4. ECONOMIC DEVELOPMENT

Purpose: The purpose of the Economic Development Chapter is to identify opportunities to grow the region's economy within the context of our community character. The chapter seeks to find ways to capitalize on our economic assets and address economic challenges in the face of changing state, national, and global economic trends. Job growth, business growth and retention, and the expansion of the non-residential tax base within the context of the region's community character is what this chapter seeks to do.



IMPLEMENTATION PROGRESS

The 2015 Regional Plan looked at the economy through the lens of the economic issues at the tail end of the Great Recession. To that end, many of the recommendations looked for ways to spur economic growth. It considered the regional Comprehensive Economic Development Strategy (CEDS) that had recently been developed, the State of New Hampshire's economic projections, and an industry cluster analysis designed to identify those industries of significant importance to the region. Six goals resulted from these plans, and many of their implementation points included:

- ☑ Maintain the region's quality of life as an attractive place for living, working, and recreating. Recreational trails facilities were expanded by groups such as Merrimack River Greenway Trail (MRGT) and Concord-Lake Sunapee Rail Trail (CLSRT), and communities invested in their own recreational assets. Creating vibrant downtowns, such as Concord's Main Street walkable-scale projects, have been a focus of both economic development and community spaces.
- ☑ Develop, maintain, and strengthen adequate hard and soft infrastructure for business development. Successful projects resulted, including the cleanup of brownfields for reuse or redevelopment in Boscawen and Hillsborough, broadband expansion across the region, and water and sewer infrastructure expansion.
- ☑ Promote the region. Although the Central NH region does not yet have branding, regional identity can be found through many different groups, including the Chambers of Commerce and common concern for the region's opportunities and challenges.
- ☑ Identify support for implementing the CEDS. The CEDS is an ever-evolving planning document involving an overlapping geographic area with Southern NH Planning region communities and the potential for different partnerships. Strategies were implemented from the CEDS, and new ideas will be identified for future projects, planning, and funding.

- ☑ Streamline local governmental processes and create a business friendly environment. Municipal websites are on updated platforms with more accessibility regulations, applications, and people. More communities contain a community development program with their planning departments according to capacity and need.

- ☑ Business promotion and development. Several communities, like Pembroke and Concord and many others, have strong integration between the business community and municipal relations. The rise and success of local Economic Development Committees have enabled the passing of helpful zoning ordinances that make it easier for businesses to get a start.

The intervening years following the adoption of the Plan saw the emergence of the COVID-19 Pandemic, which dramatically impacted every aspect of life, including the economy. The impact of the pandemic slowed the response to implementing the 2015 goals and objectives, which makes them still relevant as the region seeks to deal with inflation and other local, state, national, and global economic challenges today.

KEY CHANGES SINCE 2015

Since 2015, the Central NH region has been dealing with multiple challenges to economic development, some of which have not been within their ability to control.

- ➔ The COVID-19 Pandemic had a notable impact on the global, national, and state economies, which in turn has impacted the Central NH region. The 2015 Regional Plan was developed as the region, state, and nation were coming out of the Great Recession. Within five years a global pandemic hit, impacting every aspect of life, including the economy.
- ➔ On the heels of the pandemic, inflation has become a global challenge. Cost of living, fuel, infrastructure, construction, healthcare, and nearly every aspect of daily life has had an impact on consumers and businesses alike. These issues seem likely to continue into the near future.
- ➔ The region's workforce, like much of the state, is growing older. As mentioned elsewhere in this Regional Plan, the median age remains high (40+) across the region and the number of school-aged children is decreasing. While on the one hand the region has an experienced workforce in the near-term, the prospect of a declining workforce in the future is a real possibility.
- ➔ Housing challenges have an impact on economic growth. The cost of housing is increasing, which contributes to the overall cost of living. A lack of housing units also creates a gap between what the workforce needs and what is available. The end result of this is to drive young workers from the region and the state, further exacerbating the problem.

What the Region's Communities Have Done to Address Economic Development

The region and its communities have sought to address these challenges in various ways. Several communities have sought to address housing challenges (details can be found in the Housing Chapter of this Plan). In addition, funding from a variety of federal sources has been sought by several communities to address infrastructure and other issues. Tax incentives have been put in place, and CNHRPC itself continues to seek additional federal funds for economic development planning and for brownfields cleanup.

