23.4%	44.8%
Hebron	386	459	602	18.9%	31.2%	56.0%
Hill	814	992	1,089	21.9%	9.8%	33.8%
Holderness	1,694	1,930	2,108	13.9%	9.2%	24.4%
Laconia	15,743	16,411	15,951	4.2%	-2.8%	1.3%
Meredith	4,837	5,943	6,241	22.9%	5.0%	29.0%
Moultonborough	2,956	4,484	4,044	51.7%	-9.8%	36.8%
New Hampton	1,606	1,950	2,165	21.4%	11.0%	34.8%
Northfield	4,263	4,548	4,829	6.7%	6.2%	13.3%
Ossipee	3,309	4,211	4,345	27.3%	3.2%	31.3%
Sanbornton	2,136	2,581	2,966	20.8%	14.9%	38.9%
Sandwich	1,066	1,286	1,326	20.6%	3.1%	24.4%
Tamworth	2,165	2,510	2,856	15.9%	13.8%	31.9%
Tilton	3,240	3,477	3,567	7.3%	2.6%	10.1%
Tuftonboro	1,842	2,148	2,387	16.6%	11.1%	29.6%
Wolfeboro	4,807	6,083	6,269	26.5%	3.1%	30.4%
Lakes Region	**91,900**	**106,428**	**112,735**	**15.8%**	**5.9%**	**22.7%**
New Hampshire	**1,109,252**	**1,235,783**	**1,316,470**	**11.4%**	**6.5%**	**18.7%**

Source: U.S. Census

Population Projections

For a number of reasons, the state of New Hampshire has yet to develop and release population projects. The NH Office of Energy and Planning expects new projections to be available in 2013.

Trends by Age

As the residents of the Lakes Region continue to age, there is a significant increase in the median age of residents of all 30 communities. As shown in Table 3.4, Hebron has the oldest median age in the Lakes Region at 55.1, and Northfield is the youngest at 39.1 years.

Table 3.4: Median Age by rank in 2010

Rank	Highest	2010
1	Hebron	55.1
2	Sandwich	53.2
3	Freedom	53.1
4	Wolfeboro	52.1
5	Tuftonboro	50.8
6	Moultonborough	50.5
7	Center Harbor	49.9
8	Bridgewater	492
9	Meredith	49.7
10	Gilford	47.9

Rank	Lowest	2010
1	Northfield	39.2
2	Barnstead	39.9
3	Franklin	40.2
4	Andover	41.4
5	Belmont	42.1
6	Laconia	43.0
7	Gilmanton	43.1
8	Ashland	43.1
9	Bristol	43.5
10	Hill	43.6

Source: U.S. Census, 2010

Table 3.5 shows the median age for each municipality for the two ten-year periods: 1990 to 2000 and 2000 to 2010. When comparing the Lakes Region median age to the state as a whole, one notes that 18 of the 30 Lakes Region communities exceeded the state's 2010 median age increase of 10.8%. Statewide, the median age increased by more than four years from 37.1 in 2000 to 41.1 in 2010. The median age of all four Lakes Region counties are above the state's 2010 median age of 41.1 years.

Several knowledgeable commentators refer to this trend as the "silver tsunami" whereby the aging of the state's population and the increase in those over 65 years will have significant impacts on local governments in the areas of health care, transportation, social services, and housing. Leaders throughout the state and region are beginning to consider the impact of the "silver tsunami" on individual communities and the region's future economic prospects. Planning for the aging population boom will be a theme that the LRPC needs to consider along with its constituent communities.

Table 3.5 includes median age information for each municipality for the years 1990, 2000, and 2010. During the 2000 to 2010 decade, 19 of the 30 Lakes Region communities experienced a double-digit percentage increase in the median age of their residents. County 2010 median age is as follows:

- Belknap County 44.7 years
- Carroll County 48.3 years
- Grafton County 41.2 years
- Merrimack County 41.4 years

Table 3.5: Median Age

	Municipality	1990	2000	2010	% Change 90-00	% Change 00-10
Belknap	Alton	37.8	41.4	46.2	9.5%	11.6%
County	Barnstead	32.6	38.8	39.9	15.9%	2.8%
	Belmont	32.3	38.4	42.1	15.9%	9.6%
	Center Harbor	37.5	44.6	49.9	20.3%	11.9%
	Gilford	38.4	42.9	47.9	11.7%	11.6%
	Gilmanton	33.4	40.1	43.1	20.0%	7.5%
	Laconia	34.4	38.8	43.0	12.8%	10.8%
	Meredith	36.2	42.5	48.7	17.4%	14.6%
	New Hampton	34.0	38.3	42.4	12.6%	10.7%
	Sanbornton	34.9	40.1	46.5	14.9%	15.9%
	Tilton	36.8	39.6	45.2	7.6%	14.1%
Carroll	Effingham	35.2	38.5	45.6	9.4%	19.7%
County	Freedom	39.0	48.6	53.1	24.6%	9.2%
	Moultonborough	37.8	46.6	50.5	23.2%	8.4%
	Ossipee	36.8	41.5	47.4	12.7%	14.2%
	Sandwich	41.4	47.2	53.2	14.0%	12.7%
	Tamworth	36.3	40.6	47.6	11.8%	17.2%
	Tuftonboro	38.8	47.7	50.8	22.9%	6.5%
	Wolfeboro	41.0	45.3	52.1	10.5%	15.0%
Grafton	Alexandria	31.6	40.3	44.6	27.5%	10.7%
County	Ashland	32.6	36.8	43.1	12.9%	17.1%
	Bridgewater	37.4	45.4	49.2	21.4%	8.3%
	Bristol	33.1	38.5	43.5	16.3%	13.0%
	Hebron	42.3	50.1	55.1	18.4%	10.0%
	Holderness	35.2	42.1	46.9	19.6%	11.4%
Merrimack	Andover	35.7	40.1	41.4	12.3%	3.2%
County	Danbury	34.2	41.1	44.0	20.1%	7.0%
	Franklin	33.3	37.3	40.2	12.0%	7.7%
	Hill	34.6	38.7	43.6	11.8%	12.6%
	Northfield	31.2	36.0	39.2	15.3%	8.9%
New Hampshire		32.8	37.1	41.1	13.1%	10.8%
United States		32.8	35.3	37.2	7.6%	5.4%

Source: U.S Census, 1990, 2000, and 2010

A comparison of the number and percentage of senior citizens (those over age 65) in 2000 and 2010 in each Lakes Region community as well as the state of New Hampshire demonstrates how dramatically the region and state is aging. In 2000, New Hampshire had 147,970 seniors or 12% of its population; by 2010, the number grew by 30,298 to 178,268 or 13.5% of the state's population. In the Lakes Region, the number of seniors was 16,836 or 15.8% in 2000 and increased by 2,914 to 19,740 or 17.3% of the region's population. With the exception of Laconia, Moultonborough, Sandwich and Franklin, all Lakes Region communities experienced a double-digit increase. As a retirement area, an older population is expected, yet, this trend is not off set by younger families. Due to the size of the "Baby Boom" generation (those born from 1946 – 1964), the AARP has estimated over the next 18 years that Americans will be turning age 65 at the rate of 8,000 per day. Absent an increase in births or in-migration, these trends will be amplified in the Lakes Region. These aging demographic changes will influence the region's future development patterns, and likely cause seniors to choose housing located in more urban areas that are closer to services, shopping and other amenities.

Table 3.6: Number and Percentage of Senior Citizens: 2000 and 2010

		2000		2010		Change: 2000-2010	
	Municipality	#	%	#	%	#	%
Belknap	Alton	695	15.4%	887	16.9%	192	27.6%
County	Barnstead	423	10.9%	488	10.6%	65	15.3%
	Belmont	764	11.4%	990	13.5%	226	29.5%
	Center Harbor	173	17.4%	228	20.8%	55	31.8%
	Gilford	1,145	16.8%	1,358	19.1%	213	18.6%
	Gilmanton	359	11.7%	468	12.4%	109	30.3%
	Laconia	2,828	17.2%	2,881	18.1%	53	1.9%
	Meredith	999	16.8%	1,299	20.8%	300	30.0%
	New Hampton	241	12.4%	335	15.5%	94	39.0%
	Sanbornton	282	10.9%	408	13.8%	126	44.7%
	Tilton	587	16.9%	715	20.0%	128	21.8%
Carroll	Effingham	160	12.6%	223	15.2%	63	39.3%
County	Freedom	313	24.0%	400	26.9%	87	27.8%
	Moultonborough	891	19.9%	905	22.4%	14	1.5%
	Ossipee	748	17.8%	843	19.4%	95	12.7%
	Sandwich	308	24.0%	307	23.2%	(1)	0.6%
	Tamworth	394	15.7%	521	18.2%	127	32.2%
	Tuftonboro	475	22.1%	565	23.7%	90	18.9%
	Wolfeboro	1,495	24.6%	1,768	28.0%	273	18.2%
Grafton	Alexandria	150	11.3%	222	13.8%	72	48.0%
County	Ashland	266	13.6%	349	16.8%	83	31.2%
	Bridgewater	188	19.3%	241	22.3%	53	28.1%
	Bristol	430	14.2%	474	15.5%	44	10.2%
	Hebron	129	28.1%	168	27.9%	39	30.2%
	Holderness	248	12.8%	388	18.4%	140	56.4%
Merrimack	Andover	267	12.7%	324	13.7%	57	21.3%
County	Danbury	137	12.8%	156	13.4%	19	13.7%
	Franklin	1,233	14.7%	1,278	15.1%	45	3.6%
	Hill	101	10.2%	112	10.3%	11	10.9%
	Northfield	397	8.7%	439	9.1%	42	10.5%
Lakes Region		16,826	15.8%	19,740	17.3%	2,914	17.3%
New Hampshire		147,970	12.0%	178,268	13.5%	22,361	15.1%

Source: U.S. Census, 2000, 2010

Seasonal Housing Trends

An important trend in the housing market is the number of seasonal units in each community and the percentage of seasonal housing in relation to the overall housing stock. Seasonal housing accounts for a large percentage of the housing base in many communities, but this percentage has been decreasing since 1990. Table 3.7 below highlights this trend and identifies the changes between 2000 and 2010.

Table 3.7: Housing Units in 2000 and 2010

						All Units	Seasonal	%
		All Housing Units		Seasonal Units		% Chg.	Units %	Seasonal
	Municipality	**2000**	**2010**	**2000**	**2010**	**00-10**	**Chg. 00-10**	**2010**
Belknap	Alton	3,522	4,281	1,610	1,928	21.5%	19.7%	45.0%
County	Barnstead	1,994	2,319	528	516	16.3%	-2.3%	22.3%
	Belmont	3,113	3,615	351	495	16.1%	41.0%	13.7%
	Center Harbor	653	795	208	290	21.7%	39.4%	36.5%
	Gilford	4,312	5,111	1,427	1,863	18.5%	30.5%	36.5%
	Gilmanton	1,848	2,118	648	588	14.6%	-9.3%	27.8%
	Laconia	8,554	9,879	1,477	2,293	15.5%	55.2%	23.2%
	Meredith	4,191	4,728	1,611	1,710	12.8%	6.1%	36.2%
	New Hampton	944	1,083	180	185	14.7%	2.8%	17.1%
	Sanbornton	1,359	1,612	343	387	18.6%	12.8%	24.0%
	Tilton	1,631	1,845	186	212	13.1%	14.0%	11.5%
Carroll	Effingham	791	963	260	280	16.0%	-9.4%	29.1%
County	Freedom	1,406	1,580	771	827	3.5%	-13.4%	52.3%
	Moultonborough	4,523	4,940	2,519	2,991	17.5%	-0.3%	60.5%
	Ossipee	2,742	3,057	920	1,045	4.8%	-13.9%	34.2%
	Sandwich	965	1,057	360	373	11.7%	2.3%	35.3%
	Tamworth	1,662	1,969	526	493	9.1%	0.4%	25.0%
	Tuftonboro	2,019	2,435	1,043	1,293	-0.4%	-15.6%	53.0%
	Wolfeboro	3,903	4,943	1,194	1,322	7.5%	-11.2%	29.8%
Grafton	Alexandria	783	967	260	299	8.6%	6.1%	30.9%
County	Ashland	1,149	1,355	249	267	-1.1%	-14.7%	19.7%
	Bridgewater	850	995	420	502	1.3%	-11.0%	50.5%
	Bristol	2,073	2,488	772	1,089	-7.9%	-28.9%	43.8%
	Hebron	517	600	294	310	14.4%	10.1%	51.7%
	Holderness	1,208	1,510	404	568	6.3%	-3.1%	37.6%
Merrimack	Andover	1,038	1,121	176	163	21.4%	43.1%	14.5%
County	Danbury	596	684	121	149	10.2%	-27.1%	21.8%
	Franklin	3,676	3,938	215	193	-1.8%	12.6%	4.9%
	Hill	436	512	47	66	21.1%	-2.1%	12.9%
	Northfield	1,782	1,969	41	32	6.6%	-36.9%	1.6%
New Hampshire		547,024	614,754	56,413	63,910	8.6%	-1.3%	10.4%

Source: U.S. Census

Housing Costs

An important indicator of the strength of the housing market is the median purchase price. As shown on Table 3.8, the median purchase of a home in the Lakes Region significantly increased from 2001 to around the 2005 – 2006 period, where it peaked at $215,000 for all homes and $210,000 for existing homes and $276,000 for new homes. Since that period, the median purchase price for all homes declined to $165,000 for 2012. In May 2013, the NH Housing Finance Authority reports on its website that the number of foreclosures in 2013 has declined from 2012 and that the price of housing is increasing.

Table 3.8: Housing Prices, Lakes Region

Year	All Homes		Existing Homes		New Homes		Non-Condominiums		Condominiums	
	Median Purchase Price	Sample Size	Median Purchase Price	Sample Size	Median Purchase Price	Sample Size	Median Purchase Price	Sample Size	Median Purchase Price	Sample Size
2012	$165,000	944	$162,00	922	NA		NA		$137,000	82
2011	$165,000	786	$162,000	750	#N/A	36	$166,000	724	$137,000	62
2010	$170,000	873	$167,600	814	$201,000	59	$173,000	789	$160,000	84
2009	$167,000	873	$162,000	811	$229,900	62	$169,900	790	$141,000	83
2008	$209,000	693	$204,000	616	$240,000	77	$210,000	636	$180,000	57
2007	$215,000	959	$210,000	812	$246,025	147	$220,000	847	$175,000	112
2006	$215,000	1214	$210,000	1040	$269,500	174	$222,000	1093	$165,000	121
2005	$215,000	1441	$205,000	1201	$276,000	240	$218,000	1308	$185,000	133
2004	$190,000	1660	$184,900	1354	$237,000	306	$195,000	1465	$161,000	195
2003	$169,900	1552	$165,000	1317	$199,900	235	$170,000	1417	$150,000	135
2002	$143,000	1489	$139,900	1281	$165,000	208	$145,000	1370	$121,153	119
2001	$126,000	1560	$124,000	1369	$149,500	191	$128,000	1421	$112,000	139

Source: NH Housing Finance Authority, 2013; note: data on new homes and non-condominiums are not available.

Figure 1 shows the median purchase price trend of primary homes from 1990 to the first quarter of 2012.

Figure 1: Median Purchase of homes, 1990 to 2013

Lakes Region Planning Commission

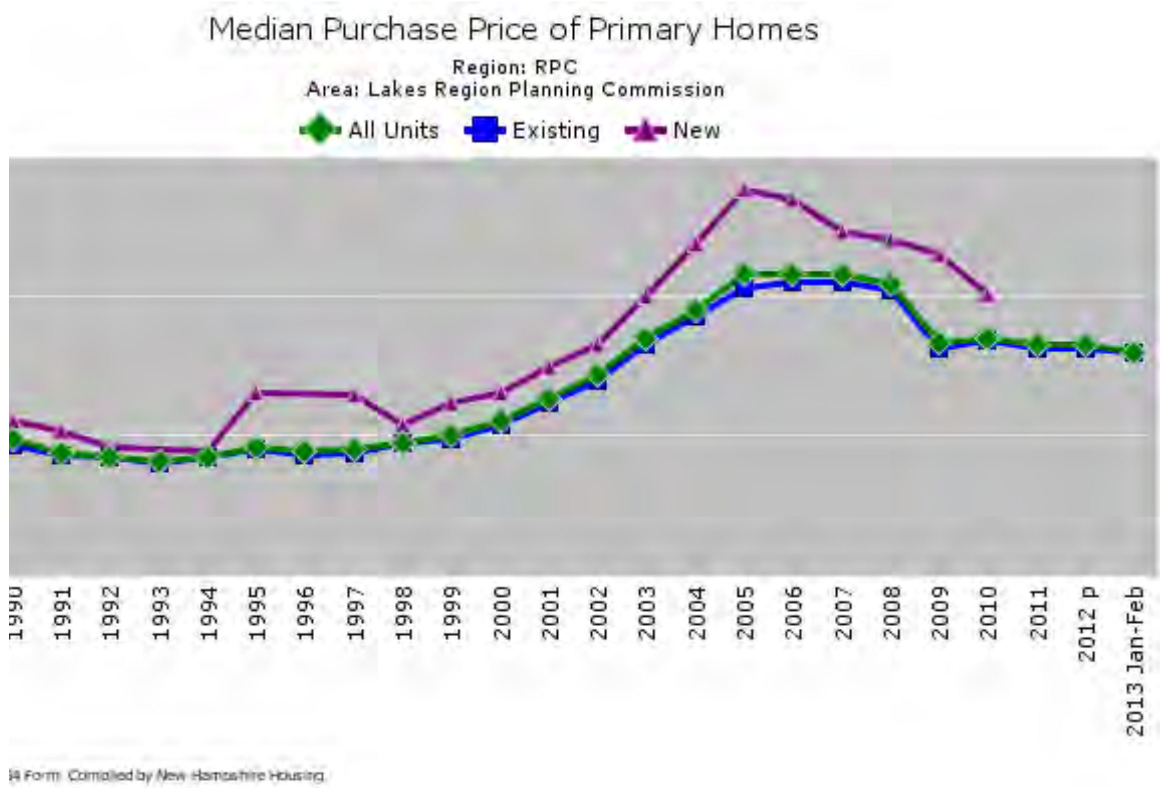


Table 3.9 includes information on gross housing rents in the Lakes Region from 2001 to the first quarter of 2012. Gross rent includes the contract rent plus the cost of utilities and fuel. For all housing units, in the last 11 years, the median gross rent of $915 increased $317 or 53%. For a three-bedroom unit at $1,175 per month, during that period, the increase was $401 or 51.8%. In response to current economic conditions, it appears that more people are seeking rental opportunities. An affordable rental opportunity is an important factor in maintaining an adequate regional workforce. As a general rule, for an affordable housing unit, a renter should pay not more that 30% of his or her pre-tax income for rent. If three

bedroom units rent for $1,175 per month or $14,100 per year, the individual or family would need an income of approximately $47,000 per year for the unit to be considered affordable.

