

Newmarket Economic Development: Key Study Conclusions and Outline of Recommendations



PRESENTATION AND DISCUSSION

November 21, 2013

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Economic Development Goals



- Expand property tax base
- Increase availability of local goods and services
- Grow consumer markets to foster new business development and business growth
- Ensure adequate commercial space to accommodate desirable business development
- Promote development that retains the town's rural character and quality of life



Key Conclusions from the Analysis

Key Conclusions from the Analysis



- **Business targets consistent with local and regional economic trends and community preferences**
 - Business services
 - Professional and technical services
 - Medical services
 - Small technology startups, including UNH spin-offs
 - Independent and boutique retail and consumer services
 - Small grocery, specialty foods
 - Food and beverage establishments
 - Craft products
 - Internet sales

Key Conclusions from the Analysis



- **Development likely to be incremental**
 - Sites most suitable development generally small – i.e., under 5 acres
 - Businesses in targeted industries generally have 20 or fewer employees, with space requirements of 10,000 sf or less
 - Few opportunities for large-scale development given Newmarket's location, accessibility issues, and developable sites
- **High commercial occupancy rate makes additional commercial property development a precondition for business growth**

Key Conclusions from the Analysis



- Achieving goal of measurably reducing property tax rate would require a very aggressive commercial development effort
 - To reduce tax rate by \$1.00 would require an increase in valuation of commercial properties by \$46.3 million, from \$125.7 million in 2011 to \$172.0 million, or 37 percent*
 - Would require aggressive marketing of commercial sites and flexible approach to development

*Assuming \$.26 in municipal costs for each additional dollar in revenue raised, based on national Cost of Community Services Studies

Key Conclusions from the Analysis

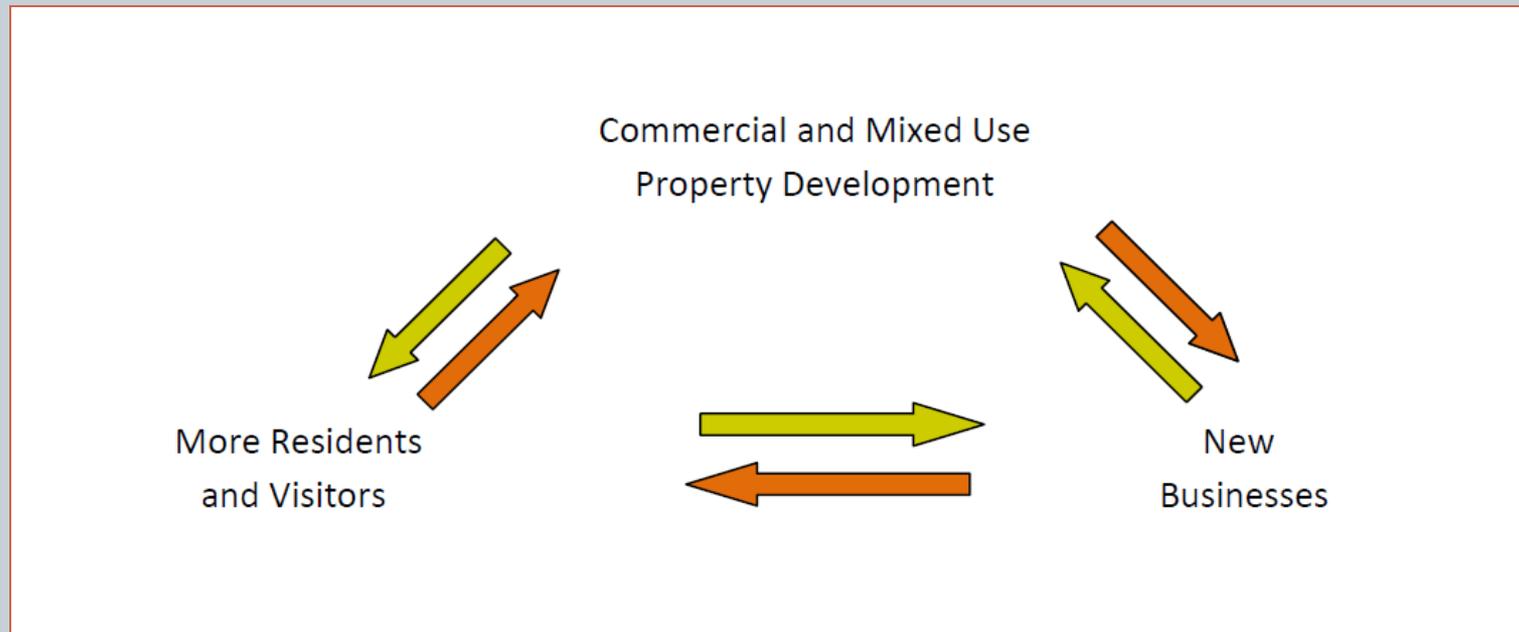


- **Downtown offers most favorable economic development opportunities**
 - Build on success of Newmarket Mills
 - Attractive features
 - ✦ Eclectic business mix
 - ✦ Growing dining and cultural/entertainment options
 - ✦ Riverfront
 - Several sites available for development, redevelopment and residential-to-commercial/mixed use conversion
 - Good match with business growth opportunities
 - Enhances town's appeal as a business location – makes proximity to downtown an advantage