Table 3.9: Gross Housing Rents, Lakes Region

	All Units		0-Bedroom Units		1-Bedroom Units		2-Bedroom Units		3-Bedroom Units		4+-Bedroom Units	
Year	**Median Gross Rental Cost**	**Sample Size**	**Median Gross Rental Cost**	**Sample Size**	**Median Gross Rental Cost**	**Sample Size**	**Median Gross Rental Cost**	**Sample Size**	**Median Gross Rental Cost**	**Sample Size**	**Median Gross Rental Cost**	**Sample Size**
2012	$915	1,023	$585	64	$728	297	$945	461	$1,175	163	$1,407	38
2011	$915	929	$585	32	$746	281	$940	418	$1,170	162	$1,417	36
2010	$873	963	$585	58	$701	326	$925	390	$1,145	163	$1,336	26
2009	$867	936	$585	56	$722	316	$911	393	$1,105	147	$1,293	24
2008	$888	849	$590	49	$700	263	$914	371	$1,131	142	$1,395	24
2007	$823	811	$585	50	$674	260	$867	354	$1,027	123	$1,278	24
2006	$793	987	$575	62	$650	306	$857	437	$1,050	157	$1,276	25
2005	$731	856	$542	53	$604	296	$799	369	$957	122	#N/A	16
2004	$702	867	$480	39	$600	327	$786	357	$906	130	#N/A	14
2003	$668	940	$472	52	$561	367	$733	387	$866	118	#N/A	16
2002	$636	859	$440	49	$536	318	$694	369	$774	105	#N/A	18
2001	$598	894	$434	48	$509	325	$648	386	$766	115	$897	20

Source: NH Housing Finance Authority, 2012

Foreclosures affect the regional housing market and generally have the net effect of driving house prices down. Foreclosures appeared to have hit a plateau in 2011 and declined in state in the last year. For additional information see: http://www.nhhf0a.org/rl_docs/housingdata/ForeclosureUpdate_08-02-12.html.

Employment in the Lakes Region

The existing and projected employment situation in the Lakes Region is an important component in the region's overall economic wellbeing. Table 3.10 includes the top 25 private sector employers by range of employer size. In the public sector, the SAU offices, local governments and various state agencies are large employers.

Please note the data available from the NH Economic and Labor Market Information Bureau provide the employer size in a range.

Table 3.10: Top 25 Private Employers

Employer	Partial Address	City	Employer Size
J Jill Group Distribution Ctr	Birch Pond Dr	Tilton	1,000 - 4,999
LRGHealthcare (aka LR Hospital)	Highland St	Laconia	1,000 – 4,999
Freudenberg-NOK	Pleasant St	Bristol	1,000 - 4,999
Huggins Hospital	S Main St	Wolfeboro	500 - 999
Webster Valve Inc	S Main St	Franklin	250 - 499
New Hampshire Ball Bearings	Lexington Dr	Laconia	250 - 499
Franklin Regional Hospital	Aiken Ave	Franklin	250 - 499
Lakeview Neurorehabilitation	High Watch Rd	Effingham	250 - 499
Whelen Engineering Co	Cedarwood Rd	Charlestown	250 - 499
Smiths Tubular Systems	Lexington Dr	Laconia	250 - 499
EFI Inc	Vutek Pl	Meredith	250 - 499
Rochester Shoe Tree Co Inc	Cedar Ln	Ashland	250 - 499
Wal-Mart	E Main St	Tilton	250 - 499
PCC Structurals Aluminum Oper	Granite St	Northfield	250 - 499
Vutek	Vutek Pl	Meredith	250 - 499
Freudenberg-NOK	Growth Rd	Laconia	250 - 499
Wal-Mart	Lake Shore Rd # 15	Gilford	100 - 249
Camp Winaukee	Winaukee Rd	Moultonborough	100 - 249
Shaw's Supermarket	Laconia Rd # 700	Tilton	100 - 249
Mountain View Nursing Home	County Farm Rd	Ossipee	100 - 249
Spaulding Youth Ctr	Shedd Road	Tilton	100 - 249
Proctor Academy	Main St	Andover	100 - 249
Brewster Academy	S Main St	Wolfeboro	100 - 249
Freudenberg-NOK	Axle Dr	Northfield	100 - 249
GI Plastek	Wickers Dr	Wolfeboro	100 - 249
Hannaford Supermarket & Pharmacy	Lake Shore Rd # 16	Gilford	100 - 249

Source: NHNetwork, NH Economic and Labor Market Information Bureau website, August 2012

Table 3.11 includes data on the civilian labor force, employment and unemployment for the Lakes Region Planning Commission area for the years 2002 to 2011. Generally, local municipal employment and unemployment data correspond closely to the Lakes Region data.

For the 10-year period from 2002 to 2011, the unemployment rate in the Lakes Region area generally paralleled the unemployment rate for the state of New Hampshire with some minor differences. The region's unemployment rate was lower than the state's from 2002 to 2006 and in 2007 both were the same at 3.5%. From 2008 to 2010, the Lakes Region unemployment rate was higher than the state's; in 2011, both the Lakes Region and state had an identical unemployment rate of 5.4%. During the 2006 to 2008 period, the Lakes Region labor force peaked at about 61,000 persons and then declined to 59,122 in 2011. Those employed also peaked during 2006 to 2008 at about 58,900 persons and then began a decline to 55,889 in 2011. When considering these two data points, it is likely that the Lakes Region experienced some out-migration due to unfavorable economic conditions and opportunities in the region and state and some people stopped seeking employment and did not appear in the labor force. Overall, considering national economic conditions, the Lakes Region and New Hampshire, with the 4th lowest unemployment rate in the United States, are managing the economic situation fairly well.

Table 3.11 includes the civilian labor force with employment and unemployment data for the years 2002 to 2011.

Table 3.11: Labor Force and Unemployment, Lakes Region 2002 to 2011

Year	Labor Force	Employed	Unemployed	Unemployment Rate	NH Rate
2011	59,122	55,889	3,233	5.40%	5.40%
2010	59,506	55,695	3,811	6.40%	6.10%
2009	60,948	57,062	3,886	6.30%	6.20%
2008	61,490	59,000	2,484	4.00%	3.90%
2007	61,073	58,886	2,187	3.50%	3.50%
2006	61,053	58,986	2,067	3.30%	3.50%
2005	59,403	57,373	2,030	3.40%	3.60%
2004	59,063	57,063	2,060	3.40%	3.90%
2003	58,997	56,653	2,344	3.90%	4.50%
2002	59,609	57,297	2,312	3.80%	4.50%

Source: NHetwork, NH Economic and Labor Market Information Bureau website, August 2012

Table 3.12 includes data on changes in employment and wages from 2005 to 2010. In the five-year period, total private employment declined by 3,196 persons while government employment increased by 286 persons for a net decline of 2,910 in total employment. Manufacturing experienced the largest decrease: a loss of 2,005 jobs followed by declines in construction of 733, and in retail trade of 546. The loss of 2,005 manufacturing jobs represented 32% of the total manufacturing jobs in the Lakes Region in 2005. On a brighter note, the number of those employed in health care/social assistance increased by 475 or 9%. This information is consistent with labor force and unemployment in Table 3.11. In conclusion, total employment in the Lakes Region declined by 6.7% in the 2005 to 2010 period.

During the same five-year period, average weekly wages in goods producing industries increased over by 16%, service producing wages increased by 12%, and government wages by 10%. Top paying jobs include those in utilities, wholesale trade, professional/technical services and mining, although there was a small decline in mining from 2005. Of the 7,221 persons employed in government in 2010, 81.6% worked in local government, 13.7% in state government, and 4.7% in federal government.

Table 3:12: Lakes Region, Annual Employment and Weekly Wage, 2005 - 2010

Industry	2005			2010		
	Units	Employ	Wk Wage	Units	Employ	Wk Wage
Goods Producing	724	9,220	$795	598	6,458	$922
Agriculture, Forestry, Fishing, Hunting	24	147	$381	25	133	$477
Mining	9	97	$1,178	8	88	$1,163
Construction	488	2,777	$870	400	2,044	$942
Manufacturing	203	6,199	$765	164	4,194	$922
Service Providing	2,534	27,132	$565	2,542	26698	$631
Utilities	18	228	$1,238	20	236	$1,470
Wholesale Trade	139	798	$1,051	144	754	$1,214
Retail Trade	558	7364	$487	529	6,818	$485
Transportation, Warehousing	65	623	$579	48	539	$90
Information	46	412	$665	42	394	$796
Finance and Insurance	124	1,025	$861	122	872	$887
Real Estate, Rental and Leasing	123	509	$559	106	387	$647
Professional and Technical Services	247	1,064	$1,010	267	$1,189	$1,200
Management	20	433	$1,041	20	417	$1,190
Administrative, Waste Services	172	1,330	$591	190	1,245	$691
Educational Services	32	984	$591	35	969	$687
Health Care, Social Assistance	245	5,117	$674	276	5,592	$797
Arts, Entertainment and Recreation	106	1,020	$377	94	1,093	$386
Accommodations and Food Services	352	4,990	$402	365	4,936	$326
Other Services except Public Administrator	285	1,224	$473	284	1,249	$540
Unclassified Establishments	5	12	`$719	No data		
Total Government	210	6,935	$619	221	7,221	$713
Total Private	3,258	36,353	$623	3,139	33,157	$688
Total Private plus Government	3,468	43,288	$623	3,361	40,378	$692

Source: Economic and Labor Market Bureau, NH Employment Security, 2012

Table 3.13 provides information on per capita income, household income and percentage of families below the poverty level for all 30 Lakes Region municipalities. The Economic and Labor Market Bureau, NH Employment Security, compiled this information using data from the American Community Survey. The information is based on the three-year average, (2008 to 2010 adjusted for inflation. Municipalities with the highest household incomes include: Moultonborough, Barnstead, Gilmanton and Hill. Municipalities on the low side include: Ashland, Bristol, Ossipee and Danbury. According to the U. S. Bureau of Census, the national poverty levels in 2010 are as follows: one person with an income of $11,484 or less; two people with an income of $14,657 or less; and a family of four with an income of $23,021 or less. Ossipee (18.4%), Ashland (18.2%), Franklin (10.7%) and Northfield (9.7%) exhibited high levels of family poverty.

Table 3.13: Lakes Region Annual Income, 2010

Municipality	Per Capita Income	Household Income	Family < Poverty Level
Alexandria	23,008	56,367	4.90%
Alton	30,496	57,560	3.50%
Andover	30,147	62,782	2.20%
Ashland	20,428	35,857	18.20%
Barnstead	26,019	65,727	3.20%
Belmont	24,048	56,582	3.30%
Bridgewater	32,329	59,167	5.60%
Bristol	23,228	42,821	7.80%
Center Harbor	33,197	56,836	5.80%
Danbury	23,625	46,667	6.20%
Effingham	20,405	46,900	0.0%
Franklin	20,420	48,396	10.70%
Freedom	32,104	45,030	4.80%
Gilford	37,034	60,763	5.40%
Gilmanton	27,676	64,219	6.20%
Hebron	33,064	59,688	0.0%
Hill	23,934	62,800	4.40%
Holderness	31,377	61,786	2.0%
Laconia	26,640	46,027	8.10
Meredith	34,782	54,576	4.80%
Moultonborough	44,922	74,207	2.90%
New Hampton	23,039	58,059	8.50%
Northfield	21,733	56,917	9.70%
Ossipee	19,995	44,967	18.40%
Sanbornton	28,956	61,702	0.70%
Sandwich	30,956	57,105	6.40%
Tamworth	30,206	49,545	7.20%
Tilton	21,450	54,643	2.90%
Tuftonboro	29,544	52,679	6.60%
Wolfeboro	31,518	55,667	3.70%

Source: American Community Survey, 2010; compiled by Economic and Labor Market Information Bureau, NH Employment Security, 2012

4. Related State, Regional and Local Planning

This section includes a review of the planning efforts at the state, regional and local levels with the intent of identifying gaps in the multilevel, governmental planning process. Each level of government in New Hampshire is charged with preparing a plan, which addresses that level of government. The basic premise is that consistent planning among the three levels will advance the broad goal of sustainable economic development. Sustainable economic development may be defined as a planned process of strategic activities and steps designed to increase the number of employment opportunities, the value of a community or region and its overall economic well being, while maintaining the area's infrastructure, natural resource base, and other community components for future generations.

The CEDS needs to include all relevant state, regional, and local plans so that its development will be better informed. This section is dedicated to that purpose.

The State Level

State Development Plan

New Hampshire law requires the NH Office of Energy and Planning to renew or revise the NH State Development Plan every four years. NH RSA 9-A:1 states in part:
"I. The plan shall provide a basis for identifying critical issues facing the state, determining state priorities, allocating limited state resources, and taking into account the plans of various state, regional, and local governmental units.
"II. The comprehensive development plan shall establish policies in areas related to the orderly physical, social, and economic growth and development of the state.
"III. The comprehensive development plan shall include:
(a) State policies to provide for the orderly growth and development of the state and to maximize smart growth.
(b) Goals and policies which are relevant to the topical areas included in the plan, including but not limited to:

1) An overall vision section
2) A land use section
3) A transportation section
4) A public facilities section
5) A housing section
6) An economic development section
7) A natural resources section
8) A natural hazards section
9) A recreation section
10) A utility and public service section
11) A regional concerns section
12) A cultural and historic resources section
13) An implementation section"

The intent of the State Development Plan is to guide the future growth and development of the state. According to the NH OEP website, the State Development Plan was last prepared in 1998 and 2000. Unfortunately, an update has not occurred since then; however, the NH OEP is engaged in the current Granite State Future project, a collaborative regional planning initiative coordinated by the state's nine regional planning commissions. State statute emphasizes that, "It shall be the policy of the state of New Hampshire that state agencies act in ways that encourage smart growth."

The 2000 vision statement of the NH State Development Plan is as follows:

> *To support New Hampshire's prosperity and unique quality of life we must maintain the essential character of our state's natural and built environment through innovative approaches to planning, preservation and development at the state, regional and local level.*

The document includes goals regarding the traditional character of New Hampshire's downtowns, villages, mixed use development, protection of New Hampshire's land and water resources, including farms, forest lands, wildlife habitats and other critical environmental areas; innovative approaches in transportation in order to address safety and diverse geographic needs; accessibility for people of all ages; and preservation of environmental quality and alternatives that reduce energy consumption.

The 2000 State Development Plan also addresses other issues regarding recreation, historic and cultural resources, and housing opportunities. In past years, the State Development Plan recognized the impact of state agency decisions on land use and worked to coordinate state investments, policies and programs.

Though the State Development Plan is outdated, other statewide plans have been completed in functional planning areas. Functional planning involves an in-depth analysis of a specific topic, e.g., recreation, transportation, housing, etc. The following summarizes some of the key state functional plans:

Statewide Comprehensive Outdoor Recreation Plan

Under the terms of the Land and Water Conservation Fund (LWCF), each state is required to develop a *Statewide Comprehensive Outdoor Recreation Plan* (SCORP) at least every five years. The SCORP is filed with the National Park Service and enables New Hampshire to participate in the LWCF program, directing the use of LWCF funds. It also fulfills the New Hampshire statutory requirement (RSA 12-A:18) that there be a statewide outdoor recreation planning program

In partnership with the NH Department of Resources and Economic Development, the NH Office of Energy and Planning prepared the current version (2008-2013) that can be found at:

http://www.nh.gov/oep/resourcelibrary/referencelibrary/s/scorp/index.htm

Major goals include the promotion of growth and development patterns that encourage recreational opportunities and preserve undeveloped lands along with the promotion of health and wellness that is gained through active recreational opportunities. The SCORP mentions the concept of smart growth and the creation of regional trails such as the Winnipesaukee Trail.

According to the NH Office of Energy and Planning, the SCORP for 2013-2018 will be released in early 2013.

NH Broadband Plan

The 2009 *NH Broadband Action Plan*, dated June 30, 2008, identified 25 action items to be completed over the next three years in an effort to further develop the state's broadband infrastructure. The Broadband Plan emphasizes the importance of "consistent and sustainable" broadband availability as a key to competing in the New Economy, and New Hampshire compares favorably to our "more rural neighbors." The Plan includes a series of critical, high, and medium level action items, of which many have been identified as strategies in the 2009 CEDS New Economy section. For additional information relative to broadband service in a particular Lakes Region community, visit http://www.iwantbroadbandnh.org/ and check out the Town Profile map. The NH Office of Energy and Planning and NH GRANIT are coordinating the development of a statewide database on Broadband as well as assisting the regional planning commissions with the preparation of a regional Broadband Plan. The basic strategy involves identifying towns in need, the location of existing broadband resources, potential funding resources, and the most feasible method of delivering services.

Transportation

Every two years, the NH Department of Transportation (DOT) updates the NH Ten Year Transportation Plan (TYP), the current version was completed in early 2012 for the 2013 to 2022 period. As described in the Infrastructure section, the Lakes Region Planning Commission, along with the other eight regional planning commissions, provides the NH DOT with a regional perspective and priorities. Good roads are essential for economic development. More than 60% of all goods shipped each year in NH are transported by commercial trucking, underscoring the importance of highways to the state.

With reductions in transportation funding, the number and cost of needed highway projects far exceeds the amount of available funding. In June 2012, the NH DOT completed a *NH Rail Plan* and, in 2006, DOT prepared a report titled *Statewide Coordination of Community Transportation Services*. In 2013, NH DOT will again begin the two-year cycle for preparation of the Ten Year Highway Plan. The development of the Ten Year plan is closely coordinated with each region's transportation plan.

The 2006 *NH Long Range Transportation Plan*, an important policy plan developed with strong community input, demonstrates the important connection between transportation and land use. A Transportation Vision for 2030 states: "In the year 2030, transportation in New Hampshire plays a critical role in preserving the state's unique character and quality of life, enhancing environmental quality and promoting sustainable economic development and land use. Transportation in New Hampshire provides safe and secure mobility and travel options for all the state's residents and visitors; and goods movement is well maintained, efficient and reliable; and provides seamless interstate and intrastate connectivity." Major findings include:

- New Hampshire is growing at a faster rate than other New England states;
- Growth in travel by people and freight is growing at a faster rate than the growth in jobs and population;
- Much of the growth is occurring in the spread-out suburban development, which places greater stress on the transportation system;
- With the aging of the population, older seniors will be unable to drive to appointments for shopping, health care et cetera;
- Fewer than 30 of New Hampshire's municipalities have regularly scheduled bus service. Local governments have difficulty in raising the match revenue for bus and train service;
- On average, households spend 20% of their income on transportation, second to housing. For lower income households, the percentage approaches 35%; and
- The state lacks regional and inter-regional public transportation to meet the needs of the economy.

The plan includes community, regional and statewide recommendations along with action steps and can be reviewed at:

http://www.nh.gov/dot/org/projectdevelopment/planning/documents/060906_NHLRTBPCACFinalReport.pd. The DOT prepared the Long Range Transportation Plan in 2010 and can be viewed at:
http://www.nh.gov/dot/org/projectdevelopment/planning/documents/CompleteLRTP083110.pdf

Environment

The NH Department of Environmental Services has published several policy plans such as the *NH Climate Action Plan*, *Water Quality Restoration Plan*, *Water Infrastructure Needs Assessment*, and the *Sustainability of NH's Surface Waters.* For further information, see the NH DES website at http://des.nh.gov/.

The *NH Climate Action Plan* calls for the greatest feasible reductions in greenhouse gas emissions while providing the greatest possible long-term economic benefits to citizens of the state. The most significant greenhouse gas reductions come from substantial increases in energy efficiency, increases in renewable energy, and innovative community designs to reduce our dependence on the automobile. A major recommendation is for New Hampshire to reduce greenhouse gas emissions by 80% below 1990s levels by the year 2050 with an intermediate goal of a 20% reduction below 1990 levels by 2025. The State has made progress reaching this goal by receiving approximately 14% of its energy supply from renewable energy sources. The New Hampshire Energy & Climate Collaborative is monitoring the progress being made and notes that it will be a challenge to maintain positive trends "… without new efforts and maintained commitment to action."

Regarding water quality and water management plans, the state, with funding from the U.S. Environmental Protection Agency (EPA), demonstrated leadership in the mid 1970s by providing a major water quality planning grant to the Lakes Region Planning Commission in to identify non-point sources of pollution. This initial planning effort provided a solid foundation upon which other successful water quality planning occurred.

In the 21st Century, many lake associations in New Hampshire have prepared Watershed Plans supported, in part, by funds from Section 319 of the Clean Water Act. Several are in the Lakes Region, including: Mirror Lake in Tuftonboro, Newfound Lake in Bristol, Rust Pond in Wolfeboro, Webster Lake in Franklin and the Meredith-Paugus-Saunder Subwatershed Plan, as part of the Winnipesaukee Gateway. These plans include recommendations and specific actions to improve lake quality. In early 2013, the NH DES announced a $65,000 award to the Green Mountain Conservation Group to develop a watershed management plan for Ossipee Lake with a focus on the Danforth Pond subwatershed area.

With U.S. EPA assistance, the Department of Environmental Services has established the Total Maximum Daily Load (TMDL) program to mitigate lakes with impairments. A regional example is Middle Brook in Moultonborough where sediment deposits prevented safe passage through the Middle Brook Canal. The town and a local group, with EPA assistance through Section 319 and local financial participation, corrected the situation.

The 2003 study titled *Estimates of Select Economic Values of New Hampshire Lakes, Rivers, Steams and Ponds* prepared for the NH Lakes Associates notes the strong correlation between water quality and the economy. The following is a summary of the report's findings.

- The Total Sales generated by recreational uses (i.e., boating, fishing, swimming) of New Hampshire's freshwaters, and by public drinking water supplies, range from $1.1 billion to as much as $1.5 billion annually.

- Annually, there are approximately 14.7 million visitor days spent by both residents and nonresidents in New Hampshire boating, fishing, and swimming. These visitor days represent roughly 65% of the State's summer visitor days and roughly 25% of the State's annual visitor days.

- Days spent boating, fishing, and swimming collectively generate approximately:
    - $320 million to $340 million in annual household income;
    - 9,000 to 15,000 full- and part-time jobs; and,
    - $850 million to $1.2 billion in annual total sales represents 8% to 12% of the total impact of visitor spending on the state's economy.

- Nearly 200,000 households and businesses rely on public drinking water from surface waters supplies. This generates approximately $75 million to $150 million in annual household income, 1,900 to 2,600 full- and part-time jobs, and $276 million to $300 million in annual total sales.

- A preliminary estimate suggests that waterfront property owners on lakes, rivers, streams and ponds pay an estimated $247 million per year in property taxes.

The Governor's Water Sustainability Commission was created in 2011 and released its final report in December 2012. It urges the state to take a long-term approach to addressing water issues. For additional information, please see http://www.nh.gov/water-sustainability/

Energy

Since the publication of the CEDS in 2009, the state of New Hampshire has initiated several energy programs. While the efforts are programs and not a plan, they are noteworthy. In 2008, the Legislature created the Sustainable Energy Division in the NH Public Utilities Commission. The Greenhouse Gas Emissions Reduction Fund (GHGERF), a significant new program, is a dedicated fund created by New Hampshire legislation, RSA 125-O: 23. The source of the funding comes from New Hampshire's participation in the Regional Greenhouse Gas Initiative (RGGI). New Hampshire adopted the Regional Greenhouse Gas Initiative (RGGI) as part of a Northeast and Mid-Atlantic ten-state initiative to reduce greenhouse gas emissions that contribute to global climate change. The initiative creates a market for emission allowances through a regional cap-and-trade program for greenhouse gas emissions from area power plants. New Hampshire emissions allowances are sold at quarterly auctions and the proceeds fund the Greenhouse Gas Emissions Reduction (GHGER) Fund.

Under RGGI, the amount of emissions is inventoried and then an emission cap is established at a level below current levels. For more information on RGGI, please visit the DES website.

Also, in 2008, the Legislature established the Energy Efficiency & Sustainable Energy (EESE) Board pursuant to RSA 125-O:5-a, effective October 1, 2008. The intent of the ESEE Board is "to promote and coordinate energy efficiency, demand response, and sustainable energy programs in the state." The EESE Board is administratively attached to the NH PUC. The EESE Board recommends projects for funding, either as a grant or a loan.

Housing

The NH Housing Finance Authority plays the lead role in planning and coordinating housing policy in the state and prepares the following documents: *Consolidated Plan regarding the use of funds from the U.S. Department of Housing and Urban Development,* the *Biennial Housing Plan*, *State Housing Needs Assessment* and the *Analysis to Impediments to Fair Housing.*

Of particular note is the State Workforce Housing Initiatives. In June 2008, the Governor signed Senate Bill 342 into law which was codified into NH RSA 674:58-61, with an effective date of January 1, 2010. The legislation states:

> IN EVERY MUNICIPALITY THAT EXERCISES THE POWER TO ADOPT LAND USE ORDINANCES AND REGULATIONS, SUCH ORDINANCES AND REGULATIONS SHALL PROVIDE REASONABLE AND REALISTIC OPPORTUNITIES FOR THE DEVELOPMENT OF WORKFORCE HOUSING, INCLUDING RENTAL MULTI-FAMILY HOUSING. IN ORDER TO PROVIDE SUCH OPPORTUNITIES, LOT SIZE AND OVERALL DENSITY REQUIREMENTS FOR WORKFORCE HOUSING SHALL BE REASONABLE. A MUNICIPALITY THAT ADOPTS LAND USE ORDINANCES AND REGULATIONS SHALL ALLOW WORKFORCE HOUSING TO BE LOCATED IN A MAJORITY, BUT NOT NECESSARILY ALL, OF THE LAND AREA THAT IS ZONED TO PERMIT RESIDENTIAL USES WITHIN THE MUNICIPALITY. SUCH A MUNICIPALITY SHALL HAVE THE DISCRETION TO DETERMINE WHAT LAND AREAS ARE APPROPRIATE TO MEET THIS OBLIGATION. THIS OBLIGATION MAY BE SATISFIED BY THE ADOPTION OF INCLUSIONARY ZONING AS DEFINED IN RSA 674:21, IV(A). THIS PARAGRAPH SHALL NOT BE CONSTRUED TO REQUIRE A MUNICIPALITY TO ALLOW FOR THE DEVELOPMENT OF MULTIFAMILY HOUSING IN A MAJORITY OF ITS LAND ZONED TO PERMIT RESIDENTIAL USES.

The term "Workforce Housing" includes a broad range of owner and renter housing intending to meet the needs of families and individuals that represent the majority of New Hampshire's diverse workforce and whose family household income is generally below 120% of the area median. Workforce Housing is permanent housing, intended as a primary year-round residence that is available to households regardless of age. Workforce Housing can include, but is not limited to, subsidized and affordable housing. It is best provided near places of employment and transportation. In many parts of New Hampshire, regional housing coalitions have been established to promote and encourage the construction of workforce and affordable housing. In the Lakes Region, the Mt. Washington Valley Housing Coalition, the Eastern Lakes Regional Housing Coalition, and the Laconia Area Land Trust work in this field. See www.nhhfa.org for further information. In response to NH RSA 674:58-61, a few Lakes Region communities have adopted inclusionary zoning amendments to address this need.

Community Development

The NH Community Development Finance Authority is the granting agency that administers the state's Community Development Investment Program (CDIP or "Tax Credit" program) and the HUD Community Development Block Grant (CDBG) program for economic development, housing, public facilities, emergency situations and planning grants. NH CDFA also administers energy efficiency grants and loans and HUD's Neighborhood Stabilization Program. See www.nhcdfa.org for further information.

The Regional Level

Regional Planning Commissions

In 1969, the state of New Hampshire demonstrated support for local control by enabling municipalities to create regional planning commissions. In that year, the Governor established Executive Order 15 which established the boundaries of the regional planning commissions. Prior to then, a number of nonprofit organizations such as the Upper Valley Development Council, Inc. (1963) and Nashua Commission (1959) began forming around the state to meet the growing need to plan for development across municipal borders. In 1966, the Southern NH Planning Commission was established. The 1969 enabling legislation allowed two or more municipalities "by ordinance or resolution adopted by the respective legislative bodies of said municipalities, to form a regional planning commission."

Commissioners appointed by the municipal officers of each municipality govern regional planning commissions. Currently, 91 percent of New Hampshire municipalities are members of one of the nine regional planning commissions, demonstrating significant local support and the need for assistance. Overall, regional planning commissions receive less than two percent of their funding from state sources. This modest investment leverages enormous returns for the state. The budgets of the nine regional planning commissions combined are more than $8 million, with more than 90 employees.

Concerned about growing encroachment into wetlands and other sensitive environments, communities around Lake Winnipesaukee created the Lakes Region Planning Commission in 1969. The major duties of the regional planning commission are to prepare a "plan for the development of the region" or a Regional Plan and to provide technical assistance to its member municipalities. In the early 1970s, the LRPC prepared several regional water quality and lake plans. This water quality planning culminated with the development of the *Lakes Region Water Quality Plan* in 1978. This plan laid the groundwork for future local master plans and for local land use regulations. Over time, the commission prepared separate elements of the Regional Plan dealing with land use, transportation, housing and economic development.

From 1980 to 2000, the LRPC maintained a strong focus on environmental planning, while expanding its expertise in transportation, housing, mapping and economic development. LRPC continued to bring communities together to inform and collaborate on pressing issues related to growth, land use, and conservation. During this time, the LRPC assisted nearly every community with the preparation of local master plans, zoning ordinances, subdivision regulations and related land use management efforts.

Over the past decade, the LRPC has maintained its tradition of emphasizing sustainable economic development while fostering a more comprehensive approach to transportation and land use planning, including a deeper involvement with economic development activities. Examples of plans that have shaped local and regional policies include the *U.S. Route 3 Corridor Study*, the *NH Route 16 Corridor Study*, and the *Lakes Region Plan for Sustainable Development,* and the *Lakes Region Housing Needs Study*. For further information, see the LRPC website http://www.lakesrpc.org/index.asp.

A Granite State Future

In cooperation with the other eight RPCs, the LRPC received assistance in 2012 from the U.S. Department of Housing and Urban Development (HUD) to begin work on a new Regional Plan. Funding from HUD will enable the LRPC to prepare the Regional Plan based upon local values, needs and goals and present a vision for how the region and member municipalities may grow. The Lakes Region and its member municipalities continue to face important issues on water quality, transportation, land use, economic development, resource management, housing, public health, energy, and cultural and historic resources. A new Regional Plan will inform decision makers about these important issues and ways to address them. Working together under the Granite State Future project, the nine RPCs intend to work within a common framework to increase efficiencies and benefits for New Hampshire's residents. An initial activity of the Regional Plan is a broad public engagement process designed to seek the thoughts and ideas as to what residents and visitors like about the region and how they wish to see the Lakes Region develop in the next ten to fifteen years. In preparing the Regional Plan, LRPC will follow the seven NH Livability Principles:

- Natural Resource Functions and Quality;
- Climate Change and Energy Efficiency;
- Community and Economic Vitality;
- Social Equity and Engagement;
- Traditional Settlement Patterns;
- Transportation Choices; and
- Housing Choices

The Nashua Regional Planning Commission is serving as the lead agency in coordinating the work of the nine regional planning commissions in the Granite State Future project.

Lake Winnipesaukee Gateway

The Winnipesaukee Gateway (www.winnipesaukeegateway.org) is a combined effort of many partners to forge a unique, subwatershed approach to create an effective, sustainable, and phased planning and implementation process for Lake Winnipesaukee using state-of-the-art information systems. The Gateway provides a format and platform with the ability to deliver large amounts of data to key audiences, providing community officials, residents, schools, and visitors with information on natural resources, water quality, issues of concern, planning and management activities, best management practices, and opportunities for actions in the watershed.

The Meredith-Paugus-Saunders subwatershed was the first subwatershed plan to be completed. It was also the first EPA approved web-based subwatershed management plan in New Hampshire. The Misson Statement for that plan is as follows:

> *Work collaboratively as stakeholders to assess issues and concerns that impact our shared watershed resources; develop a management plan that will educate, motivate and be a catalyst for action that protects those resources for the people and communities of the Lake Winnipesaukee Watershed.*

That effort also identified the following:

- Lake Winnipesaukee contributes significantly to the size, diversity and stability of each of the local property tax bases.
- Lake Winnipesaukee attracts private investment to our towns and the region providing considerable opportunity and value to the investor.

- Lake Winnipesaukee is integral to our local economies and to the regional economy (tourism, commercial recreation, hospitality, employment).
- Lake Winnipesaukee provides an abundance of recreational opportunities, including swimming, boating and fishing that are enjoyed by residents and visitors alike.
- The water quality of Lake Winnipesaukee should not represent a threat to the public health of those that experience Lake Winnipesaukee.
- Lake Winnipesaukee is an important source of public drinking water.
- Municipalities expect to maintain local control over land use decisions.
- The numerous qualities of life associated with our position in the Lakes Region of New Hampshire motivate us to live, work and play here.

Regional Development Corporations

In the 1990s, the state worked to establish Regional Development Corporations, whose purpose is to assist existing and prospective businesses with financing, business planning, workforce development, and other related issues. The following five RDCs serve communities in the Lakes Region:

- Belknap Economic Development Council (BEDC);
- Grafton County Economic Development Council (GCEDC);
- Wentworth Economic Development Corporation (WEDCO);
- Mt. Washington Valley Economic Development Council (MWVEC); and
- Capitol Regional Development Corporation (CRDC)

The RDC have the following guiding principles.

RDC	Mission	Vision
BEDC	To promote economic vitality in Belknap County	BEDC will play a leadership role in efforts to leverage new resources, build strong partnerships, and attract new investment to create better economic opportunities for Belknap County residents.
GCEDC	The GCEDC is dedicated to improving the standard of living in Grafton County, NH by facilitating the creation and retention of high quality employment opportunities throughout the region and assisting each community to grow its economic base in a manner desired by its citizens.	GCEDC provides business assistance and financing, offers incentives, and promotes entrepreneurship
WEDCO	To promote and support the creation of employment opportunities by providing development assistance and	WEDCO is an integral part of the economic development resources in southern Carroll County and

	financing	northern Strafford County.
MWVEC	To enhance our communities by fostering the formation of new business and attracting businesses to relocate to the area, with a commitment to help them diversify, prosper and enhance their sustainability while preserving the region's natural beauty.	Continue to provide support to local businesses through educational programs geared towards small business, entrepreneurs and non-profit organizations. Continue to help finance local small businesses through the MWVEC's Revolving Loan Fund.
CRDC	To promote, support and facilitate economic development by fostering the creation and retention of quality jobs, enhancement in wages and property tax base expansion and to creatively pursue our goals, consistent with the continued stability of the organization.	Maintain a financially stable organization; seek strategic partnerships to improve product delivery; offer creative solutions to bridge lending gaps; work with municipalities to increase tax base and add value; seek real estate development opportunities in partnership with municipalities and developers.

Each RDC has prepared a work program for 2013.

Regional Housing Coalitions

Housing and economic development bear a close connection and relationship. Throughout the state, communities have established regional housing coalitions to promote workforce and affordable housing issues. The Eastern Lakes Region Housing Coalition, the Mt. Washington Valley Housing Coalition, and the Laconia Area Community Land Trust provide that service in the Lakes Region. In the Mt. Washington Valley, the Regional Development Corporation and the Regional Housing Coalition are closely aligned and worked together on a successful local business survey in 2011.

The Local Level

NH RSA 674:1 states: "It shall be the duty of every planning board established under RSA 673:1 to prepare and amend from time to time a master plan to guide the development of the municipality." For more than 40 years, the LRPC has provided all of its 30 member municipalities with assistance related to the preparation of a local Master Plan. In many communities, the LRPC has assisted with the entire update of the Master Plan. In others, LRPC may have prepared and administered a community survey or drafted a chapter or two of the plan. Generally, local Planning Boards tend to update their Master Plan every five to ten years depending on the amount of growth they are experiencing. Lakes Region communities have been diligent in meeting this legislative requirement as all Master Plan updates in the region have been completed within the last ten years. An up-to-date local Master Plan provides the foundation and justification for local land use regulations such as zoning, subdivision regulations and site plan review regulations. A current Master Plan and

Capital Improvements Program are requirements for a municipality to establish and maintain an impact fee system.

Common themes found in the Master Plans of Lakes Region communities include protecting and preserving the natural resources, balancing growth and economic development, encouraging economic diversity, improving local roadways and encouraging the construction of workforce housing. All Lakes Region municipalities recognize that by maintaining and enhancing their natural resource base, they will enhance their local tax base.

NH RSA 674:2 states that two sections are required for a Master Plan: a vision statement and a land use section. LRPC reviewed the 30 Master Plans and a summary of each local plan's vision statement is noted below.