Key Conclusions from the Analysis



- Mutually reinforcing elements can catalyze downtown's further development



Key Conclusions from the Analysis

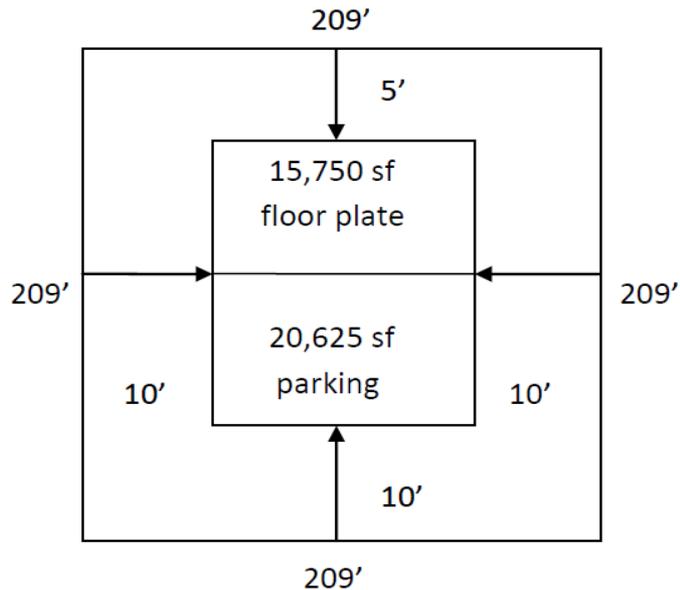


- Residential provisions of M-2 and M-2A zones are likely to hinder the objective of mixed-use
 - Residential density limit (6 units/acre)
 - ✦ Creates financial and design hurdles
 - ✦ 3-floor (M-2A) to 5-floor (M2) heights provided for in the zoning could not be achieved for 1st floor commercial with upper floor residential developments
 - ✦ Mixed use office/residential example suggests that residential density restrictions would prevent full second floor residential if 1st floor is developed at maximum allowable square footage (see following slide):

Key Conclusions from the Analysis

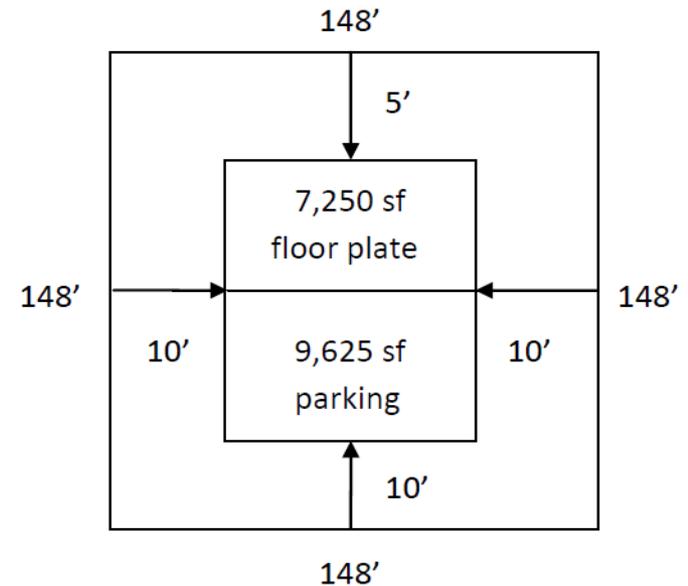


1-acre lot



63 employees @ 250 sf = 15,750 sf
75 parking spaces @ 162 sf + aisles @ 70% = 20,625 sf
6 condominium units @ 1,200 sf + 10% common area = 7,920 sf, or 50% of floor plate

½-acre lot



29 employees @ 250 sf/employee = 7,250 sf
35 parking spaces @ 162sf + 70% aisles = 9,625 sf
3 condominium units @ 1,200 sf + 10% common area = 3,920 sf, or 54% of floor plate

Key Conclusions from the Analysis



- **B2 and B3 zones offer more limited opportunities**
 - Manufacturing in decline regionally
 - Regional demand for large sites likely to be absorbed by areas closer to regional highways
 - Limited or no current road access to many parcels
 - No town water or sewer

Key Conclusions from the Analysis



- Consider alternative low-impact uses for B2 and B3 zones
 - ✦ Continuing Care Retirement Community one option
 - Developed and managed by experienced operators
 - Limited demand on town services
 - Town offers many attractive features
 - Outdoor recreation
 - Access to regional historical, recreational, and cultural venues
 - Proximity to UNH – enrichment opportunities
 - Interesting, walkable downtown
 - Proximity to regional hospitals



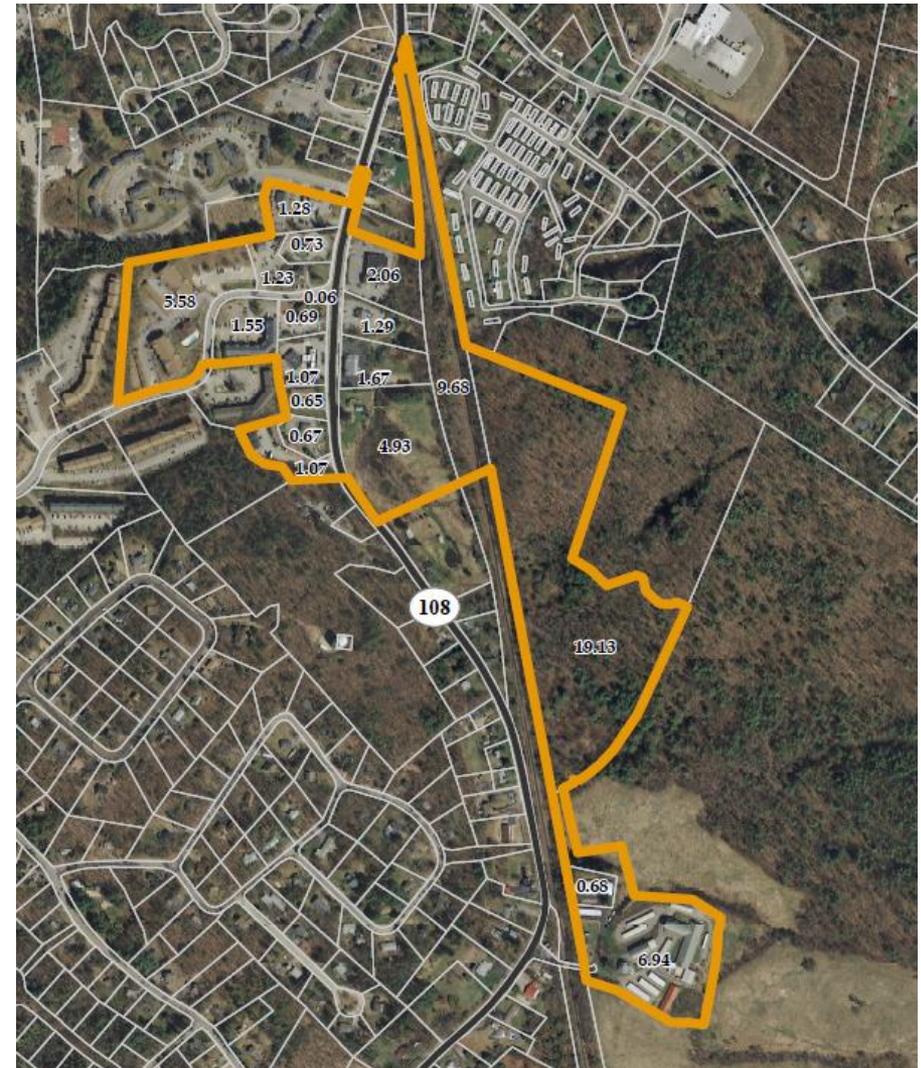
A Tour of the Town's Business and Mixed Use Zoning Districts – Development Opportunities