Review of Lakes Region Master Plans

Municipality	**Vision Statement**	**Source**
Alexandria	Preserve the quiet and rural character of the Town with appreciation of nature, wildlife and conservation of natural resources. Concern with increase in population and impact on Town. Manage growth proportionate to local services. Job opportunities consistent with rural character.	Master Plan 2010; Vision forum and community survey
Alton	Alton desires to grow within the capabilities of the town's resources in a manner that is in harmony with its natural environment and provision of municipal services. The purpose of this Vision Chapter is to foster practices that will promote the wishes of the citizens of Alton to prepare the town for future growth. The town desires to plan for reasonable growth and yet preserve its "small town rural New England atmosphere." The residents of Alton value the lakes and mountains as tremendous assets to its recreational and economic base as well as to the scenic beauty of the area.	Master Plan 2007; followed by implementation actions
Andover	The Andover Planning Board developed eight guiding principles for the Vision statement. They are: 1) Maintain Andover's small town rural character; 2) encourage commercial activity that builds on the regional recreation and tourism economy; 3) create specific zones where small-scale light industry and commercial activities are allowed and encouraged; 4) preserve views, especially along major highways; 5) conserve natural resources – farm and forest lands, water resources, and wildlife habitat; 6) provide choices in housing types; 7) preserve Andover's historical places and assets.; coordinate with Proctor Academy on our respective plans for the future; 8) develop community infrastructure.	Master Plan 2012
Ashland	Enhance the Town's position as a destination for those seeking quality outdoor recreations; create a healthier and	Master Plan Chapters, July

	vital community by improving housing options; foster low-impact business opportunities. Future growth and development should be regulated by town policies and ordinances in compliance with the Master Plan. These policies and ordinances must protect our natural resources, community values, and preserve the essential rural character of the town.	2011; other Chapters in draft form.
Barnstead	Detailed statement for 2020: Town desires to "see the pleasing effects of planned growth."	Master Plan, 2002
Belmont	Guide growth … minimize impacts on natural resources; preserve / protect rural quality; develop village area; advocate adequacy for housing, community facilities and transportation; encourage compatible economic development; maintain … recreational choices; encourage participation of Belmont citizens.	Master Plan, 2002
Bridgewater	"Preserve the range of assets that the community has, including that friendly, small town feeling, and beauty and richness of its natural surrounding by working together to strengthen its land use regulations." … Bridgewater is open to change …	Master Plan, 2006
Bristol	Safeguard the rural quality; preserve historic assets; build to create enduring value and beauty; enhance Bristol's economic vitality through ongoing reinvestment in the downtown core; anticipate and address the housing needs of all community residents; conserve and showcase our natural resources; maintain the economic viability of Bristol's agricultural lands and forests; maintain the health of the natural systems; maintain and improve community assets supporting public safety, recreation, transportation and the general welfare.	Master Plan, 2006
Center Harbor	The overwhelming majority of residents want Center Harbor to remain the picturesque, close-knit community it is. While some change is inevitable, achieving balance between quality of life and growth is a goal of the Master Plan. Although maintaining the status quo is a widely held sentiment, it is not the function of a zoning ordinance to prevent all change and development, but rather to exert a measure of control over what change can take place in the orderly development of a town's landscape.	Master Plan, 2012
Danbury	The citizens of Danbury cherish their community history and as such have voiced their desire that Danbury continues to retain its "small town country atmosphere within a rustic setting well into the 21st Century." To fulfill this vision, Danbury citizens … strive to protect and preserve Danbury's natural resources while ensuring controlled residential, commercial and industrial growth; Danbury also encourages entrepreneurship and preservation of its agricultural farming	

	and livestock breeding.	
Effingham	A recurring theme that was discovered through the development of the Master Plan is that the people highly value maintaining the rural character and preserving the open spaces and pastoral settings of the community. There is also a desire to preserve the historical treasures in town such as the buildings.	Master Plan 2003
Franklin	Retain small town feeling; guide and manage growth so as to protect natural resources; preserve and protect the historical, architectural and cultural assets downtown and throughout the whole City … advocate the expansion of existing and establishment of new industries in the city …; provide adequate funding to maintain the roadways and associated infrastructure …; promote and emphasize … the positive aspects of the city.	Master Plan 2005
Freedom	In 2015, Freedom desires to be a rural, peaceful place which has maintained its scenic beauty and where these characteristics continue to define the Town. The Town will protect its water resources (lakes, rivers, aquifers) from contamination, depletion and disfigurement using effective watershed and shoreline management principles.	Master Plan 2008
Gilford	Gilford will continue to be a slowly growing rural community where residents and visitors enjoy an abundance of natural resources and recreation amenities. … residents and visitors are enriched by cultural, historical and educational opportunities. Gilford will continue to accommodate and be a good location for business . . .; Gilford will continue to be sensitive to and protective of the strong points that have historically defined her character …	Master Plan 2004
Gilmanton	Gilmanton values open space, forestry and agricultural uses and the historic nature of the community. Balancing growth and preservation … will require a concentrated effort through land regulation, promotion of economic growth in designated areas in the community and wise stewardship of the town's important water resources, wildlife habitat and ecological resources.	Master Plan 2005 Update in 2013
Hebron	In ten years, Hebron will still be a small, friendly, rural community of predominantly single-family homes, many being used as second or vacation dwellings. The need for affordable housing for all Hebron residents, including the elderly, will have been partially addressed by locating six to ten units of low-to-moderate income senior housing development within easy walking distance of Hebron Village. Any such development will be constructed to LEED standards and ideally would be owned and operated by a community not-for-profit organization. The townspeople will continue to support … recommendations of the Master	Master Plan 2010

	Plan …"	
Hill	In the coming years, the residents of Hill will continue to enjoy the scenic views, picturesque farms, 19th century homes that are located throughout town. The overall aesthetic experience that one enjoys when driving tree-lined country road with large open fields, will be protected. Development will be unobtrusive and to the greatest extent possible, designed to blend with its surroundings. Land use in the rural area will be mostly forestry and agricultural with some residential development.	Master Plan 2007
Holderness	Holderness's lakes mountains, lakes, hillsides, wood streams, wetlands, scenic views, geographic location and unique resource are important elements for residents, property owners and visitors. The future should be regulated by the town's policies and ordinances, which must protect natural resources … and preserve the essential rural character of the town.	Master Plan 2007
Laconia	Lakes and mountains contribute to the quality of life cherished by residents and visitors alike. The protection, enhancement and preservation of these irreplaceable natural resources are paramount. The City's rural character allows a buffer between urban areas. Compact, mixed-use and pedestrian friendly development is encouraged … The economy embraces a blend of industrial, manufacturing, commercial, retail and service opportunities together with a buoyant tourism sector.	Master Plan 2007 Vision 12/09/03
Meredith	Values and Vision Statement. Vision builds upon community-held values. Manage growth to promote a healthy, prosperous and successful community that reflects the town's common values. Recognize importance of natural protection, niche as a visitor destination, transportation management, community facilities, housing and strategic community planning.	Master Plan 2002
Moultonborough	Emphasis on natural resources, historic development, high quality of life and importance of economic growth. Separate vision statements for population and growth management, housing, water, natural ad environmental resources, historical / cultural character, public facilities, transportation and land use & economic development.	Master Plan 2008
New Hampton	A vast majority (of residents) mentioned its peaceful, charming, rural atmosphere with easy access to services via I-93, the friendliness of neighbors, the natural beauty, the privacy and quiet, simple country way of life. . . We (town of New Hampton) have identified the fact that we do want growth, but it must be specific, conservative and controlled.	Master Plan 2005
Northfield	<u>Strong Community Identity</u>: Northfield will remain a close-knit, rural community, which puts people first.	Master Plan 2003

	Preservation of Rural Character: Northfield will continue to preserve the rural character that people cherish so much. Preservation of Natural Resources: Northfield will be a place where Town residents and the natural environment co-exist. Viable Village Area: The village area will represent an historic district for the town. Commercial and Industrial Opportunities: Commercial; and industrial opportunities will expand in the future, providing new levels of economic vitality. Fair, Realistic and Affordable Community Facilities: The town of Northfield will remain a safe place to live and visit, with an excellent police department and fire department. Safe and Integrated Transportation System: Automobile transportation will remain the dominant mode of travel. Discussion of pedestrians, bicyclists and transit. Managed Growth and Development: Develop and implement a long-term Growth Management Ordinance. Northfield and its Region: The town of Northfield will continue to engage in activities that involve multiple municipalities.	
Ossipee	Overall goal: Ossipee is working towards an image of being a progressive, hard working, caring town with a high quality of life for residents of all income levels. It desires to promote and manage orderly growth within the capabilities of the town's resources in an equitable manner that is in harmony with the natural environment.	Master Plan 2009
Sanbornton	Sanbornton is a small community that values its rural character, has pride in its heritage and retains a strong relationship to its surroundings and natural resources. Guiding principles include: Protect and enhance our small town and historic character of a rural working landscape …; encourage efficient and sustainable development …; support farming and forestry …; encourage home-based businesses …encourage the provision and maintenance of an adequate and affordable housing supply …	Master Plan, 2012
Sandwich	Sandwich should: remain a highly desirable place to live and work by retaining its rural, quiet, small-town character through protection of its valuable natural resources, preservation of its cultural and architectural heritage and scenic beauty; be vibrant and diverse by promoting social, cultural, housing and recreational opportunities for all age groups; maintain its high quality of community facilities and services in a cost effective manner ; provide opportunities for employment and small scale business consistent with our rural character. Followed by Goals.	Master Plan 2011
Tamworth	In the year 2020 Tamworth residents will see that their town has avoided significant physical changes, but has refined	Master Plan 2008

	some of the many fine qualities that already exist. The small town, rural atmosphere and sense of community are intact …; new business opportunities are plentiful and natural resources are protected … residents, land owners and business owners continue to be good stewards of local resources; housing and infrastructure are safe, diverse, efficient and of high quality.	
Tilton	A vision for the future of Tilton as a thriving community must include positive improvements in the following areas: improving the quality of life for citizens through community and safety improvements; actively working to protect the natural resources that buffer the community from the development at Exit 20; thoughtfully planning for future capital needs of the community so that infrastructure keeps pace with growth needs.	Master Plan 2009
Tuftonboro	Citizens overwhelmingly want Tuftonboro to maintain its current small-scale rural character into the foreseeable future preserving the attributes that making living and recreating in the town so unique and special. Includes guiding principles.	Master Plan, 2007
Wolfeboro	In the future, Wolfeboro is a community that is the premier quality destination in the Lakes Region as a place to live and visit. It is a community that is sensitive to and protective of the environment, particularly, its abundant water resources; is visually appealing; preserves the qualities of its village and rural character; is safe; and provides quality year-round economic and recreational opportunities.	Master Plan, 2007

Through regular contact with its 30 member municipalities, the LRPC can advise and assist local Planning Boards with the update or refinement of its local Master Plan.

Lakes Region CEDS 2013

5. CEDS Goals and Objectives

Understanding and promoting economic growth in the Lakes Region are some of the fundamental principles of the CEDS. The CEDS Committee anticipates the guidance provided in this document will be a blueprint for future prosperity. The 2013 Goals and Objectives were developed following a comprehensive review of past goals, progress made since 2009, and more recent trends. Like the rest of New Hampshire, the Lakes Region is experiencing a number of new trends that differ significantly from those that were present in its more robust past. According to the NH Center for Public Policy, the state is faced with socioeconomic "headwinds" which include out-migration, an aging population, and decreased labor participation and productivity. These trends are projected to continue for the next several years.

The Goals and Objectives described in this section are designed to help the region weather this transition, and in the process retain its strong sense of place. Creating and supporting opportunities for entrepreneurs, the creative economy, and for attracting young people were among the new emphasis areas identified since the last update.

CEDS Committee Structure

The CEDS Committee has a key role in the preparation of the Lakes Region CEDS. The U.S. Economic Development Administration emphasizes the important relationships between the private, public and the non-profit sectors in the development and implementation of the CEDS.

Building upon existing working relationships between the Lakes Region Planning Commission and regional economic development councils, the CEDS Committee was created to be the strategy committee to represent the main economic interests of the region. Members of the CEDS Committee include business owners, senior management, government officials, and executives. The introduction of the CEDS document includes the membership roster. CEDS Committee members represent the following major Lakes Region stakeholder interests:

- Banking
- Hospitality/Tourism
- Manufacturing
- Healthcare/Social Services
- Education
- Housing/Real Estate
- Media/Communications
- Business and Business Services
- Environmental
- Public Organizations
- Private Non Profit

2013 Trends

The 2013 Demographic Chapter and Infrastructure Chapter, CEDS Committee meetings, input from economic development professionals and involved citizens provided information and insight relative to the emerging trends in the Lakes Region. The major regional economic and demographic trends include the aging of the population (aka "the Silver Tsunami"), out-migration, significant changes in the manufacturing sector, a decline in the number of persons in the 25 to 55 age group, and the overall slowdown in the creation of traditional employment opportunities.

In updating the CEDS goals, the CEDS Committee reviewed and discussed related social and economic trends in the region for guidance. The CEDS Committee noted the following key issue:

1. With a significant number of older persons retiring in the next several years, there is concern regarding the number of persons with the interest and skill set to fill jobs in manufacturing, health care and finance. Businesses may need assistance in finding new employees.
2. With the nature of work and a "job" changing, the workforce appears to have more self-employed persons, people with more than one job, and older persons remaining in the workforce beyond age 65, the traditional retirement age. Current data and information on these trends and information on the appropriate support structure for self-employed and freelancers will be helpful. Affordable health is an issue for these people.
3. As the population continues to age, many Lakes Region communities may lack the services and infrastructure necessary to accommodate these additional older and elderly people.
4. While the Lakes Region attracts tourists and retirees because of the region's natural amenities, the economy needs to be more multi-faceted. The CEDS Committee advocates that the region should also focus on the retention and attraction of high-quality, better paying employment opportunities in the professional arena, service sector, manufacturing sector and others. This may require additional emphasis on attracting young professionals, professional service firms, and small entrepreneurial businesses.
5. The region needs to work together to help promote and encourage employment opportunities for the workforce while keeping our communities healthy and balanced.

Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis

In 2007, the Lakes Region CEDS Committee completed the original regional analysis of the Lakes Region's Strengths, Weaknesses, Opportunities, and Threats (SWOT), which included two interactive meetings with a broad cross section of stakeholders. The CEDS Committee made the following observations:

<u>Over-reliance on Tourism Industry</u>: How can we diversify tourism to include higher wage jobs with low environmental impact? What level of tourism growth can realistically be achieved and be sustainable, both environmentally and economically? The CEDS should include strategies aimed at strengthening the tourism industry in these ways, and we should consider whether or not we want to encourage additional growth of this industry.

<u>Environmentally Friendly and Clean Energy Business</u>: Why do we not already see more entrepreneurial activity around environmental and clean energy ideas? It seems that the environment is an issue that brings people together and is a key part of our identity. Addressing the high cost of utilities by promoting alternative energy and energy conservation for homes and buildings could be a business opportunity.

<u>Agriculture and Forestry</u>: Another important part of maintaining our region's natural beauty, which is an important strength, is to make sure the "working landscape" (agriculture and forestry) is sustained. Better direct marketing to consumers through farmers' markets could support growing niche agriculture. Local wood processing could support forestry and keep our timber here.

<u>Affordable Housing</u>: The "real question" is how to make the provision of affordable housing realistic in the marketplace — how to "incentivize" property owners and developers to do it since the costs are often prohibitive.

<u>Workforce Development</u>: What are the labor force needs of the region, so we can focus our efforts therein, since it seems to be a weakness? How can we use partnerships to address workforce issues?

<u>Building on Retiree Expertise</u>: The expertise of the growing retiree population could be a significant resource for entrepreneurs and growing companies. How do we harness the expertise, energy, and civic-mindedness of this growing segment of our population?

<u>Structures for Implementation</u>: An important question is how do we define the intermediate steps to achieve goals identified through this process? What impediments stand in the way of achieving the goals we set? Which organizations or entities in the region should be responsible for implementing the various aspects of the CEDS? How do we build this implementation structure? The CEDS should include this information.

In 2013, the CEDS Committee elected to engage a larger pool of stakeholders using an online survey that was developed based on the 2009 SWOT results. Survey participants included the CEDS Committee, representatives of local governments and the business community, town and city planners, and the LRPC Commissioners.

Survey respondents reviewed and rated the priorities from the 2007 SWOT and provided comments. The priorities for each Strength, Opportunity, Weakness and Threat in the 2013 SWOT survey update are listed below in rank order. The online survey generated the ranking based on the number of positive responses to a particular question.

Strengths:

2013 Priority	2007 Priority
1. Natural beauty lakes and mountains	1.
2. Excellent location to raise a family or retire	5.
3. Strong tourism industry	6.
4. Internet access	4.
5. LRCC partnerships for business-specific training	2.
6. Local and Regional Eco Dev Councils support for business growth	3.
7. Manufacturing high-end specialty products	7.
8. Excellent location to Boston	8.

Weaknesses

2013 Priority	2007 Priority
1. Over-reliance on tourism, retail trade	1.
2. Lack of state support for quality education; dependence on local real estate taxes	4.
3. Lack of professional opportunities for young adults	6.
4. Lack of highly skilled workers, shrinking workforce	3.
5. Lack of affordable housing; no support	2.
6. Lack of workforce and capital for growing companies	8.
7. Growing wealth disparity; poverty	7.
8. Poor growth management at the local level	5.

Opportunities:

2013 Priority	2007 Priority
1. Telecommuting makes the Lakes Region a viable location	2.
2. Use significant expertise of retired executives	1.
3. Growing retiree population creates demand for health care	3.
4. Old mill buildings for creative spaces	4.
5. Return of locally born talent; now successful Lakes Region residents	5.
6. Capture Boston brain trust and seed capital	6.
7. Retirees to fill needs of seasonal employers	7.
8. Granite Media Center – foster growth of media industry	8.

Threats:

2013 Priority	2007 Priority
1. Continued increase in health care cost	3.
2. Continued reduction in manufacturing jobs	6.
3. Rise in the cost of housing due to 2nd homes & retirees	2.
4. Decline in seniors' incomes lead to poverty	1.
5. Weather patterns that affect tourism	8.
6. Changes in travel market could erode LR tourism economy	4.
7. Int'l ownership of corporations affects location decisions	7.
8. New business activity could threaten tourism and region's identity	5.

The following are brief observations of changes from 2007 to 2013.

Strengths: The natural beauty of the lakes and mountains retained its status as the number one regional strength, followed by an excellent place to either raise a family or retire; the latter was up several positions from 2007.

Weaknesses: While "Over-reliance on tourism and retail trade" retained its #1 ranking, the lack of state support for education, with over reliance on local real estate taxes moved to second from fourth place.

Opportunities: The results are nearly identical to the 2007 ranking. Telecommuting and use of retiree executive experience flipped in ranking as the 1st and 2nd regional opportunities in 2013.

Threats: In 2013, continued increase in the cost of health care is seen as the top threat, followed by a decrease in the number of manufacturing jobs, which was perceived as a lessor issue six years ago.

The CEDS Committee determined that the online survey provided ample opportunity for additional comments, and having analyzed the 2013 comments, the following new themes emerged for inclusion in the 2013 CEDS:

- Agriculture and farming;
- Arts and the creative economy;
- Entrepreneur support system in the region.

The Great Recession contributed to a decline in the cost of housing for both occupied and rental units, and thus made housing generally more affordable in the region. However, since late 2012, the housing market has improved with an increase in the number of sales and the price of housing. The NH Housing Finance Authority reports on its website a slow steady improvement in the statewide and regional housing markets.

Lakes Region CEDS Vision Statement

The CEDS Committee completed a review of the following Vision Statement, and determined it reflected a meaningful social and organizational future.

Recognizing the critical importance of maintaining and nurturing our natural environment and diverse cultural heritage, the Lakes Region Community will strive to improve the quality of life of its cities and towns through the increased capacity and prosperity of its businesses, civic, social, and education institutions, and its citizens. All our efforts will be characterized by respect, communication, cooperation and integration with others and will exhibit stewardship toward our magnificent natural resources.

CEDS Goals

The fundamental regional economic development goal is to:

Create suitable well paying jobs, consistent with the stewardship of the region's natural resources.

The CEDS Committee reviewed the 2009 goals and objectives and concluded that the goals of Building Employees, New Economy, Social Capital and Cultural Heritage, and Sustainability remain relevant. The Committee also added three new goals to foster Entrepreneurship, the Creative Economy, and Quality of Place.

In order to accomplish its goals and objectives, the CEDS Committee recognizes the critical importance of working closely with established economic development partners. The primary local partners are the regional economic development councils, local economic development committees, and the Lakes Region Community College. At the state level, support is available from the NH Department of Resources and Economic Development, and the Community Development Finance Authority.

In the next phase, the CEDS Committee will focus on implementation with assistance of representatives from the partner organizations to review and monitor the progress.

Workforce Development

CEDS Goal: Improve the preparation of the workforce by ensuring extensive coordination between educational and training organizations and the needs of business and industry.

Specific objectives include: To provide students with the necessary skills to fill positions in manufacturing resulting from attrition, retirement, and other causes; to enable displaced workers to qualify for jobs requiring high school diploma or GED as minimum educational requirements; and to inform students and the general public on the current nature and requirements of modern computer-assisted manufacturing processes.

To accomplish these goals, the CEDS Committee will collaborate with its regional partners to: encourage or host manufacturing roundtables, identify and advocate training opportunities, and sponsor Job Fairs.

New Economy

The term New Economy refers to an economy based on internet communications, social media and advanced technology.

CEDS Goal: To define where digitization, the internet, social media, and other future-oriented communications modes will take the regional economy so that the region can better take advantage of these new opportunities; to improve the region's technology infrastructure, specifically related to increases in bandwidth, reliability, redundancy, predictability, and access.

Specific objectives include: To increase bandwidth for the business community; to identify deficiencies and suggest improvements to the existing regional internet service; to work to improve reliability and redundancy.

To accomplish the objectives, the CEDS Committee will encourage the expansion of broadband in the region consistent with the forthcoming Regional Broadband Plan.

Social Capital and Cultural Heritage

Social capital refers to intangible aspects such as education, healthcare, a sense of community, and a general well being aspect of the community. Cultural heritage is the legacy of physical artifacts and intangible attributes of a society that are inherited from past generations, maintained in the present, and bestowed for the benefit of future generations

CEDS Goal: To strengthen social networks and build engaged communities through planning and the creation of opportunities for economic growth.