1) Districts with Development Potential



B-1 Zone center of town

- 4.9-acre parcel with redevelopment potential south of funeral home
- 19-acre parcel – access issues – potential access from 108 through self-storage facility to south





B-1 Zone north at Durham Town Line

- Handful of parcels 1 acre + with development or redevelopment potential
- Small residential parcels with commercial conversion potential – parking issues

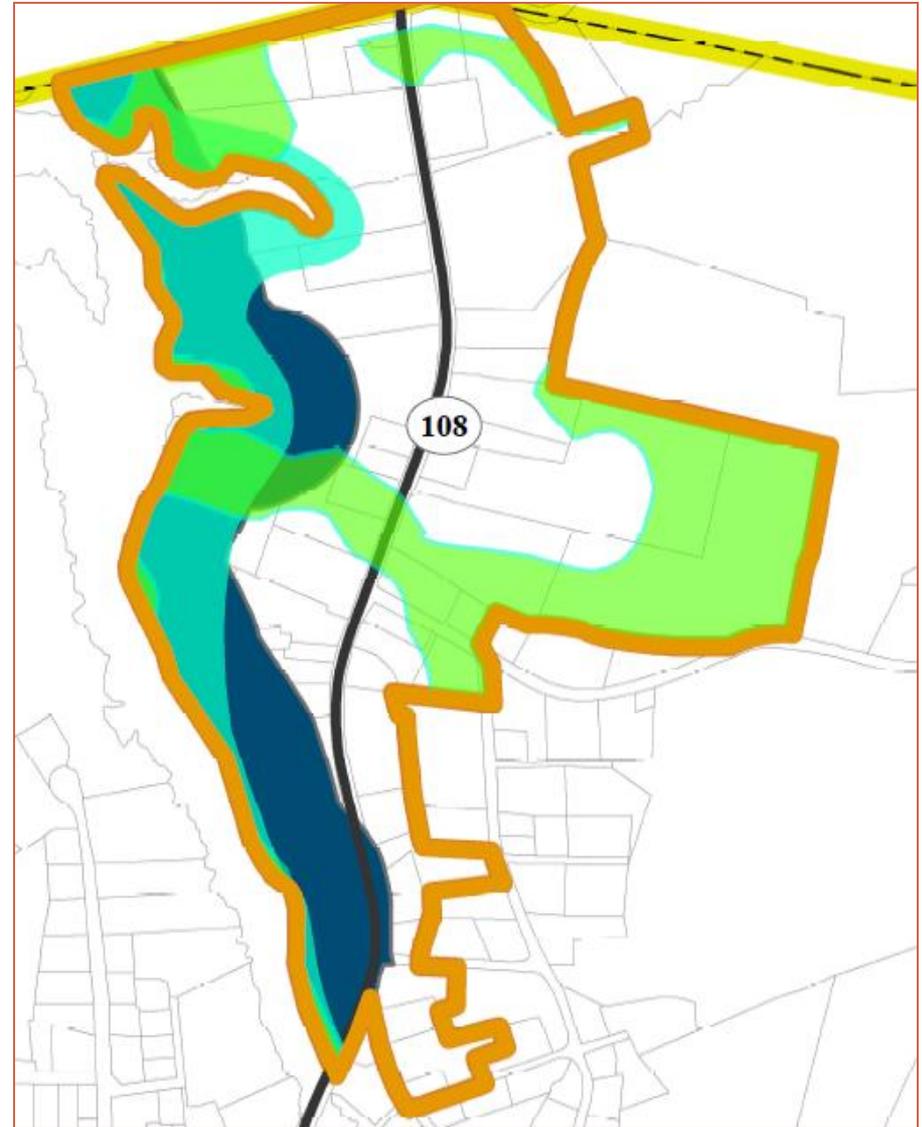


B-1 Zone north at Durham Town Line

- Development on some parcels restricted for conservation and flood control purposes