Specific objectives include: To promote civic engagement throughout the Lakes Region by developing a working list of civic engagement-promoting events; to develop a plan for advocacy for community engagement, and a community outreach strategy; to design an advanced and highly active website for volunteerism; to identify opportunities for expression around multiple issues affecting the common good in the region.

The CEDS Committee will work with Granite United Way to develop social-capital related criteria for reviewing projects and to work with the recently established Regional Leadership Team. In July 2012, the Lakes Region Planning Commission established the Regional Leadership Team as a mechanism to reach out to minority, disadvantaged, and underrepresented persons as part of the Lakes Region Plan process.

Sustainability - Energy and the Natural Environment

In the context of the CEDS, sustainability refers to a planned process of strategic activities and steps designed to increase local employment opportunities and community prosperity, while maintaining and improving the area's infrastructure, and natural resource base for future generations. Renewable energy development also needs to be balanced by responsible stewardship of the region's natural resources.

<u>CEDS Goal:</u> The built environment of the Lakes Region should be maintained and enhanced in an environmentally sustainable manner. To assist the Lakes Region in adjusting to the need for lower-cost and renewable fuels, while considering the impacts of these potential developments on the natural environment. To effectively protect or enhance natural resources through conservation efforts.

Specific objectives include: To promote energy conservation in partnership with the Lakes Region Community College; to maintain and improve the air quality of the region; to protect or enhance natural resources through conservation efforts.

The CEDS Committee will work with the Regional Development Corporations and the Lakes Region Community College to promote the concept of sustainability, especially as it relates to energy and natural resources.

Entrepreneurship

Entrepreneurship is the act and art of the creation of new business enterprises that oftentimes involves innovations and brings together new activities, approaches, finance, and business acumen. The intent is to transform the new business activity or enterprise into economic goods or services. This may result in a new organization or may be part of revitalizing mature organizations in response to a perceived opportunity

<u>CEDS Goal:</u> Expand entrepreneurship in the region by supporting entrepreneurs of all types, especially farmer entrepreneurs and artist entrepreneurs.

Specific objectives include: To identify and promote resources such as micro-lending, business counseling, training and other related activities that foster an entrepreneurial spirit in the region; to provide entrepreneurs with the knowledge, tools, resources, and financing necessary to ensure they are successful; to encourage "buy local" themes targeted to local residents, businesses and visitors; to identify impediments to entrepreneurship; to encourage cities and towns to assist entrepreneurs through a procedure of timely regulatory reviews and through consideration of a Tax Increment Financing (TIF) district and Economic Revitalization Zones(ERZ) when appropriate; to explore the creation of a Lakes Region Economic Development District.

The CEDS Committee will work with the regional development councils to promote and encourage entrepreneurship.

Creative Economy

The creative economy includes individuals working in activities, including but not limited to, advertising, architecture, art, crafts, design, fashion, film, music, performing arts, publishing, research and development, software development, toys, games, TV and radio, etc.

CEDS Goal: Support development of catalyst projects that can spur the creative economy such as public art, programming and other projects that enhance the visibility of the creative sector.

Specific objectives include: To promote activities that encourage local art festivals, fairs, and celebrations that can lead to new economic activity; to inform local governments, the business community and non-profit organizations on the benefits of the creative economy; to provide members of the creative sector with the knowledge, tools, resources and financing necessary to ensure their success; to develop projects that will encourage the creative sector to collaborate and work together to increase opportunities and visibility.

The CEDS Committee will work with the regional development councils to promote and encourage the expansion of a creative economy.

Improve Quality of Place

Quality of place refers to those characteristics that make a place or community special or unique, as well as to those that foster a sense of authentic human attachment and belonging. The characteristics could include scenic features of the landscape, such as mountains, lakes, rivers, and streams, a vibrant downtown or village area, an area with open space and a trail network, outdoor recreation opportunities.

CEDS Goal: Support projects that make the Lakes Region a more attractive, inviting, and affordable place for young people to live, work and play.

Specific objectives include: To encourage planning boards to prepare and or update the cultural and historic resources chapter of a local master plan so that the community can identify and preserve unique areas and places that add value to the community; to work with and support the regional development councils in their efforts to increase employment opportunities that provide young people with livable wages and benefits.

The CEDS Committee will also encourage local governments and the private sector to recognize that recreational trails, the preservation of unique buildings, forest lands, agricultural lands and other areas are important to maintaining the region's quality of place, sense of community, and identity.

Local Economic Development efforts

Most economic development activity occurs at the local level with regional and state partners often willing and available to provide technical assistance, information, and access to financing. In order for towns and cities to be effective in the economic development arena, there needs to be a level of local engagement in the process.

The following are potential work activities in which a local economic development entity can engage.

- Organize a local economic development committee;
- Provide leadership in the community for an appropriate level of growth based on local planning;
- Establish a business visitation program;
- Assist existing employers with retention and expansion issues;
- Cultivate new, entrepreneurial ideas and people;
- Identify business sectors and companies appropriate for the community;
- Consider branding the community by differentiating it from the competition;
- Be familiar with development financing alternatives such as grants, loans, credit enhancements, equity and when and where such financing may be needed;
- Real estate development – identify available land, buildings, and brownfield sites;
- Workforce development – encourage the retention and development of the existing labor force, and the building of the "smart skills" needed for tomorrow;
- Be knowledgeable of the industry clusters that drive the local economy, and what assistance/services they may need;
- Be knowledgeable of broadband and wireless tools, technology transfer from R&D facilities, creative economy opportunities, among others. Technology, innovation and productivity produce competitiveness and profitability; and
- Seek assistance from regional and state economic development organizations.

The regional economic development councils and corporations and the regional planning commission, listed below, can assist local governments and local economic development committees with the implementation of the 2013 CEDS. Assistance may also be available from state agencies such as DRED and CDFA.

Belknap Economic Development Council, 383 South Main Street, Laconia, NH 03246, 603-524-3057 info@bcedc.org

Grafton County Economic Development Council PO Box 178, Plymouth, New Hampshire 03264, 603-536-011 or toll free at 1.888.535.0002 info@gcedc.org

Wentworth Economic Development Corporation PO Box 641, 7 Center Street, Wolfeboro, NH 03894, 603-569-4216 info@wedco-nh.org

Mt. Washington Valley Economic Council 53 Technology Lane, Suite 100, Conway, NH 03818, 603-447-6622 info@mwvec.com

Capital Regional Development Council, P.O. Box 664, Concord, NH 03302, 603-228-1872 sheavener@crdc-nh.com

6. Plan of Action

The 2013 Lakes Region CEDS builds upon the past extensive strategic planning effort by the CEDS Committee in 2008 – 2009, the update of the Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis, and the updated Industry Cluster Analysis. Collectively, they contributed to the 2013 Lakes Region economic development goals. The purpose of the Plan of Action is to identify and develop programs, policies and projects that contribute to the implementation of the Lakes Region's economic development goals, with the fundamental intent of improving the quality of job opportunities in the region and adding real estate value to individual communities.

The following summarizes the process that the CEDS Committee and the LRPC staff followed to develop the Action Plan, and concludes with a list of potential economic development and community development projects. These projects are intended to reflect, and be consistent with the overall vision and the updated economic development goals and objectives, formulated during the course of numerous public meetings over the past year.

The Project Development Process

A part of the preparation of the 2013 Lakes Region Comprehensive Economic Development Strategy (CEDS), the CEDS Committee and the LRPC staff contacted the 30 municipalities in the region and solicited potential economic and community development projects consistent with the CEDS Goals & Objectives. In addition, the LRPC conducted two project solicitation workshops in February 2013, one in Laconia and the second in Center Ossipee. Furthermore, the staff re-contacted several communities to encourage the submission of a viable project for the CEDS.

The purpose of the above effort was to publicize the CEDS and generate applications for projects considered to have an economic development potential regardless of EDA funding eligibility. An emphasis was made to encourage the submission of projects that are eligible for EDA funding. Submittals included primarily local projects ranging from the future installation of a sewer line along NH Route 140 in Northfield, extension of municipal water in Tilton, redevelopment activities in Laconia, a comprehensive redevelopment program in Franklin, the "Missing Link Pedestrian Bridge" project (part of the Winnipesaukee River Trail) in Tilton and the revitalization of the Ossipee Grange into a sustainable building.

Some projects submitted for inclusion in this CEDS are in the planning and organizational stage.

Project Summaries

The project descriptions prepared and submitted by the project proponents are found below. The project submittal forms that include project cost estimates and more detailed explanations of how each project relates to the CEDS evaluation criteria are available for viewing in their entirety at the LRPC office.

NH Route 140 Sewer Improvements

The town of Northfield proposes construction of approximately 3,600 linear feet of gravity sewer line along NH Route 140, a sewage pumping station located at the northern terminus of the gravity line, and approximately 1,700 linear feet of sewer force main from the pumping station across the Winnipesaukee River to an existing interceptor sewer in Tilton operated by the Winnipesaukee River Basin Project. The project will serve 34 properties containing approximately 332 acres zoned for development. Properties are located either directly on NH Route 140 or on industrial/commercial subdivisions adjacent to the highway. The project will serve two existing industrial/commercial parks in addition to properties adjacent to these parks. The total project cost is estimated to be $950,000.

Business Park Drive Municipal Water Extension

The town of Tilton proposes to extend municipal water to the Nickerson Business Park, LLC. Nickerson Business Park LLC has proceeded with engineering plans to bring water into the park. Business Park Drive is town owned and maintained with municipal sewer to each lot. At present, there are three businesses in the park – PSNH, Spinnaker, and SeaLite LLC each using a private well. In order to make it economically feasible for any further development to occur in this park, the park needs municipal water for fire suppression purposes.

The three improved lots have a combined assessed value of $4,718,200 with 67,000 square feet of manufacturing buildings and 33,000 square feet of warehouse/office space. The three companies employ well over 200 people. The Business Park has a very desirable location (Exit 20 of I – 93 and NH Routes 3 and 11), which serves as the gateway into the Lakes Region. The potential exists to build out an additional 12 lots in the park. In addition, there are two undeveloped commercial/industrial zoned tracts (89 acres and 32 acres) abutting Business Park Drive. The extension of municipal water to this park would entice future manufacturing, warehouse and office buildings. The estimated project cost is $1,300,000 to extend the municipal water distribution system along Business Park Drive.

Comprehensive Redevelopment Project for the City of Franklin

The city of Franklin proposes a broad comprehensive program to accelerate the city's economic development and redevelopment efforts for the core downtown business zone. According to the U.S. Bureau of Census, this zone experiences economic distress as evidenced by high unemployment and low per capita income. The redevelopment efforts will provide relief and assistance that help to reduce and/or minimize this distress. The projects include economic revitalization, new job and housing opportunities, local recreational opportunities with a business component and planning in the context of smart growth initiatives. The intent is to advance the economic development process.

From mid 2013 to early 2014, the city will work on a detailed business development plan. Due to the early planning of this comprehensive project, the city has not prepared cost estimates but expects to develop cost estimates as specific work components are identified.

The "Missing Link Pedestrian Bridge"

The Winnipesaukee River Trail Association, Inc. (WRTA) proposes the "Missing Link Pedestrian Bridge" project. The WRTA is a unique coalition of volunteers representing local business, environmental, and health care organizations whose goal is to develop and maintain a multi-use trail along the Winnipesaukee River. By preserving and increasing access to the Winnipesaukee River and its natural surroundings, the trail connects the communities of Franklin, Northfield and Tilton, promotes economic development, and provides opportunities for recreation and alternative transportation designed to improve the physical health of community residents. The WRTA is in the process of constructing Phase II-A the "Missing Link Bridge" to bridge the gap in the Winnipesaukee River Trail. Completion of the bridge will link the downtown centers of Tilton, Northfield and Franklin, and the trail will eventually join the WOW trail in Laconia, and the Northern Rail Trail which runs from Lebanon through Franklin to Concord. The total project cost is approximately $1,625,000 of which $1,035,000 is committed with a gap of approximately $590,000. Note that the recreational trail network is making an important economic contribution to the Laconia – Tilton – Franklin area.

Laconia Redevelopment Projects

The city of Laconia submitted the following projects, several of which are in the planning stages.

- Downtown Riverwak: The city is in the process of completing a riverwalk along the Winnipesaukee River with the intent of it being an economic generator for the downtown. Phase I and II are complete. The total project cost is approximately $500,000
- Winnipesaukee Pier: This historic property is in need of redevelopment as a commercial recreation facility. The approximate total project cost is $3,800,000.
- Surf Coaster property: Redevelopment and renovation of the old water park into a hotel and major function facility. The total project cost is approximately $4,000,000.
- Garden Theatre: Redevelopment of the property with a mix of commercial and residential uses. The total project cost is approximately $2,000,000.
- Burial of utility wires in Weirs: Many of the tourists who visit the Weirs are attracted to the natural beauty and scenic views of Lake Winnipesaukee and the mountains. Since overhead utility wires detract from the overall attractiveness of the area, burial of these wires would add value and increase the potential for increased tourist activity. The approximate total project cost is $2,000,000.

Bridging Sustainability: A project to revitalize the former Ossipee Mt. Grange Hall

This project will reestablish the former Ossipee Mt. Grange Hall, located at #3 Pork Hill Road in Water Village, Ossipee, NH, as a center of economic, social, and civic activity. Each of the three floors of the building will host distinct ventures that together build local resiliency and improve quality of life. The first floor will serve as a local farmer and artisan "cottage industry cooperative". The second floor will be an assembly hall for arts, education, and civic engagement. And the third floor will serve as an entrepreneurial "green job" incubator and affordable shared office space where people can learn about triple bottom line business planning while sharing the expenses of computers, printers, software, high-speed internet, and office supplies.

The operational three floors will bridge New England's heritage of self-reliance with emerging innovations and best practices in sustainable community development. The project is based on the idea that designating local spaces for people to gather and meet their social and economic needs will move us toward a more sustainable society. Grange Halls filled this niche in the late 1800's, specifically for the agricultural population. Though the Grange is much less active today, their buildings are still standing and the resurgence of a "local food" movement and entrepreneurial artisans presents great opportunity to reclaim these historic buildings as hubs for community building and local economic revitalization. Estimated cost is $500,000. The project is in the planning stage.

Combined Heat and Power: The North Country Resource Conservation and Development Project proposes small scale combined heat and power facilities that utilize renewable fuels as a strategy to fill vacant space in existing business and industrial parks by providing heat and/or power to tenants of the parks. The availability of this energy may make the difference in a business deciding to locate in the Lakes Region. Creating this energy will help reduce the region's dependency on fossil fuels and reduce Co2 emissions. This project includes a survey of existing and proposed business and industrial parks in the Lakes Region and proposes a preliminary feasibility assessment around the creation of a combined heat and power facility to service one business or industrial park. The estimated cost: Phase 1 - Inventory: $5,000 and Phase 2 Feasibility: $40,000

Wood Pellet Feasibility Study Belknap County proposes a Wood Pellet / Wood Chip Feasibility Study to explore the potential for using a wood pellet or wood chip boiler to provide heat and hot water for the new County House of Corrections and the County Complex including the County Nursing Home. The study will explore the cost and availability of wood pellets and compare that cost with the cost of the existing natural gas system. In addition to investigating the economic feasibility of this heating system, the study will explore the economic impact on the county and region. The estimated cost is approximately $75,000.

Improvements to Water Delivery and Emergency Response Capabilities The North Country Resource Conservation and Development (NCRC&D) Project proposes the NH Rural Fire Protection Initiative (NHRFPI) to provide technical and planning assistance to rural communities in the Lakes Region to improve their water delivery capacity and emergency response capabilities. As of 2012, over seventy NH communities have worked with the NHRFPI to improve their ability to fight wild-land and structural fires in rural sections not served by pressurized water systems. This has created a workload of over one thousand non-pressurized hydrant or cistern type facilities to be installed. Rural NH communities need continued technical assistance for the design and installation of these facilities. Technical assistance will also help new communities identify, evaluate, and/or develop water delivery sites. Planning assistance will include a review of a community's current mitigation strategies and activities, and an assessment of their emergency response capability, fire fighting capacity, water supply resources, community development patterns, and identification of areas at risk. The review and assessment will be summarized in a Water Delivery and Emergency Response Plan. The estimated cost is $81,455 of which $40,000 is needed to initiate the plan.

Project Evaluation

A project scoring process was devised to quantify how each project met the EDA requirements and the 2013 Lakes Region CEDS goals, as included in the project submittal form and approved by the CEDS Committee. The scoring process developed by the CEDS Committee in 2009 takes into account how each project meets EDA goals. The 2013 scoring process generally follows the prior process. Projects were initially reviewed to determine if they addressed the key subject areas of the CEDS, and then were given points if they addressed the individual scoring categories. Timelines or the readiness of the project was also assessed and is an important factor in the overall scoring. The evaluation criteria used during the review process can be found in *Appendix 4*. The project evaluation scoring sheet can be found in Table 6.1, CEDS Project Evaluation Wooksheet.

Project Priority List

The following priority list stratifies the projects submitted to the CEDS Strategy Committee into two categories, (1) Implementation and (2) Planning/Organizational. The implementation projects are those that are ready or near ready for construction. Planning and organizational projects are still in the planning phase; supporters may elect to support them as development or construction activities in the future.

All submitted projects were evaluated and included in the overall priority list.