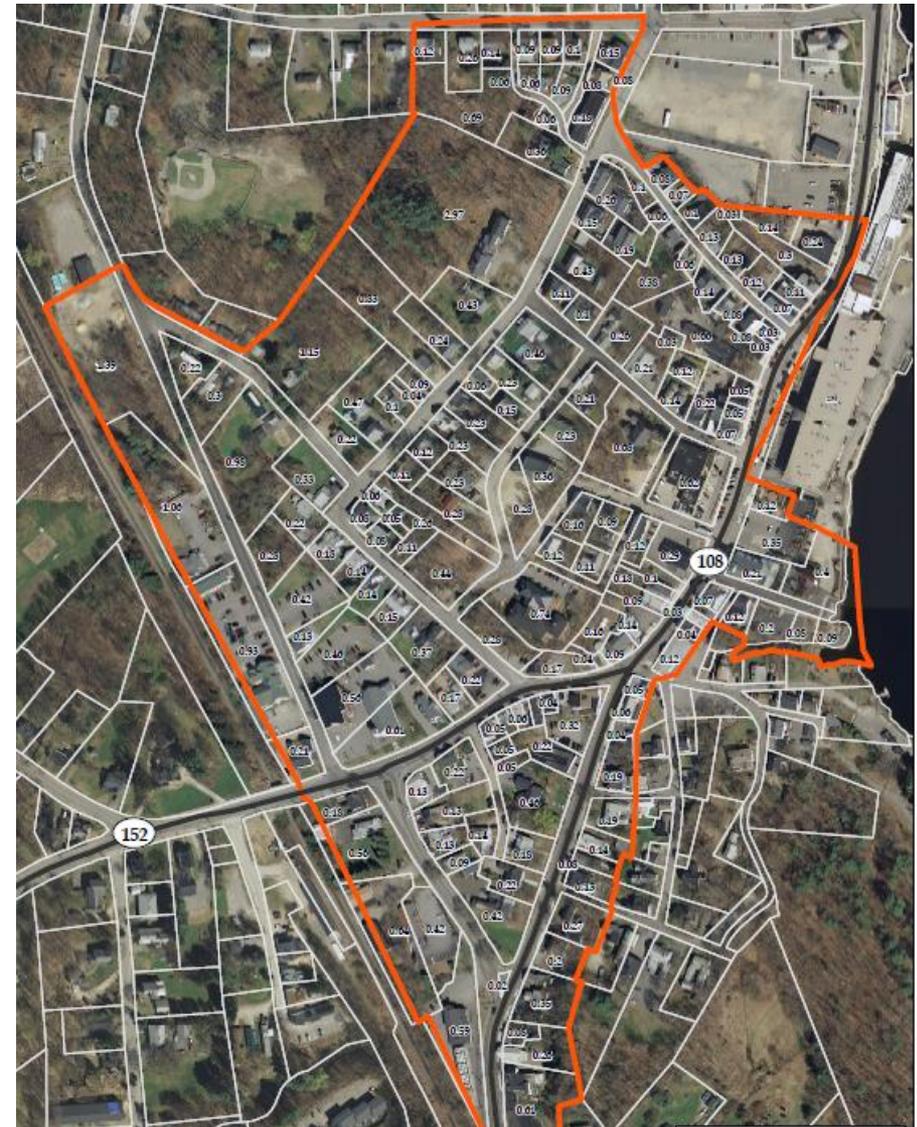
Zoning Overlay Districts

	Wetland Overlay District
	FEMA Floodplain
	Shoreland Protection Overlay District
	B-1 Zoning District
	Tax Parcel Boundary
	Municipal Boundary



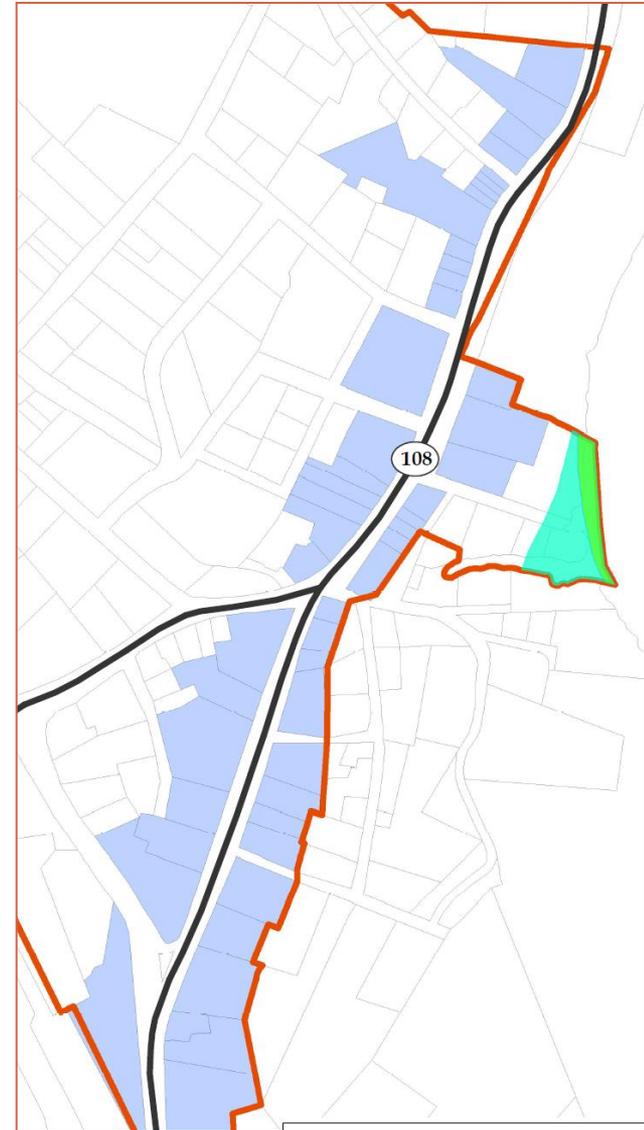
M-2 Zone

- Many residential structures on small parcels along 108 and 152 with commercial conversion potential – parking issues
- Potential for small parcel consolidation
- Post Office site and adjacent rear parcel offer greatest redevelopment potential (1.3 acres total)
- Possible relocation of Amtrak station from Exeter could spur adjacent development
- R&D should be permitted use



M-2 Zone

- Zone includes Downtown Overlay District which restricts residential to upper floors and prohibits front-lot parking



M-2A Zone north at Lamprey River

- Proposed Chinburg development may be a missed opportunity
 - 1 story low-density development on key downtown parcel
 - Doesn't achieve objectives of M2
 - Are residential density restrictions a factor?