Projects Ranked in the 2013 Lakes Region CEDS

The stratified priority list of projects:

Implementation

1. Downtown Riverwalk, Laconia
2. Missing Link Pedestrian Bridge, Tilton
3. NH Rt 140 sewer extension, Northfield
4. Comprehensive redevelopment project, Franklin
5. Nickerson Business park, water extension, Tilton
6. Garden Theatre, Laconia
7. Ossipee Mt. Grange Hall, Ossipee
8. Winnipesauke Pier, Laconia
9. Burial of utility wires in the Weirs, Laconia

Planning/Organizational

1. Wood Pellet Feasibility Study, Belknap County
2. Combined Heat and Power

Table 6.1 - Lakes Region 2013 CEDS
Project Evaluation Form

	PROPOSED PROJECTS											
Project Evaluation Form: Staff will complete the Economic Distress Criteria by assigning a 3 or 0. For items 1, 2, and 3 enter 1 if the particular criterion is met and 0 if not. For item # 4 Project Readiness, indicate the time horizon by entering 2 for Short Term, 1 for Intermediate and 0 for Long Term in the appropriate cell.	Northfield - NH 140 Sewer Extension	Comprehensive redevelopment project - City of Franklin	"Missing Link" Pedestrian Bridge	Downtown Riverwak - Laconia	Winnipesaukee Pier - Laconia	Surf Coaster property - Laconia	Garden Theatre - Laconia	Burial of utility wires in the Wiers, Laconia	Ossipee Mt. Grange Hall	Combined Heat and Power	Wood Pellet Feasibility Study - Belknap County	Nickerson Business Park - water extension, Tilton
PROJECT EVALUATION CRITERIA												
ECONOMIC DISTRESS CRITERIA												
a. Is the project located in an area with an unemployment rate of at least 1% higher than the national average for the prior 24 months		3		3			3					
b. Is the project located in an area with a per capita income level at least 20% below the national level.												
1. SPECIAL NEEDS CRITERIA												
a. Substantial out-migration or population loss	0	0	0	0	0	0	0	0	0	0	0	0
b. Underemployment; that is, employment of workers at less than full-time or at less skilled tasks than their training or abilities permit	0	0	0	0	0	0	0	0	0	0	0	0
c. Natural or other major disasters or emergencies	0	0	0	0	0	0	0	0	0	0	0	0
d. Extraordinary depletion of natural resources	0	0	1	0	0	0	0	0	0	0	0	0
e. Closing or restructuring of an industrial firm or loss or other major employer	1	0	0	0	0	0	0	0	0	0	0	1
f. Negative effects of changing trade patterns.	1	0	0	0	0	0	0	0	1	0	0	1
2. EDA INVESTMENT POLICY GUIDELINES												
a. Be market-based and results-driven	0	0	0	0	0	0	0	0	0	0	0	0
b. Have strong organizational leadership	0	0	1	1	0	0	0	0	0	0	0	0
c. Advance productivity, innovation, and entrepreneurship	1	1	0	0	0	0	0	0	1	0	0	1
d. Look beyond the immediate economic horizon, anticipate economic changes, and diversify the local and regional economy	1	1	1	1	1	1	1	0	0	0	0	1
e. Demonstrate a high degree of commitment	1	0	0	1	0	0	0	0	0	0	0	0
3. LAKES REGION CEDS GOALS												
Indicate if the project address one or more of the CEDS goals.												
a. Building Employees: Improve the preparation of the workforce by ensuring extensive coordination between educational and training organizations and the needs of business and industry.	0	0	0	0	0	0	0	0	0	0	0	0
b. New Economy: More clearly define where digitization, the internet, and other future-oriented implications will take our economy so that we can better take advantage of them. Improve the region's technology infrastructure, specifically related to increases in bandwidth, reliability, redundancy, predictability, and access.	0	0	0	0	0	0	0	0	0	0	0	0
c. Social Capital and Cultural Heritage: Strengthening social networks and building engaged communities through planning, creating opportunities for economic growth.	0	0	1	1	1	0	1	0	1	0	0	0
d. Sustainability - Energy & Natural Environment: Help the Lakes Region adjust to energy challenges and changes and the impacts of these decisions on the natural environment. Through conservation efforts protect and enhance natural resources.	1	0	1	0	0	0	0	0	0	1	1	1
e. Entrepreneurship: Expand entrepreneurship programming in the region to support entrepreneurs of all types, but especially farmer entrepreneurs and artist entrepreneurs. Expand local programs that support local food production and distribution.	0	1	0	0	0	0	0	0	1	0	0	0
f. Creative economy: Support development of catalyst projects that can spur the creative economy such as public art, programming and other projects that enhance the visibility of the creative sector.	0	0	1	1	0	0	0	0	0	0	0	0
g. Improve Quality of Place: Support projects that make the Lakes Region a more inviting and affordable place for people and businesses.	1	0	1	1	1	1	1	1	1	0	0	1
4. PROJECT READINESS												
Short-Term (ST) (Up to 12-18 months) - Project is ready for construction or implementation within 12-18 months. Project proponents have site control for the project. Financing for the project has been identified and is in the process of being secured.	0	0	0	0	0	0	0	0	0	0	0	0
Intermediate (2-4 years) - Intermediate projects are those economic development projects that are expected to take 2-4 years to begin construction or implementation and that meet the previous criteria. Under this priority, site control and financing do not have to be under control.	1	1	1	1	0	0	0	0	0	0	0	1
Long-Term (5+ years) - Long-Term projects are those economic development projects that are expected to take 5 years to begin construction or implementation. These projects may be in the formation stages today and, due to limited resources or the amount of time until the project can be implemented, are not expected to begin for five years.	0	0	0	0	0	0	0	0	0	0	0	0
Scoring Summary												
Total Points	8.00	7.00	8.00	10.00	3.00	2.00	6.00	1.00	5.00	1.00	1.00	7.00
Does the Project meet EDA Eligibility? (Y/N)												

7. Implementation and Performance Measures

This section addresses two important components: implementation and performance measures. After the submission of the 2013 CEDS to the U.S. Economic Development Administration, the Lakes Region CEDS Committee and economic development partners will focus on the implementation of the CEDS goals and identified projects. The CEDS Committee will use the EDA criteria as a tool to measure the success in implementation of the CEDS goals. They include:

- Number of jobs created and retained as a result of the CEDS implementation effort;
- Number and type of investments undertaken in the region;
- Amount of private sector investment; and
- Changes in the economic environment of the Lakes Region.

An annual review of the region's economic environment using measures such as changes in employment and private sector investment is an effective way to monitor changes. Much of the current baseline socioeconomic data to start this comparison has been completed, and is found in the Demographics chapter. The CEDS Committee will review these data as new information becomes available. It is important to note that monitoring the effectiveness of the economic development strategies and action steps is an ongoing process and will be refined over time.

The top economic development projects for the 2013 CEDS are:

- Downtown Riverwalk, Laconia;
- "Missing Link" pedestrian bridge, Tilton;
- NH Route 140 sewer extension, Northfield;
- Comprehensive redevelopment project, Franklin; and
- Nickerson Business Park – water extension, Tilton.

The LRPC staff, in cooperation with the respective regional development corporation, will contact representatives from the above municipalities for the purpose of developing the specific project.

Qualitative Performance Measures

Each 2013 CEDS project is found in the Project Implementation and Performance Measures model worksheet on the following page. The CEDS Committee, LRPC, and the Regional development Councils/Corporations will use the worksheet to monitor progress and performance.

Table 7.1

Project Implementation and Performance Measures						
Project Name	**Potential Partners**	**CEDS Goals Addressed**	**Activities**	**Outputs**	**Outcomes**	**Indicators/Metrics**
Downtown Riverwalk, Laconia	Local Governments Town and City Planners Chambers of Commerce Non-profits Downtown (DT) business owners Recreational groups DT residential communities	Social Capital and Cultural Heritage Creative Economy Goal Improve Quality of Place	1. Obtain easements for riverwalk from river abutters 2. Partner with artist/theatre/recreation/environmental groups about using the riverwalk 3. Raise capital 4. Work with downtown (DT) business owners to link business and the river	1. Easements will be granted and the riverwalk will be built in phases with full build out expected in 10 to 15 years. The next phase should occur within 2 years. 2. Businesses will start to connect their commerce with the river and sponsor events (6 years).	The downtown community will thrive with a strong commerce, arts and marketplace scene. (15 years)	1. Easements 2. Measure number of events held at the Riverwalk 3. Fundraising 4. Less vacancy of DT businesses with increased customers and improved DT economy
Missing Link Pedestrian Bridge, Tilton	Local Governments Town and City Planners Lakes Region Planning Commission Chambers of Commerce Non-profits	Social Capital and Cultural Heritage Sustainability - Energy and the Natural Environment Improve Quality of Place Creative Economy	1. Build the bridge across the Winnipesaukee River Northfield to Tilton (4years) 2. Complete associated trail sections and connection through trail (4 years) 3.Committee meetings on bridge design, detailed trail route and green space associated with trail (4 years) 4. Recruit and train new volunteers (4 years) .	1. Bridge construction (< 4 years) 2. Next section of trail will be completed and connected (<4 years) 3. Increase municipal cooperation regarding land use planning and preserving of green space <4yrs 4. Meetings and trainings with trail committee and volunteers	1. Usage of the new bridge (4 years) 2. Use of trail and bridge to act as catalyst to reduce road with an increase in walking and bicycle (4 years) 3. New plans will be in place for the region (4 to 8 years) 4. Enhancement of the trail committee and the community volunteers in trail development and maintenance (4 years)	1. Bridge compliation certificate from DOT and Town of Northfield 2. Road use by bicycles declines and increase of walkers and bicyclists 3. Increase in the number of developments accessing trail sections 4. Increase in the number of new volunteers recruited and trained
NH Rt 140 Sewer Extension, Northfield	Local Governments Lakes Region Planning Commission Possible partner: Local businesses	Sustainability - Energy and the Natural Environment Improve Quality of Place	1. Secure funding needed to move project forward (4 years) 2. Complete final engineering/secure permits (4 to 8 years) 3. Construction (4 to 8 years)	Provision of sewer line to industrial areas (within 8 years)	Additional industrial development within project area (8 years).	1. Assessed valuation within project area (Town of Northfield); 2. Job creation (State of NH Dept. of Labor)
Comprehensive Redevelopment Project, Franklin	Regional Development Councils Local Governments Town and City Planners Lakes Region Planning Commission Chambers of Commerce Non-profits Economic Development Administration Local financial institutions property owners development companies	Entrepreneurship	1. Create a non-profit development and advisory group to assist in the promotion, oversight, and creation of re-development plans for downtown Franklin (8-14 months); 2. Establish on-going communications between the non-profit and the property owners and potential development partners to facilitate the development of cohesive development proposals (ongoing). 3. Work with the LRPC, the local Chamber, and the RDC to help frame the development plans to ensure viability (10-24 months) 4. Review city ordinances, approval mechanisms, and local economic development opportunities to ensure that they provide the flexibility needed while protecting the historic integrity of the City (ongoing) 5. Consider this broad economic re-development project in the next update to the City Master Plan (12-14 months) 6. Open communications with local financial institutions that can asssit in the funding for the various phases of the re-development work, and utilize their expertise in the development of the overall plans (8-24 months) 7. Utilize the existing planning documents and incorporate the relevant ideas and concepts into the overall re-development plan [16-20 months)	1. Updated Master Plan that discusses the downtown re-development plans (12-16 months) 2. Preparation of a promotional package that can be used to attract businesses and developers; this package would utilize a broad-brush re-development plan for the downtown area [16-20) months) 3. Creation of development agreements between property owners, the City, and a development company) (16-24 months) 4. Submission of site plan, or other applicable, application to the Planning Office (30-36 months)	1. Ensure that all of the partners are in agreement with the development plan. 2. Public hearings on the applications.Sumbission of site plan or other applicable application to the City Planning Office (36 +/- months) 3. The establishment of a strong cooperative relationship between property owners, the City government, and the development community to ensure long term viability and the return of vitality to downtown Franklin (12-36 months)	1. Approval by the Planning Board on a specific application. 2. Breaking ground on a re-development project on at least one downtown / mill building. 3. Creation of new commercial and residential spaces in the downtown area. 4. Creation of new job opportunities in the downtown. 5. Broad agreement that the development plans incorporate the historical protection of the critical city features and take advantage of the river and surrounding natural resources.
Nickerson Business Park, Tilton	Town of Tilton BEDC Community Development Finance Authority Local businesses	Sustainability - Energy and Natural Environment Improve Quality of Place	1. Begin design and engineering; 2. Work with Northfield Tilton Water District; 3. Secure funding; 4. Market property	Agreed upon plan and funding program for water extension	Additional parcels with water service	New businesses located in the park.
Garden Theatre, Laconia	Regional Development Councils Lakes Region Community College Local Governments Town and City Planners Lakes Region Planning Commission Chambers of Commerce Non-profits Economic Development Administration Local and regional Theatre and Arts groups DT businesses NH DRED	Social Capital and Cultural Heritage Improve Quality of Place	1. Purchase the building within 5 years 2. Interest a group to occupy the building for use as a theatre, arts, restaurant and storefronts (5 to 6 years) 3. Establish long term funding (income and fundraising) program (5 to 6 years) 4. Strong marketing plan for events	1. Building will be in new ownership with internet to use as arts establishment 2. Building will be open and scheduled for events 3. Programs will be well funded. State or regional support will be in place 4. Events will be well rounded and incorporated in the community with event partnerships with local businesses	A strong thriving arts community feeding a thriving DT economy	1. Deed 2. Building occupied 3. Strong financial position 4. Events are well attended
Ossipee Mt. Grange Hall, Ossipee	North Country Resource Conservation and Development Town and City Planners Lakes Region Planning Commission Chambers of Commerce Non-profits Agriculture Commissions	Social Capital and Cultural Heritage Entrepreneurship Improve Quality of Place	1. Market research and community survey to understand how this space could best serve the local community. (1 year) 2. Assist in the development of a business plan for re-purposing this historical venue to serve the creative economy and local resilience. (1 to 2 years) 3. Help develop a legal entity for the business, nonprofit or cooperative. (1 to 2 years) 4. Construction funding secured (2 to 3 years)	1. Report summarizing community feedback on prioritized needs, and preferences and strategies of how those needs could be met through a repurposing of the former Ossipee Mountain Grange Hall. (1 year) 2. Business plan that for the former Ossipee Mountain Grange Hall that responds directly to the community needs within the context of the CEDS goals listed above. (1 to 2 years) 3. Legal entity to implement the business plan (2 to 3 years) 4. Funding to meet building code requirements and launch the business (2 to 3 years)	1. Community ownership and buy-in of the revitalization project. (2-3yrs) 2. Vibrant creative economy venture that serves the social, economic, and ecological needs and desires of the community, while developing a strong sense of place. (3-5yrs) 3. Example of how old Grange Halls across the country can be redeveloped to serve current community needs and become a catalyst for a strong, local, resilient economy. (5 years)	1. Community participation in feedback/survey 2. Ability of business plan to leverage investment and capital. 3. Community indicators of increased social capital, sense of place, and environmental stewardship.
Winnipesauke Pier, Laconia	Regional Development Councils Local Governments Town and City Planners Lakes Region Planning Commission Chambers of Commerce Non-profits Economic Development Administration Weirs business community NH DES NH DRED Regional music organizations	Social Capital and Cultural Heritage Improve Quality of Place	1. Purchase the property. (no longer than 5 years) 2. Interest a group to occupy the property for use as a theatre, arts, restaurant and storefronts (5- 6 years) 3. Establish long term funding (income and fundraising) program (5 to 6 years) 4. Strong marketing plan for events	1. Building will be in new ownership with internet to use as arts establishment 2. Building will be open and scheduled for events 3. Programs will be well funded. State or regional support will be in place 4. Events will be well rounded and incorporated in the community with event partnerships with local businesses	A strong thriving arts community feeding a thriving Weirs economy	1. Deed 2. Building occupied 3. The operational budget is sustainable 4. Events are well attended

Table 7.1

Project Implementation and Performance Measures

Project Name	Potential Partners	CEDS Goals Addressed	Activities	Outputs	Outcomes	Indicators/Metrics
Burial of Utility Wires in the Weirs, Laconia	Regional Development Councils Local Governments North Country Resource Conservation and Development Town and City Planners Economic Development Administration Weirs business owners	Improve Quality of Place	1. Obtain proper easements and permits (2 to 3 years) 2. Obtain the funding (2 to 20 years) 3. Complete the project (10 years + or -)	1. Upgrades to the system could occur at the time of burial. 2. Laconia's tourist economy will be better protected from storms and natural disasters. 3. The aesthetic value of the Weirs will be much improved.	1. Better protected communication and infrastructure 2. Better aesthetic value of the Weirs resulting in a more robust economy (better view from hotel rooms and restaurant decks leading to premium pricing)	1. Easements, plans and permits in hand 2. Funding committed to complete the project 3. Increase in state rooms and meals tax showing the project is completed and leading to economic gains 4. Decline in power outages
Wood Pellet Feasibility Study, Belknap	North Country Resource Conservation and Development Lakes Region Planning Commission Non-profits Energy Service Company Jordan Institute	Sustainability - Energy and the Natural Environment	Feasibility study regarding using biomass fuel at the proposed new Belknap County house of corrections for heat load and possibly cogeneration. Time frame (less than 4 years).	Feasibility Report covering the use of local sustainable/renewable wood fuel for heating the county house of corrections or possibly the entire county complex. (<4 years)	A determination of whether the existing heating system at the county complex has the capacity to heat the entire complex, including the proposed new house of corrections. A determination as to whether fuel savings from biomass, along with the cost of installing a biomass system, could compete with the currently supplied natural gas that currently heats the complex. (less than 4 years).	This work could be completed with assistance from NCRCD, The Jordan Institute, an Energy Service Company, such as Honeywell etc.
Combined Heat and Power	Regional Development Councils Local Governments North Country Resource Conservation and Development Town and City Planners Lakes Region Planning Commission Economic Development Administration NH Wood Energy Support Team	Sustainability - Energy and the Natural Environment	1. Identify institutional facilities and business/industrial parks as potential users of wood biomass heat and electrical generation (less than 4 years) 2. Provide technical assistance to lead to feasibility planning 3. Project installation	1. Development of a project list 2. Potential facility owners aware of potential benefits 3. Completed feasibility studies 4. Installations	1. Lower energy costs (from conversion from non renewable fossil fuels to renewable wood biomass) 2. Full business/industrial parks offering domestic hot water or process steam and electricity to attract more tenants. 3. Jobs created 4. Strengthened wood products industry 5. Reduction in CO2 emissions	1. Number of identified facilities/parks- NCRC&D 2. Feasibility studies completed- NCRC&D 3. Projects installed- Owner

NH LAKES REGION
INDUSTRY CLUSTER ANALYSIS

Prepared for the

Lakes Region CEDS Strategy Committee

and the

Lakes Region Planning Commission

2012

Belknap County Economic Development Council

383 South Main Street, Laconia, NH 03246

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Executive Summary

The Lakes Region Planning Commission (LRPC) retained Belknap County Economic Development Council (BCEDC) to prepare an industry cluster analysis in the context of the 2012 update to the 2009 *Lakes Region Plan for Sustainable Development*, the region's Comprehensive Economic Development Strategy (CEDS). Support for this study was provided in part from the U.S. Economic Development Administration, the NH Office of Energy and Planning, and the NH Electric Cooperative.

An industry cluster develops when businesses in inter-related industries choose to locate in close proximity to take advantage of a region's inherent advantages. One of the most well-known examples of an industry cluster is Silicon Valley in California, known for its concentration of technology firms. While the Lakes Region does not possess industry clusters in this sense, this study provides critical insights into the make-up of the local economy which will help to focus regional economic development strategies so that they support critical industries and help foster future growth.

This study examines Quarterly Census of Employment and Wages (QCEW) data for the 30 municipalities in LRPC's service area for the 2006 to 2010 time period. The following are the key findings contained in this report:

- The Lakes Region lost 9.25% of private sector jobs from 2006 to 2010, compared to 5.79% lost at the national level (private sector job losses from 2000 to 2010 in the Lakes Region are about the same percentage). This is interesting because most analysts that discuss how New Hampshire and the Lakes Region economies are doing compared to the nation focus on our lower unemployment rates today and many other factors that make this state and region a great place to live and work, suggesting that New Hampshire has fared better than other parts of the country as the recovery continues to sputter along. It will be interesting to see if our recovery of jobs at business establishments was stronger than at the national level when data for subsequent years (2011 and beyond) are released. If not, one could surmise that our lower unemployment rate is attributable to other factors, such as out-migration and the shrinking of our workforce in general due to demographics, or higher numbers of self-employed workers and independent contractors. Many economists predict that the proportion of people working for themselves will continue to grow at a significant rate and will change the way businesses and jobs are defined in the future. Unfortunately, there are no good data available or even collected on this growing segment of the economy. It would be worthwhile to urge NH Employment Security to figure out ways to measure this hidden economic activity, which will likely become more important to the Lakes Region in the future.

- Advanced manufacturing, in particular of primary metals and metal products, is still a critical industry in the Lakes Region despite major changes in the last decade. Manufacturing provided over 10% of jobs in the Lakes Region in 2010. Employment in Primary Metal Manufacturing in the Lakes Region is five times as concentrated as at the national level based on the Location Quotient analysis contained in this report and for Fabricated Metal Product Manufacturing it is nearly four times as concentrated here than at the national level. In addition, an analysis done to identify local industries with a comparative advantage in the region suggests that the Lakes Region's strong manufacturing heritage and workforce have maintained our competitive edge in some manufacturing sub-sectors over the last 40 years.