M-2A Zone center of town at Route 108

- Existing medical office development
- A number of parcels ranging from 0.4 - 0.8 acres, some with deteriorated residential structures, with redevelopment/conversion potential
- Undeveloped 0.75 acre parcel north of Rite-Aid





M-3 Zone

- Potential for redevelopment of existing high school and/or development of proposed new high school site depending on town decisions
- Potential for more mixed office/residential uses
- R&D should be permitted use





2) Districts with Significant Barriers to Development



B-1 Zone south at Newfields town line

- 20-acre town-owned property but only right-of-way from New Road
- Access issues – no direct access from 108; 6 ton limit on New Road bridge over railroad track
- Potential to negotiate easement for (or exercise eminent domain) for access directly from 108 south of railroad track
- No town water or sewer





B-2 Zone Industrial Park and remaining undeveloped land

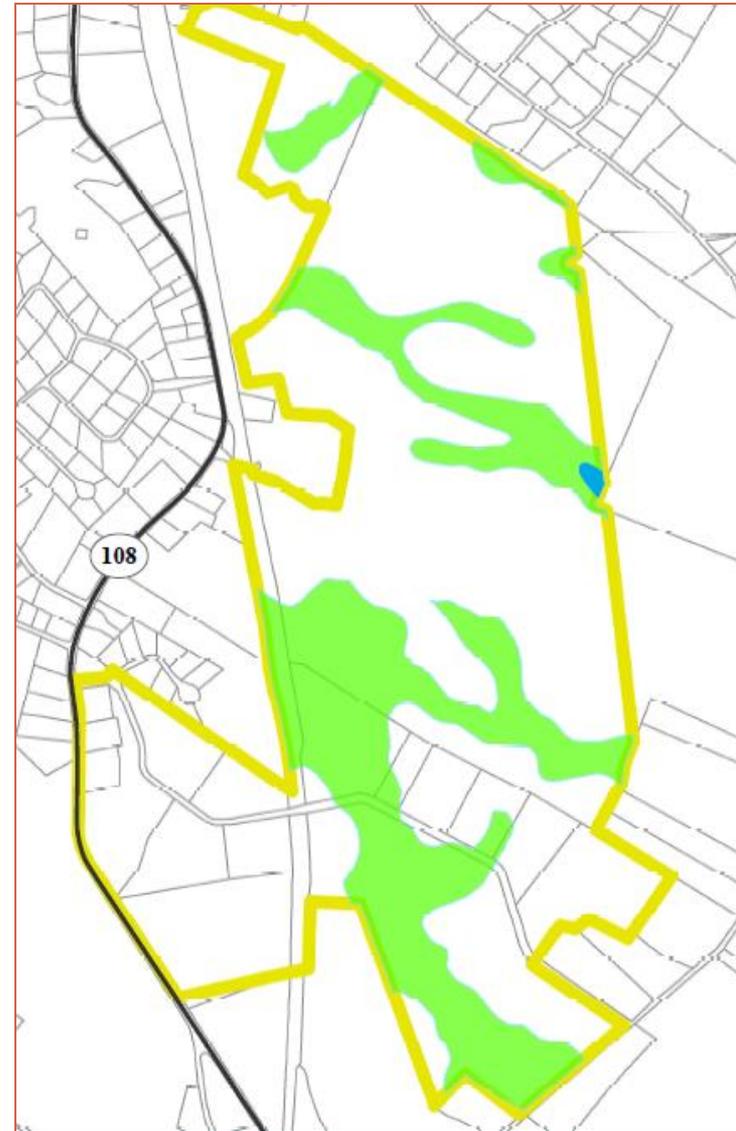
- Approximately 69 acres of town-owned land (adjacent to 20 acres of town-owned land in B-1 zone)
- Access from New Road only (6-ton bridge restriction) unless easement/land-taking through B1 zone at 108 or construction of RR crossing through Industrial Park
- Private tracts also have access issues
- No town sewer





B-2 Zone Industrial Park and remaining undeveloped land

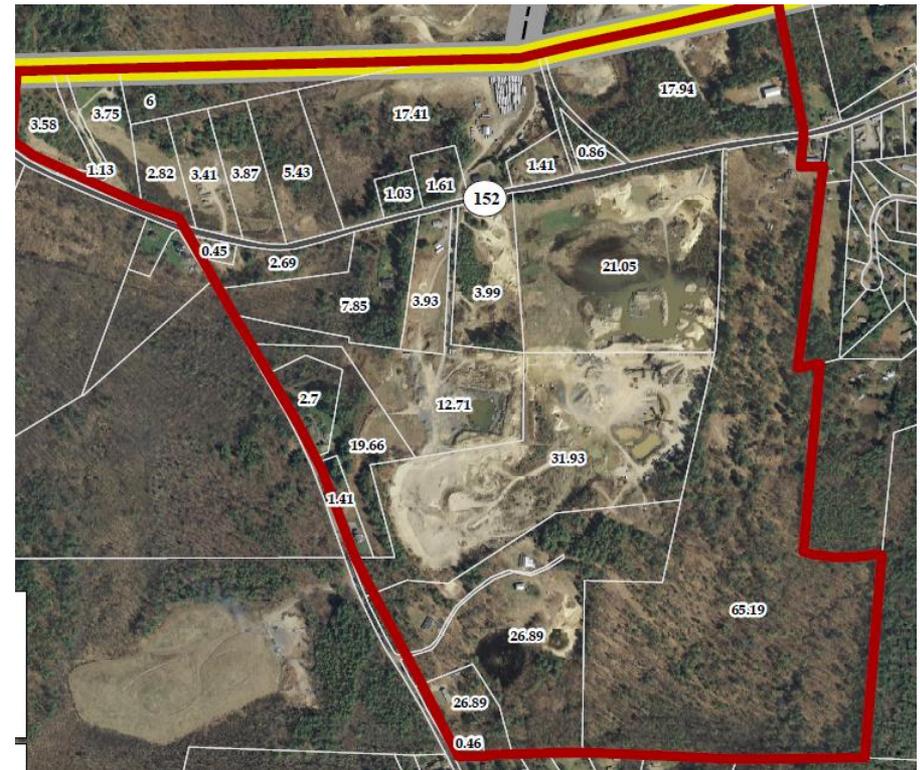
- Roughly half of town-owned land is wetlands – not developable





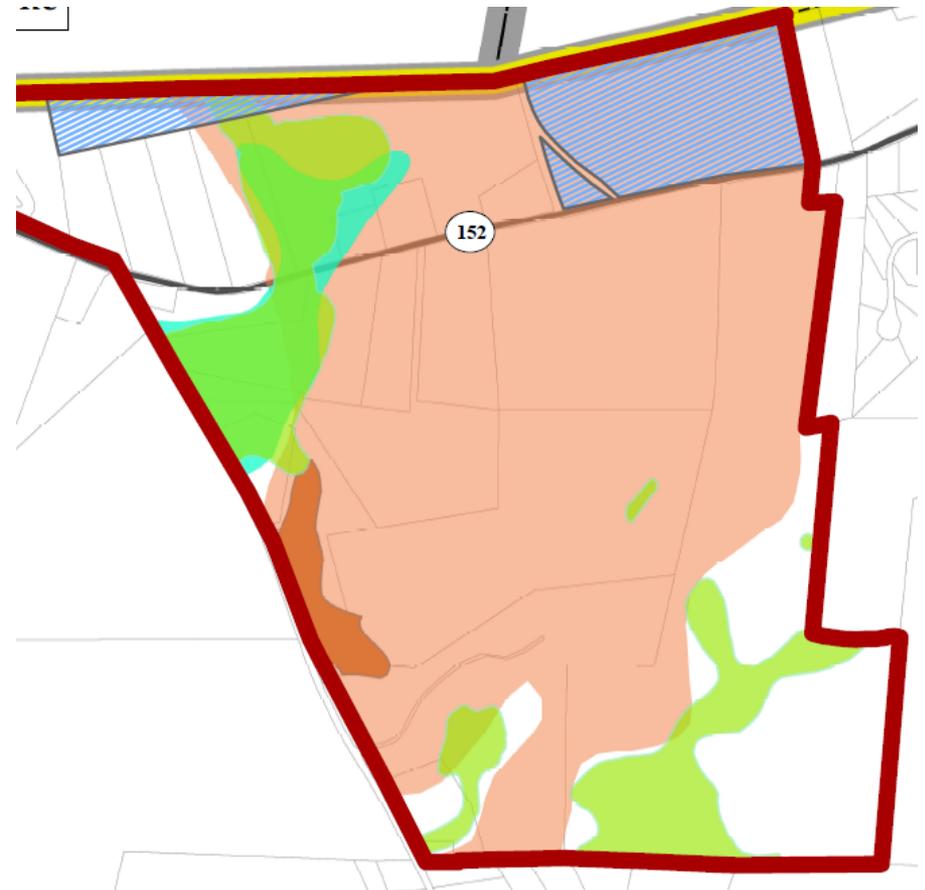
B-3 Zone

- Most remote from major highways of any B or M zone
- No access to some larger properties from 152
- Completely surrounded by R1 zone
- Potential remediation costs on some sites
- No town water or sewer