  While total jobs in manufacturing declined by nearly 50% from 2000 to 2010, anecdotally we know that many local manufacturers have added jobs since the 2010 data were released. We also know that manufacturing jobs are some of the best paying jobs in the region. Many local firms in this industry specialize in components for defense and aerospace, so future changes in national defense policy could have a significant impact on demand for their products. In addition, these firms report experiencing increasing difficulty in finding qualified skilled workers which could jeopardize the future of advanced manufacturing in the Lakes Region as it increasingly relies on high technology for efficient production.

- Tourism and the second home owner market continue to be major drivers of local economic activity and jobs. This is a double-edged sword because while this activity attracts significant spending to the region, some of the jobs that this spending creates tend to be low-wage jobs that increasingly do not provide benefits or a living wage for local families, thereby creating greater demands on government and non-profit institutions. For example, poverty is higher (9.5% in Belknap County vs. 8.6% statewide in 2010 according to Census data) and significantly fewer adults in the Lakes Region have health insurance (77% here vs. 89% statewide according to LRGHealthcare). This means more people here than statewide cannot pay for the health care services they must consume. This is a serious problem because the health care industry is one of our top employers and provides quality jobs with benefits to Lakes Region residents.

- Looking toward the future, one potential bright spot is the growth in the Professional and Technical Services sector. Although total job numbers are relatively small, this sector grew during the recession, exhibits a growing concentration of employment, and possibly enjoys a comparative advantage in the region compared to the nation. Wages are high for this sector ($1,266 weekly in Belknap County in 2010) and many people who work in these jobs may fall into the unreported self-employed or freelancer category in the future, which could be a positive thing for our local economy in the future.

Introduction

The Lakes Region Planning Commission (LRPC) retained Belknap County Economic Development Council (BCEDC) to prepare an industry cluster analysis in the context of the update to the 2009 *Lakes Region Plan for Sustainable Development*, the region's Comprehensive Economic Development Strategy (CEDS).

An industry cluster develops when businesses in inter-related industries choose to locate in close proximity to take advantage of a region's inherent advantages. These businesses then become interdependent on each other, which enhances their operating environments and makes them more competitive in the global market. Most clusters form around institutions of higher education where high-tech research and development is taking place. One of the most well-known examples of an industry cluster is Silicon Valley in California, known for its concentration of technology firms.

While many rural areas do not contain true clusters as described above, the process of identifying strong and potential growth industries in a region, based on changes in employment and the relative concentration of employment in various industries over time, is a useful exercise for communities of all shapes and sizes.

The reader should note that most of the data in this report cover a different geographic area than most of the data used in the 2007 industry cluster analysis prepared for the original CEDS. The 2007 study covered all four Lakes Region counties in their entirety: Belknap, Carroll, Grafton, and Merrimack Counties. This new study examines employment data for the 30 municipalities in LRPC's service area from 2006 to 2010. LRPC's service area includes all of Belknap County and portions of Carroll, Grafton and Merrimack Counties.

Despite the use of different data sets for the more detailed levels of analysis, we have data on private sector employment going back to 2000 at the two-digit NAICS level for the 30 municipalities in LRPC's service area (see below for a description of NAICS). This enables us to establish some big picture trends in private sector employment from 2000 to 2010, even though we can't compare all the numbers in the 2007 report to the numbers in this study.

Data Sources & Methodology

The primary source of information on employment by industry is the Quarterly Census of Employment and Wages (QCEW). To examine employment characteristics and industry trends in the Lakes Region, QCEW data for the 30 municipalities in LRPC's service area from 2006 to 2010 were obtained from the NH Employment and Labor Market Information Bureau (ELMI) and used as the basis for the analysis contained in this report.

QCEW is a federal-state cooperative program. State employment security agencies compile the data from reports filed by employers each quarter. The federal Bureau of Labor Statistics then aggregates the data by industry and ownership. These aggregations are readily available to the public at the county, Metropolitan Statistical Area (MSA), state and national levels. In this case, the data for LRPC's study area, which does not fall along any of the typical geographic boundaries for which these data are available, were aggregated in a special report by ELMI.

QCEW data are gathered at all business establishments that participate in unemployment insurance, so the numbers are not estimated based on a sample – they are the actual numbers reported by all the businesses in a given geographic area. The data include all employment covered by unemployment insurance. This means that the self-employed, student workers, unpaid family workers and some agricultural workers are excluded.

Annual averages are used in this report to avoid the impact of any seasonal variances in employment. To the extent possible, data are presented at the three digit level of the North American Industrial Classification System (NAICS). As with many large data sets, there are limitations with QCEW data. At any geographic level, the publication of employment and wage data is withheld for any industry sector that consists of fewer than three reporting units (businesses), or in which a single establishment accounts for 80 percent or more of the industry's employment in that geographic area. In general, data that might identify a single employer cannot be publicly disclosed. Instances in which data are not reported for particular sectors due to these reasons are noted in all tables throughout the report.

Perhaps the most significant shortcoming of QCEW data, especially in the wake of upheaval in the global economy since 2007, is that they do not offer insights into the growing number of people forced into free-lancing and self-employment. This is a growing trend that could completely change the way business is done in a relatively short amount of time. One recent article by the Center for Communities of the Future described it like this: "Within the next 20 years, the largest corporation in the world may employ no more than 1,500 people, whose roles will be to facilitate networks of free agents and start-ups. By 2040, up to half of the workforce may be working from their homes for employers who may be on the other side of the world." ("Building and Connecting Communities for the Future." *The Futurist*, July-August 2012, Vol. 46, No. 4)

At this point in time, there are no other data that we can use at the local level to measure changes in business activity over time, but it is worth beginning a serious discussion at the local and state level about the problem that relying solely on QCEW data presents as our economy and the definitions of the terms "business" and "job" continue to change at a rapid pace.

Big Picture Trends in Private Sector Employment, 2000 to 2010

The table below shows changes in private sector employment at the two-digit NAICS level from 2000 to 2010 for the 30 communities in LRPC's service area. This is the only long-range employment data readily available to help us identify some big picture trends on changes in the Lakes Region economy.

Table 1

Overview of Private Sector Employment in the Lakes Region 2000 to 2010									
		2000		2005		2010		Change 2000 to 2010	
NAICS	Industry	# jobs	% total	# jobs	% total	# jobs	% total	# jobs	% change
11	Agriculture, Forestry, Fishing and Hunting	173	0.5%	147	0.4%	133	0.4%	-40	-23.1%
23	Construction	2,202	6.1%	2,777	7.7%	2,044	6.3%	-158	-7.2%
31-33	Manufacturing	8,376	23.3%	6,199	17.2%	4,194	12.8%	-4,182	-49.9%
42	Wholesale Trade	628	1.7%	798	2.2%	754	2.3%	126	20.1%
44-45	Retail Trade	7,349	20.4%	7,364	20.4%	6,818	20.9%	-531	-7.2%
48-49	Transportation and Warehousing	666	1.8%	623	1.7%	539	1.6%	-127	-19.1%
51	Information	436	1.2%	412	1.1%	394	1.2%	-42	-9.6%
52	Finance and Insurance	1,001	2.8%	1,025	2.8%	872	2.7%	-129	-12.9%
53	Real Estate and Rental and Leasing	469	1.3%	509	1.4%	387	1.2%	-82	-17.5%
54	Professional and Technical Services	952	2.6%	1,064	3.0%	1,189	3.6%	237	24.9%
55	Management of Companies and Enterprises	253	0.7%	433	1.2%	417	1.3%	164	64.8%
56	Administrative and Waste Services	988	2.7%	1,330	3.7%	1,245	3.8%	257	26.0%
61	Educational Services	862	2.4%	984	2.7%	969	3.0%	107	12.4%
62	Health Care and Social Assistance	4,846	13.5%	5,117	14.2%	5,592	17.1%	746	15.4%
71	Arts, Entertainment, and Recreation	874	2.4%	1,020	2.8%	1,093	3.3%	219	25.1%
72	Accommodation and Food Services	4,775	13.3%	4,990	13.9%	4,936	15.1%	161	3.4%
81	Other Services Except Public Admin	1,329	3.7%	1,224	3.4%	1,249	3.8%	-80	-6.0%
99	Unclassified Establishments	n		12	0.0%	n		n/a	n/a
	Total Private Sector	36,006	100.0%	36,028	100.0%	32,692	100.0%	-3,314	-9.2%
Note: does not include self-employed.									

The most significant changes in the Lakes Region economy according to these data are:

- Overall, private sector employment decreased by 9%.

- Manufacturing employment decreased by nearly 50% -- this represents a significant contraction in a critical local industry in a relatively short period of time. Manufacturing went from the biggest private employment sector in 2000 to the fourth largest in 2010.

- Health care and social assistance grew steadily in absolute terms and as a percentage of private sector employment. This is largely a function of local demographics, but can be an important driver of job creation in a sector that offers quality job opportunities for local residents.

- The positive growth rates in professional and technical services; management of companies and enterprises; and administrative and waste services is significant even though overall employment in these sectors is still relatively small.

Employment by Major Industry Division

The analysis of 2006 to 2010 data begins with a snapshot of employment by major industry sector at the two-digit NAICS level. In contrast to Table 1, the following analysis includes public sector employment such as local schools, town administrative staff, and state or federal offices in the region. Table 2 below organizes the employment sectors from largest to smallest and shows the total number of jobs in each sector, the percentage of total jobs in each sector and the change in jobs in each sector from 2006 to 2010. During this time period, which covers the Great Recession, the Lakes Region lost 7.5% of total jobs and 9.3% of private sector jobs.

Table 2

Overview of Employment Super-Sectors in the Lakes Region 2006 to 2010

		2006		2010		Change 2006 to 2010	
NAICS	**Industry**	**# jobs**	**% total**	**# jobs**	**% total**	**# jobs**	**% change**
	Government	7,099	16.3%	7,221	17.9%	122	1.7%
44-45	Retail Trade	7,370	16.9%	6,818	16.9%	-552	-7.5%
62	Health Care and Social Assistance	5,261	12.1%	5,592	13.9%	331	6.3%
72	Accommodation and Food Services	4,998	11.5%	4,936	12.2%	-62	-1.2%
31-33	Manufacturing	5,857	13.4%	4,194	10.4%	-1,663	-28.4%
23	Construction	2,828	6.5%	2,044	5.1%	-784	-27.7%
81	Other Services Except Public Admin	1,299	3.0%	1,249	3.1%	-50	-3.8%
56	Administrative and Waste Services	1,425	3.3%	1,245	3.1%	-180	-12.6%
54	Professional and Technical Services	1,099	2.5%	1,189	2.9%	90	8.2%
71	Arts, Entertainment, and Recreation	1,084	2.5%	1,093	2.7%	9	0.8%
61	Educational Services	951	2.2%	969	2.4%	18	1.9%
52	Finance and Insurance	1,028	2.4%	872	2.2%	-156	-15.2%
42	Wholesale Trade	834	1.9%	754	1.9%	-80	-9.6%
48-49	Transportation and Warehousing	619	1.4%	539	1.3%	-80	-12.9%
55	Management of Companies and Enterprises	481	1.1%	417	1.0%	-64	-13.3%
51	Information	424	1.0%	394	1.0%	-30	-7.1%
53	Real Estate and Rental and Leasing	513	1.2%	387	1.0%	-126	-24.6%
22	Utilities	227	0.5%	236	0.6%	9	4.0%
11	Agriculture, Forestry, Fishing and Hunting	129	0.3%	133	0.3%	4	3.1%
21	Mining	101	0.2%	88	0.2%	-13	-12.9%
99	Unclassified Establishments	8	0.0%	n	n/a	n/a	n/a
	Total	43,627	100.0%	40,370	100.0%	-3,257	-7.5%
	Total Private Sector	36,536	83.7%	33,149	82.1%	-3,387	-9.3%

Note: does not include self-employed.

Despite these significant job losses, the top five employment sectors in the region are the same as they were in the 2007 study:

- Government
- Retail
- Health Care
- Accommodation & Food Service
- Manufacturing

Another important issue to call attention to is the fact that two of the lowest-paying employment sectors (retail and accommodation & food service) comprise nearly 30% of total jobs in the Lakes Region in 2010. Average weekly wages are not included in the data we received from ELMI for the 30 municipalities in the Lakes Region, but average wages are included in the data provided by county on ELMI's website. Average weekly wages for retail in Belknap County in 2010 were $475 and for accommodation & food service they were $339. For comparative purposes, average weekly wages in manufacturing were $927 and in health care and social assistance they were $867.

In addition, most low-wage service jobs do not provide health insurance and other benefits that families rely on. According to information supplied to BCEDC by LRGHealthcare, only about 77% of adults in their service area have health insurance versus 89% statewide. This creates an unsustainable environment for our local hospitals, which is also one of our top employment sectors, because they essentially don't get paid for a significant portion of the services they provide.

The 2009 CEDS called out the over-reliance on tourism as one of the region's weaknesses. The fact that the basic composition of employment has not changed significantly since 2005 indicates that this is still a weakness that should be addressed by local leaders. The regional development corporations in the Lakes Region all provide gap financing and start-up financing to businesses in a variety of non-tourism related sectors. The Belknap County Economic Development Council's 2012-2015 strategic plan is focused on attracting young professionals and entrepreneurs and enhancing workforce development programs in the region to help build a more sustainable economic and social environment in the Lakes Region. The Mount Washington Valley Economic Council runs a business incubator in Conway that serves the northeastern part of the Lakes Region and Grafton County Economic Development Council is currently building a business incubator in downtown Plymouth that will serve the northwestern part of the region.

Largest Industries by 3-Digit NAICS Code

Table 3 below provides a snapshot of the top 20 employment sectors by three-digit NAICS, which gives a finer level of detail on the largest employment sectors in the Lakes Region. The top 20 are organized from largest to smallest and the table also shows the change in jobs from 2006 to 2010. Despite the fact that data are withheld for hospitals as a category, we included this sector in the table because we know anecdotally that combined employment at hospitals in the Lakes Region probably put this industry at number one or two on the list.

Table 3

20 Largest Employment Sub-Sectors in the Lakes Region 2006 to 2010				
NAICS	**Industry**	**# Jobs 2006**	**# Jobs 2010**	**Change 2006 to 2010**
	Local Government	5,679	5,895	216
622	Hospitals*	n	n	n/a
722	Food Services and Drinking Places	3,831	3,691	-140
621	Ambulatory Health Care Services	1,511	1,660	149
445	Food and Beverage Stores	1,610	1,639	29
332	Fabricated Metal Product Manufacturing	1,627	1,545	-82
721	Accommodation	1,168	1,245	77
541	Professional and Technical Services	1,099	1,189	90
238	Specialty Trade Contractors	1,547	1,105	-442
561	Administrative and Support Services	1,268	1,094	-174
623	Nursing and Residential Care Facilities*	1,351	n	n/a
	State Government	1,053	989	-64
611	Educational Services	951	969	18
441	Motor Vehicle and Parts Dealers	1,063	877	-186
713	Gambling, Recreation, Amusement Industries	834	789	-45
444	Building Material and Garden Supply Stores	879	765	-114
454	Nonstore Retailers	879	716	-163
452	General Merchandise Stores	558	638	80
448	Clothing and Clothing Accessories Stores	553	620	67
331	Primary Metal Manufacturing	741	606	-135
	Total Jobs in Top 20	28,202	26,032	-819
	Total Private Sector Jobs in Top 20	22,523	19,148	-1,035
** data are incomplete due to small number of entities reporting*				

Changes in Employment by 3-Digit NAICS

In general, most employment sectors experienced job losses between 2006 and 2010 due to the recession. However, there were a few sectors that added jobs. Table 4 below shows *all* of the sectors that exhibited positive job growth during this time period, organized by the change in number of jobs.

Table 4

Sectors with Positive Employment Growth 2006 to 2010					
NAICS	**Industry**	**# Jobs 2006**	**# Jobs 2010**	**Change 2006 to 2010**	**% Change**
	Local Government	5,679	5,895	216	3.80%
621	Ambulatory Health Care Services	1,511	1,660	149	9.86%
541	Professional and Technical Services	1,099	1,189	90	8.19%
5412	Accounting and Bookkeeping Services	128	212	84	65.63%
452	General Merchandise Stores	558	638	80	14.34%
721	Accommodation	1,168	1,245	77	6.59%
5415	Computer Systems Design and Related Services	90	166	76	84.44%
448	Clothing and Clothing Accessories Stores	553	620	67	12.12%
446	Health and Personal Care Stores	206	269	63	30.58%
517	Telecommunications	114	172	58	50.88%
813	Membership Associations and Organizations	371	409	38	10.24%
711	Performing Arts and Spectator Sports	165	199	34	20.61%
5611	Office Administrative Services	85	119	34	40.00%
445	Food and Beverage Stores	1,610	1,639	29	1.80%
5413	Architectural and Engineering Services	285	308	23	8.07%
712	Museums, Historic Sites, Zoos, and Parks	85	105	20	23.53%
611	Educational Services	951	969	18	1.89%
811	Repair and Maintenance	425	439	14	3.29%
443	Electronics and Appliance Stores	66	80	14	21.21%
314	Textile Product Mills	15	29	14	93.33%
311	Food Manufacturing	12	23	11	91.67%
488	Support Activities for Transportation	19	29	10	52.63%
221	Utilities	227	236	9	3.96%
113	Forestry and Logging	35	44	9	25.71%

In contrast, Table 5 below shows all of the sectors that experienced significant job *losses* from 2006 to 2010, defined as a loss of 50 or more jobs. The biggest job losses are concentrated in manufacturing, construction, and retail.

Table 5

Sectors with Job Losses of 50 or More 2006 to 2010					
NAICS	**Industry**	**# Jobs 2006**	**# Jobs 2010**	**Change 2006 to 2010**	**% Change**
5617	Services to Buildings and Dwellings	639	589	-50	-7.82%
321	Wood Product Manufacturing	200	150	-50	-25.00%
	State Government	1,053	989	-64	-6.08%
551	Management of Companies and Enterprises	481	417	-64	-13.31%
335	Electrical Equipment and Appliances Manufacturing	140	73	-67	-47.86%
531	Real Estate	356	276	-80	-22.47%
332	Fabricated Metal Product Manufacturing	1,627	1,545	-82	-5.04%
812	Personal and Laundry Services	385	294	-91	-23.64%
447	Gasoline Stations	674	581	-93	-13.80%
442	Furniture and Home Furnishings Stores	277	184	-93	-33.57%
333	Machinery Manufacturing	220	127	-93	-42.27%
451	Sporting Goods, Hobby, Book, and Music Stores	259	151	-108	-41.70%
522	Credit Intermediation and Related Activities	663	554	-109	-16.44%
444	Building Material and Garden Supply Stores	879	765	-114	-12.97%
331	Primary Metal Manufacturing	741	606	-135	-18.22%
722	Food Services and Drinking Places	3,831	3,691	-140	-3.65%
454	Nonstore Retailers	879	716	-163	-18.54%
326	Plastics and Rubber Products Manufacturing	378	208	-170	-44.97%
561	Administrative and Support Services	1,268	1,094	-174	-13.72%
441	Motor Vehicle and Parts Dealers	1,063	877	-186	-17.50%
236	Construction of Buildings	799	493	-306	-38.30%
339	Miscellaneous Manufacturing	928	505	-423	-45.58%
238	Specialty Trade Contractors	1,547	1,105	-442	-28.57%
334	Computer and Electronic Product Manufacturing	1,059	542	-517	-48.82%

Location Quotients

Location quotients (LQs) show the ratio of employment concentration in a particular industry at the local level to the employment concentration in that same industry at the state, regional, or national level. LQs help us identify industries where a local area has a strength or a weakness. An LQ greater than 1.20 means an area has a strong concentration of employment in the industry. An LQ less than 0.80 means an area has a weak concentration of employment in the industry. Table 6 shows the three-digit NAICS private sectors in the Lakes Region with LQs higher than 1.2 in 2006 and 2010 compared to the US economy. The sectors are grouped by major industry division.