B-3 Zone

- Most of zone sits atop town aquifer – development limitations





3) Districts with no Additional Development Potential



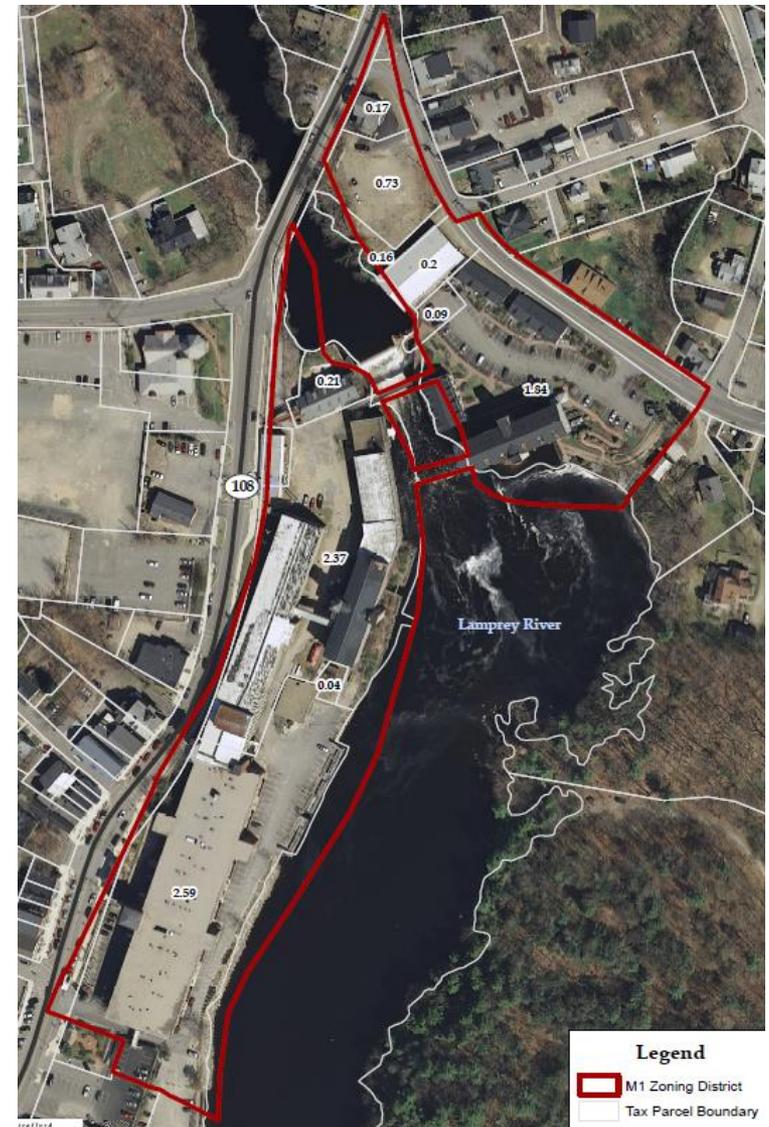
B-2 Zone at Lamprey River





M-1 Zone

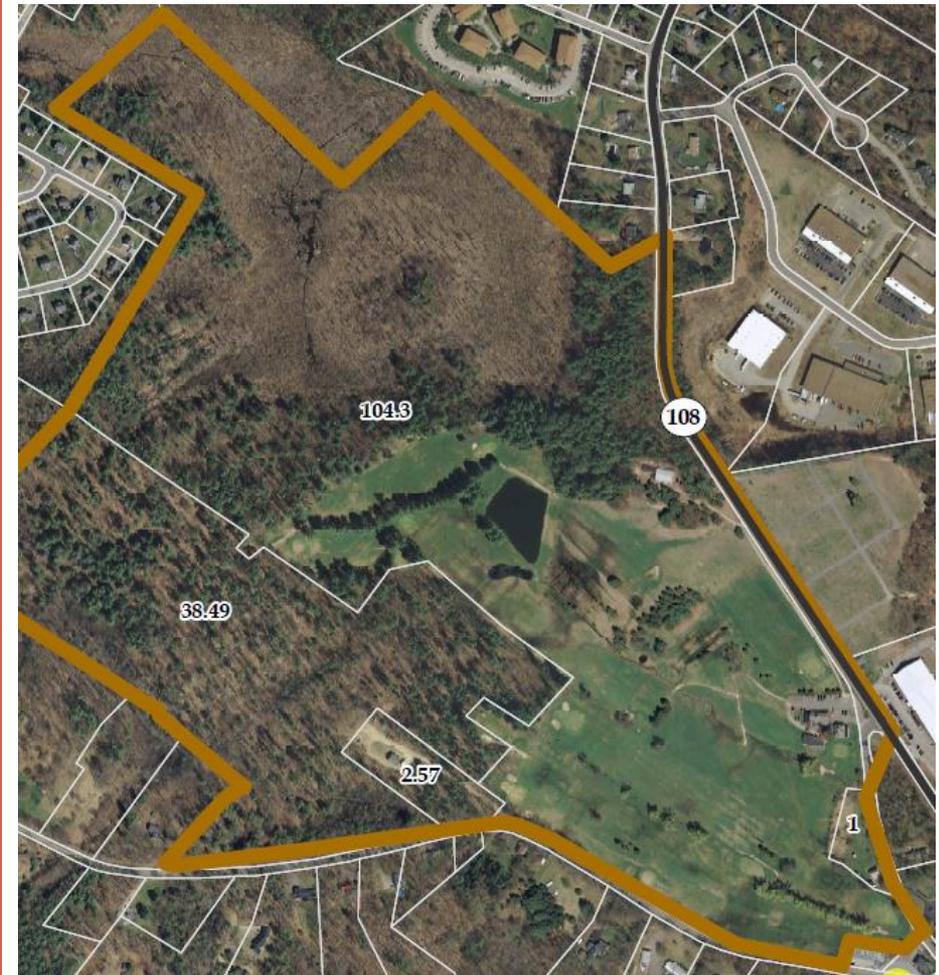
- Only undeveloped parcel (0.73 acres near northern edge) planned as parking lot for Durham Housing Authority development





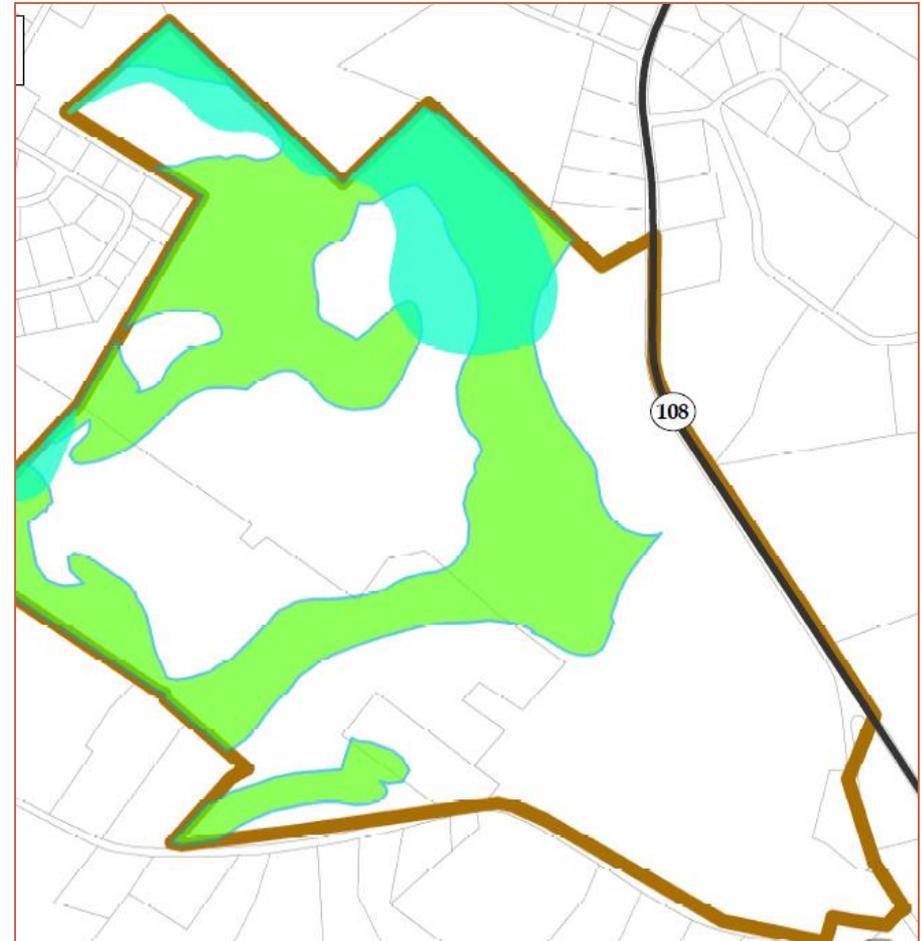
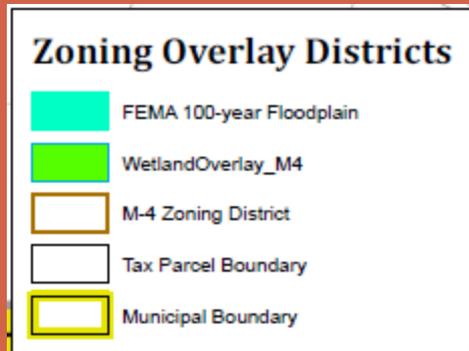
M-4 Zone

- Housing development adjacent to golf course already planned



M-4 Zone

- Much of other undeveloped land has environmental restrictions





Outline of Recommendations

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- **General Principles**

- Focus on downtown and adjacent areas as most promising economic development opportunities
 - ✦ View commercial development, business development and resident/visitor attraction as mutually reinforcing objectives
- Raise the town's profile with key economic development actors to stimulate desirable investment and spending
- Make development regulation as transparent, efficient and flexible as possible without sacrificing the town's interests and values
- Maintain the town's existing business base through increased communication and attention to business needs and concerns
- Rethink uses for large business zones outside the town center in line with trends in the local and regional economy and the zones' locations and physical constraints

Outline of Recommendations



- **Commercial Development**

- Market development sites more aggressively to attract desirable forms of commercial and mixed-use development
 - ✦ Define the type, quality and character of development the town wants to encourage
 - ✦ Seek out successful local and regional developers whose development philosophy and style fits most closely with the town's objectives rather than reactively waiting for development proposals
 - ✦ Develop a "for developers" page in the economic development section of the town's website describing appropriate development opportunities
 - ✦ Create an on-line parcel database for the B and M zones on the website to provide key information about available and potential development sites

Outline of Recommendations



- Increase the efficiency and transparency of the development process and revise development regulation as necessary to promote desirable development consistent with the town's interests and values
 - ✦ Prepare a user-friendly developers' guide to development, explaining the development process and timeline, what is required at each step of the process, and where needed information can be found in the town's zoning and planning documents
 - ✦ Review the current development approval process with developer input to identify how it can be made more efficient without sacrificing essential regulatory oversight

Outline of Recommendations



- ✦ Consider zoning revisions that would provide greater flexibility for developers consistent with town objectives
 - Consider residential density bonuses for mixed use developers in the M-2 and M-2A zones who agree to conform to rigorous design standards that conform to the downtown's historic and architectural character
 - Review permitted uses and determine which uses can prudently be changed from requiring a special permit to by-rights (e.g., R&D in the M-2, M-3 zones)

Outline of Recommendations



- **Business Development**

- Target recruitment efforts to the firms identified in the analysis as offering the most favorable business development opportunities
 - ✦ Develop a “for business” page in the economic development section of the town’s website with information tailored to appeal to target businesses
 - ✦ Outreach to local realtors to promote the town as a business locations for targeted businesses
 - ✦ Develop relationships with UNH Office of Research Partnerships and Commercialization and NH Innovation Commercial Center to promote the town as a location for small technology and other entrepreneurial start-ups

Outline of Recommendations



- Establish a Business Retention and Expansion Program with assistance from the UNH Cooperative Extension
 - ✦ “Turnkey” program established through partnership of UNH and local community

● Visitor Attraction

- Make Newmarket more of a visitor destination to increase visitor spending in local businesses and support additional business development
 - ✦ Develop a “for visitors” section on the town website describing its recreational, cultural, entertainment and retail offerings
 - ✦ Develop an on-line comprehensive business directory and events calendar
 - ✦ Develop more special events (e.g., sports, cultural, entertainment) that attract visitors, generate spending, and highlight the town’s assets

Outline of Recommendations



- Develop infrastructure that supports visitation
 - ✦ Promote the establishment of B&Bs
 - ✦ Build transient moorings at town dock to attract Great Bay recreational boaters
 - ✦ Consider expanding walking and biking trails

Outline of Recommendations



- Repurpose zones (i.e., B-2 and B-3) originally targeted primarily for industrial uses
 - Initially-anticipated industrial uses are poorly aligned with trends in the regional economy and the town's competitive position
 - Consider low-intensity uses more attuned to site limitations and character of surrounding area, for example...
 - ✦ Continuing Care Retirement Community
 - ✦ Low density residential