Table 6

Lakes Region : US Private Sector Location Quotients > 1.2, 2006 to 2010						
NAICS	Industry	2006 jobs	2010 jobs	2006 LQ	2010 LQ	LQ Change
113	Forestry and Logging	35	44	1.58	2.51	0.93
212	Mining, except Oil and Gas	101	88	1.42	1.38	-0.04
221	Utilities	227	236	1.28	1.37	0.09
236	Construction of Buildings	799	493	1.38	1.29	-0.09
237	Heavy and Civil Engineering Construction	482	445	1.53	1.76	0.23
321	Wood Product Manufacturing	200	150	1.11	1.41	0.30
326	Plastics and Rubber Products Manufacturing	378	208	1.47	1.07	-0.40
331	Primary Metal Manufacturing	741	606	4.94	5.37	0.43
332	Fabricated Metal Product Manufacturing	1,627	1,545	3.25	3.88	0.63
334	Computer and Electronic Product Manufacturing	1,059	542	2.51	1.58	-0.92
339	Miscellaneous Manufacturing	928	505	4.42	2.86	-1.57
441	Motor Vehicle and Parts Dealers	1,063	877	1.72	1.72	0.00
442	Furniture and Home Furnishings Stores	277	184	1.47	1.35	-0.12
444	Building Material and Garden Supply Stores	879	765	2.05	2.15	0.09
445	Food and Beverage Stores	1,610	1,639	1.77	1.87	0.10
447	Gasoline Stations	674	581	2.42	2.28	-0.14
448	Clothing and Clothing Accessories Stores	553	620	1.18	1.44	0.26
451	Sporting Goods, Hobby, Book, and Music Stores	259	151	1.22	0.80	-0.42
453	Miscellaneous Store Retailers	347	299	1.21	1.24	0.03
454	Nonstore Retailers	879	716	6.36	5.54	-0.83
562	Waste Management and Remediation Services	157	151	1.40	1.36	-0.04
611	Educational Services	951	969	1.33	1.26	-0.07
711	Performing Arts and Spectator Sports	165	199	1.30	1.62	0.32
712	Museums, Historic Sites, Zoos, and Parks	85	105	2.17	2.64	0.47
713	Gambling, Recreation, Amusement Industries	834	789	1.85	1.83	-0.02
721	Accommodation	1,168	1,245	1.97	2.28	0.31
722	Food Services and Drinking Places	3,831	3,691	1.27	1.26	-0.01

The LQ analysis reveals that, despite the significant job losses in manufacturing, the Lakes Region still has a significantly higher concentration of employment in several manufacturing industries than the US economy as a whole, which is a notable strength considering that advanced manufacturing is an export-oriented sector that brings significant wealth into host communities (four times the wealth that the travel & tourism industry imports, according to a March 2011 study by the New Hampshire Center for Public Policy Studies).

Location Quotients – Lakes Region Compared to NH

Table 7 below provides an LQ analysis using the state of NH as the reference geography. Using the state as the benchmark provides a slightly different view of the Lakes Region's strengths, but mostly reinforces the findings of the LQ analysis presented above.

Table 7

Lakes Region : NH Private Sector Location Quotients > 1.2, 2006 to 2010						
NAICS	Industry	2006 Jobs	2010 Jobs	2006 LQ	2010 LQ	LQ Change
111	Crop Production	82	77	1.51	1.50	-0.01
221	Utilities	227	236	1.22	1.45	0.24
236	Construction of Buildings	799	493	1.60	1.55	-0.06
237	Heavy and Civil Engineering Construction	482	445	2.30	2.69	0.39
238	Specialty Trade Contractors	1,547	1,105	1.21	1.23	0.02
331	Primary Metal Manufacturing	741	606	3.43	3.64	0.21
332	Fabricated Metal Product Manufacturing	1,627	1,545	2.11	2.29	0.18
339	Miscellaneous Manufacturing	928	505	2.48	1.85	-0.63
441	Motor Vehicle and Parts Dealers	1,063	877	1.25	1.25	0.00
442	Furniture and Home Furnishings Stores	277	184	1.26	1.24	-0.02
444	Building Material and Garden Supply Stores	879	765	1.27	1.30	0.03
447	Gasoline Stations	674	581	1.91	1.95	0.04
454	Nonstore Retailers	879	716	2.31	2.19	-0.12
512	Motion Picture and Sound Recording	93	67	1.75	1.71	-0.04
562	Waste Management and Remediation Services	157	151	1.37	1.49	0.13
711	Performing Arts and Spectator Sports	165	199	1.32	2.15	0.83
712	Museums, Historic Sites, Zoos, and Parks	85	105	2.36	2.90	0.54
713	Gambling, Recreation, Amusement Industries	834	789	1.43	1.36	-0.07
721	Accommodation	1,168	1,245	1.89	2.21	0.31
722	Food Services and Drinking Places	3,831	3,691	1.30	1.34	0.04
814	Private Households	117	107	2.24	1.85	-0.39
5617	Services to Buildings and Dwellings	639	589	1.31	1.32	0.01

When compared to the US, the Lakes Region has 27 sectors with LQs higher than 1.2. When compared to NH, the Lakes Region has 22 sectors with LQs higher than 1.2. When compared to both the US and NH, the following 16 sectors have LQs higher than 1.2, which reinforces the idea that these are significant concentrations of employment in the Lakes Region:

1. Utilities
2. Construction of Buildings
3. Heavy and Civil Engineering Construction

4. Primary Metal Manufacturing
5. Fabricated Metal Manufacturing
6. Miscellaneous Manufacturing
7. Motor Vehicle and Parts Dealers
8. Furniture and Home Furnishings Stores
9. Building Material and Garden Supply Stores
10. Gasoline Stations
11. Waste Management and Remediation Services
12. Performing Arts and Spectator Sports
13. Museums, Historic Sites, Zoos, and Parks
14. Gambling, Recreation, Amusement Industries
15. Accommodation
16. Food Services and Drinking Places

With the exception of manufacturing, most of the employment concentrations present in the Lakes Region are likely attributable to the strong tourism and second home market, which drives higher than average consumption of utilities, construction, retail, restaurant, and entertainment goods and services. Tables showing LQs for all industries organized by NAICS can be found in Appendix 1.

Changes in Location Quotients over Time

Another way to use LQ analysis is to examine how LQs change over time. By comparing LQs in 2006 and 2010, we can see which industries are growing stronger and weaker. The LQs in this section all use the US as the reference geography.

- A high LQ that is increasing suggests an industry that is important to the local economy, with a growing concentration of employment relative to the national economy. Industries in this category may require additional analysis to understand what is driving their growth and how it can be sustained.

- A high LQ that is declining is indicative of an industry that is important to the local economy but that may be at risk of layoffs, relocation, or other economic disruptions, possibly requiring some level of intervention. A declining LQ does not necessarily mean that an industry is losing jobs in absolute terms; it may be worth digging deeper to understand what is going on.

- A low LQ that is increasing over time indicates an industry that may not be important now, but could be a source of future growth.

Table 8 below shows the sectors that had LQs of 1.2 or greater in 2006 and which increased in strength over the 2006 to 2010 period. They are grouped by major industry division. As the reader can see from the table, Primary Metal Manufacturing and Fabricated Metal Product Manufacturing have the highest LQs in both 2006 and 2010, with significant increases in relative employment concentration. Although both sectors lost jobs in this time period, these high and increasing LQs demonstrate how important these sectors are to the local economy. Anecdotally, we know that many metal product manufacturers in the region have experienced increased demand since the end of 2010 and have added jobs as a result. Most of the local firms in this sector produce components for the defense industry, which proved to be somewhat recession-proof this time around. However, current and future budget debates at the federal level could have significant impacts on this sector.

Many of the other sectors shown in Table 8 are part of the tourism and second home owner economy which may explain why they grew in relative strength despite the recession (and why some even added jobs). Wealthy second home owners and tourists probably buoyed demand in many retail sectors that experienced dramatic declines at the national level.

Table 8

Lakes Region : US Private High And Increasing LQs 2006 to 2010						
NAICS Code	**Industry**	**2006 jobs**	**2010 jobs**	**2006 LQ**	**2010 LQ**	**LQ Change**
113	Forestry and Logging	35	44	1.58	2.51	0.93
221	Utilities	227	236	1.28	1.37	0.09
237	Heavy and Civil Engineering Construction	482	445	1.53	1.76	0.23
331	Primary Metal Manufacturing	741	606	4.94	5.37	0.43
332	Fabricated Metal Product Manufacturing	1,627	1,545	3.25	3.88	0.63
441	Motor Vehicle and Parts Dealers	1,063	877	1.72	1.72	0.00
444	Building Material and Garden Supply Stores	879	765	2.05	2.15	0.09
445	Food and Beverage Stores	1,610	1,639	1.77	1.87	0.10
453	Miscellaneous Store Retailers	347	299	1.21	1.24	0.03
711	Performing Arts and Spectator Sports	165	199	1.30	1.62	0.32
712	Museums, Historic Sites, Zoos, and Parks	85	105	2.17	2.64	0.47
721	Accommodation	1,168	1,245	1.97	2.28	0.31

Table 9 shows the employment sectors with LQs greater than 1.2 in 2006, but which decreased in relative strength from 2006 to 2010. The most dramatic declines are found in two manufacturing sectors: Computer and Electronic Product Manufacturing and Miscellaneous Manufacturing. It is likely that the loss of approximately 500 jobs in Computer and Electronic Product Manufacturing during this time period is the result of significant cutbacks at Aavid Thermalloy's Laconia plant, in addition to cutbacks at a number of other smaller plants in the region. Demand for components produced by these regional manufacturers fell dramatically during the recession as consumers and businesses held off on computer and electronics purchases. Similarly, the significant job losses in Miscellaneous Manufacturing are likely due to decreased demand during the recession.

Table 9

Lakes Region : US Private High But Decreasing LQs 2006 to 2010						
NAICS	Industry	2006 jobs	2010 jobs	2006 LQ	2010 LQ	LQ Change
212	Mining, except Oil and Gas	101	88	1.42	1.38	-0.04
236	Construction of Buildings	799	493	1.38	1.29	-0.09
326	Plastics and Rubber Products Manufacturing	378	208	1.47	1.07	-0.40
334	Computer and Electronic Product Manufacturing	1,059	542	2.51	1.58	-0.92
339	Miscellaneous Manufacturing	928	505	4.42	2.86	-1.57
441	Motor Vehicle and Parts Dealers	1,063	877	1.72	1.72	0.00
442	Furniture and Home Furnishings Stores	277	184	1.47	1.35	-0.12
447	Gasoline Stations	674	581	2.42	2.28	-0.14
454	Nonstore Retailers	879	716	6.36	5.54	-0.83
562	Waste Management and Remediation Services	157	151	1.40	1.36	-0.04
611	Educational Services	951	969	1.33	1.26	-0.07
713	Gambling, Recreation, Amusement Industries	834	789	1.85	1.83	-0.02
722	Food Services and Drinking Places	3,831	3,691	1.27	1.26	-0.01

Table 10 includes all the sectors with LQs below 1.2 in 2006 but which increased in relative strength from 2006 to 2010. Although these industries may not be considered critical employment sectors now, some of them could be a source of future growth. Economic development strategies to nurture their development may be warranted and should be discussed. In particular, the growing strength of Professional and Technical Services (three sub-sectors of which are also included at the bottom of the table) is of note, as is the growth in Ambulatory Health Care Services.

Table 10

Lakes Region : US Private Low But Increasing LQs 2006 to 2010						
NAICS	**Industry**	**2006 jobs**	**2010 jobs**	**2006 LQ**	**2010 LQ**	**LQ Change**
238	Specialty Trade Contractors	1,547	1,105	0.99	1.025	0.04
311	Food Manufacturing	12	23	0.03	0.05	0.03
314	Textile Product Mills	15	29	0.29	0.78	0.49
321	Wood Product Manufacturing	200	150	1.11	1.41	0.30
336	Transportation Equipment Manufacturing	79	77	0.14	0.19	0.05
423	Merchant Wholesalers, Durable Goods	376	368	0.38	0.43	0.06
443	Electronics and Appliance Stores	66	80	0.37	0.51	0.14
446	Health and Personal Care Stores	206	269	0.66	0.88	0.22
448	Clothing and Clothing Accessories Stores	553	620	1.18	1.44	0.26
452	General Merchandise Stores	558	638	0.58	0.68	0.10
488	Support Activities for Transportation	19	29	0.10	0.17	0.07
517	Telecommunications	114	172	0.36	0.61	0.25
541	Professional and Technical Services	1,099	1,189	0.46	0.51	0.05
561	Administrative and Support Services	1,268	1,094	0.49	0.50	0.01
621	Ambulatory Health Care Services	1,511	1,660	0.88	0.89	0.01
811	Repair and Maintenance	425	439	1.06	1.24	0.18
813	Membership Associations and Organizations	371	409	0.87	1.00	0.12
5412	Accounting and Bookkeeping Services	128	212	0.44	0.77	0.33
5413	Architectural and Engineering Services	285	308	0.64	0.77	0.13
5415	Computer Systems Design and Related Services	90	166	0.22	0.37	0.15
5611	Office Administrative Services	85	119	0.71	0.93	0.22

Shift-Share Analysis

Shift-share analysis is another widely used tool that illuminates the strengths or weaknesses of a local economy. Shift-share analysis decomposes changes in local employment over a given period of time into three contributing factors or "components:"

1. National Share: This tells us how employment was expected to change in an industry based on the overall growth (or contraction) of the national economy. It is based on the percentage change in employment for all industries nationwide. In other words, it answers the question, "If employment in local industry X changed at the same rate as total employment in the nation, what would employment in local industry X be?"

2. Industry Mix: This measures how a particular industry was expected to change at the local level based on how that industry performed at the national level during the time period under study.

3. Local Share: This measures how many jobs that exist at the end of the study period in local industry X are attributable to some regional characteristic and not because of changes in national growth or changes in this industry at the national level. A positive local share suggests that an industry may enjoy a comparative advantage in the region, and vice versa if the local share is negative.

The complete results of the shift-share analysis for the Lakes Region from 2006 to 2010 can be found in Appendix 2. The following summarizes the key findings.

- From 2006 to 2010, employment in the private sector decreased by approximately 5.79% at the national level. In the Lakes Region, private sector employment decreased by 9.25% during this same period. This is interesting because most analysts that discuss how NH and the Lakes Region economies are doing compared to the nation focus on our lower unemployment rates today and many other factors that make this state and region a great place to live and work. It will be interesting to see if our recovery of jobs was stronger than at the national level when data for subsequent years are released or to surmise if our lower unemployment rate is attributable to other factors, such as higher numbers of self-employed workers and independent contractors/freelancers (NH ranks in the top 10 states for self-employed workers according to an August 2012 blog post by economic consultants Camoin Associates titled "Featured Indicator: Self-Employed Workers" found at www.camoinassociates.com/blog/).

- Despite the significant losses of jobs at business establishments, there are a number of industries that appear to be doing better than would be expected based on national growth (or contraction) overall and in the specific industry nationally. These industries exhibit a positive "Local Share" and are shown below in Table 11.

Table 11

Shift Share Analysis 2006 to 2010: Competitive Local Advantage							
		Jobs Change			Components of 2010 Jobs		
NAICS Code	Industry	2006 jobs	2010 jobs	Change	National Share	Industry Mix	Local Share
Declining Nationally but Competitive Advantage Locally							
113	Forestry and Logging	35	44	9	33	-4	15
237	Heavy and Civil Engineering Construction	482	445	-37	454	-53	44
238	Specialty Trade Contractors	1,547	1,105	-442	1,458	-354	1
314	Textile Product Mills	15	29	14	14	-3	18
321	Wood Product Manufacturing	200	150	-50	188	-66	28
331	Primary Metal Manufacturing	741	606	-135	698	-120	28
332	Fabricated Metal Product Manufacturing	1,627	1,545	-82	1,533	-188	200
336	Transportation Equipment Manufacturing	79	77	-2	74	-15	17
423	Merchant Wholesalers, Durable Goods	376	368	-8	354	-21	35
443	Electronics and Appliance Stores	66	80	14	62	-2	20
444	Building Material and Garden Supply Stores	879	765	-114	828	-68	5
517	Telecommunications	114	172	58	107	-1	66
811	Repair and Maintenance	425	439	14	400	-12	50
5413	Architectural and Engineering Services	285	308	23	269	-5	44
Growing Nationally and Competitive Local Advantage							
221	Utilities	227	236	9	214	15	7
311	Food Manufacturing	12	23	11	11	0	11
445	Food and Beverage Stores	1,610	1,639	29	1,517	93	29
446	Health and Personal Care Stores	206	269	63	194	15	60
448	Clothing and Clothing Accessories Stores	553	620	67	521	5	94
452	General Merchandise Stores	558	638	80	526	39	73
488	Support Activities for Transportation	19	29	10	18	0	11
711	Performing Arts and Spectator Sports	165	199	34	155	10	33
712	Museums, Historic Sites, Zoos, and Parks	85	105	20	80	9	15
721	Accommodation	1,168	1,245	77	1,100	17	128
813	Membership Associations and Organizations	371	409	38	350	22	37
5412	Accounting and Bookkeeping Services	128	212	84	121	6	85
5415	Computer Systems Design and Related Servic	90	166	76	85	17	64
5611	Office Administrative Services	85	119	34	80	14	24

In addition to reinforcing what we already learned about the strengths of the local economy (manufacturing and tourism & second home owner market), the shift share analysis also reinforces the idea that Professional and Technical Services may be an industry sector that can be cultivated by regional economic development strategies.

Table 12 below shows the industries that exhibited a negative Local Share number during the 2006 to 2010 time period. If any of these industries are important to local communities, economic developers should be aware that cultivating growth in these sectors could prove to be challenging.

Table 12

Shift Share Analysis 2006 to 2010: No Local Competitive Advantage							
		Jobs Change			Components of 2010 Jobs		
NAICS Code	Industry	2006 jobs	2010 jobs	Change	National Share	Industry Mix	Local Share
Growing Nationally but Maybe No Local Competitive Advantage							
111	Crop Production	82	77	-5	77	3	-3
424	Merchant Wholesalers, Nondurable Goods	260	233	-27	245	3	-15
425	Electronic Markets and Agents and Brokers	198	153	-45	187	18	-52
447	Gasoline Stations	674	581	-93	635	6	-60
454	Nonstore Retailers	879	716	-163	828	26	-138
512	Motion Picture and Sound Recording	93	67	-26	88	4	-25
524	Insurance Carriers and Related Activities	281	233	-48	265	2	-34
551	Management of Companies and Enterprises	481	417	-64	453	47	-83
562	Waste Management and Remediation Services	157	151	-6	148	14	-10
611	Educational Services	951	969	18	896	166	-93
621	Ambulatory Health Care Services	1,511	1,660	149	1,424	283	-47
713	Gambling, Recreation, Amusement Industries	834	789	-45	786	44	-41
722	Food Services and Drinking Places	3,831	3,691	-140	3,609	246	-164
812	Personal and Laundry Services	385	294	-91	363	17	-86
814	Private Households	117	107	-10	110	31	-34
5416	Management and Technical Consulting Service	136	120	-16	128	20	-28
5614	Business Support Services	70	60	-10	66	6	-12
5616	Investigation and Security Services	84	77	-7	79	7	-9
5617	Services to Buildings and Dwellings	639	589	-50	602	15	-28