- CNHRPC maintains a Comprehensive Economic Development Strategy (CEDS) and periodically updates it. The CEDS for the region includes five communities from Southern Planning Commission and includes a list of projects, a Strength, Weakness, Opportunity and Threats (SWOT) analysis, and an analysis of the region's economy. The CEDS can help communities explore economic development strategies and can provide a basis for EDA grant funding.
- Several communities have active Economic Development Committees (EDCs). An EDC can identify and implement projects and programs designed to stimulate a local economy.
- CNHRPC has received and continues to pursue federal economic development grants. CNHRPC has secured brownfield assessment grants funds ($800,000 in total) and is currently seeking additional funds for the region. CEDS funding has also been provided on multiple occasions ($100,000 in total) and CNHRPC will soon seek additional funds to update the CEDS.

> ***What is a Brownfield?***
>
> A brownfield is a property, the expansion, redevelopment, or reuse of which, may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. Brownfields can be former residential, commercial, and/or industrial properties.

- Several CNHRPC communities have adopted innovative economic development tools, many of which are shown on **Map 4.1 Economic Development Incentives**. Tax Increment Finance Districts, Economic Revitalization Zones, Downtown Revitalization Zones, and Commercial/Industrial Tax credits are all tools available to communities to spur economic development.
- The City of Concord received a $678,000 EPA brownfields grant in the summer of 2026 to clean up the former Concord Stables site. The half-acre, 121 year old property is home to the City's former horse stable which was converted into an office for the Public Works Department in 1950, and has been unused since about 1990. The building has been identified as having historic value and it is anticipated that the cleanup will facilitate the productive reuse of the property in the future.
- Pulling it All Together: Boscawen Commercial Street Redevelopment

  The Commercial Street area of Boscawen has redevelopment potential that could have a notable impact on the Town. The area currently has a brownfields site (the Allied Tannery) that has recently been cleaned up, an excavation site that is primed for redevelopment, additional vacant or underdeveloped parcels, and a potential connection to the Northern Rail Trail.

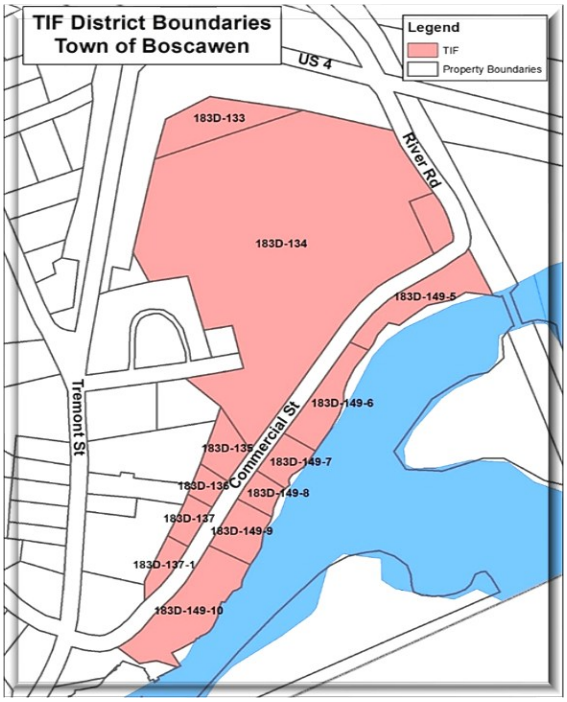
  To capitalize on the potential of Commercial Street, the Town of Boscawen has already taken several steps to encourage development. First, the Allied Tannery has secured several rounds of grant funding to clean up the property which has recently been completed. Secondly, there have been zoning changes recently put in place to encourage a mix of appropriate uses and greater housing density in the area. Finally, a Tax Increment Financing (TIF) district has been established to address infrastructure needs in the area. Recent economic development/planning related activities in the Commercial Street area include:

Boscawen Commercial Street Zoning Framework

As part of the effort to revitalize Commercial Street, Boscawen has made several zoning changes impacting the area. The intention of these efforts was to create an environment that would encourage a mix of uses scaled to Commercial Street and "infill" undeveloped areas. Residential and small-scale commercial uses are permitted, along with smaller lot sizes that can capitalize on the presence of sewer and water.

Commercial Street Tax Increment Financing (TIF) District

The Commercial Street TIF Plan was approved at Town Meeting 2025. When the time comes to pay for infrastructure, the Town must vote on the actual improvements.



A Tax Increment Financing District, or TIF District, is a way to generate revenue to pay for improvements within a specific area. A TIF District can support improvements within the district by using revenue generated from development. Potential TIF projects include:

- Water systems improvements such as distribution lines and hydrants.
- Sewer system improvements such as collection lines as well as any associated elements.
- Streetscape improvements such as sidewalk repairs, pedestrian amenities, drainage elements, landscaping, pavement, and road upgrades, and
- Engineering support for all improvements, including initial and final design, permitting, and construction cost estimates.

Brownfields Redevelopment

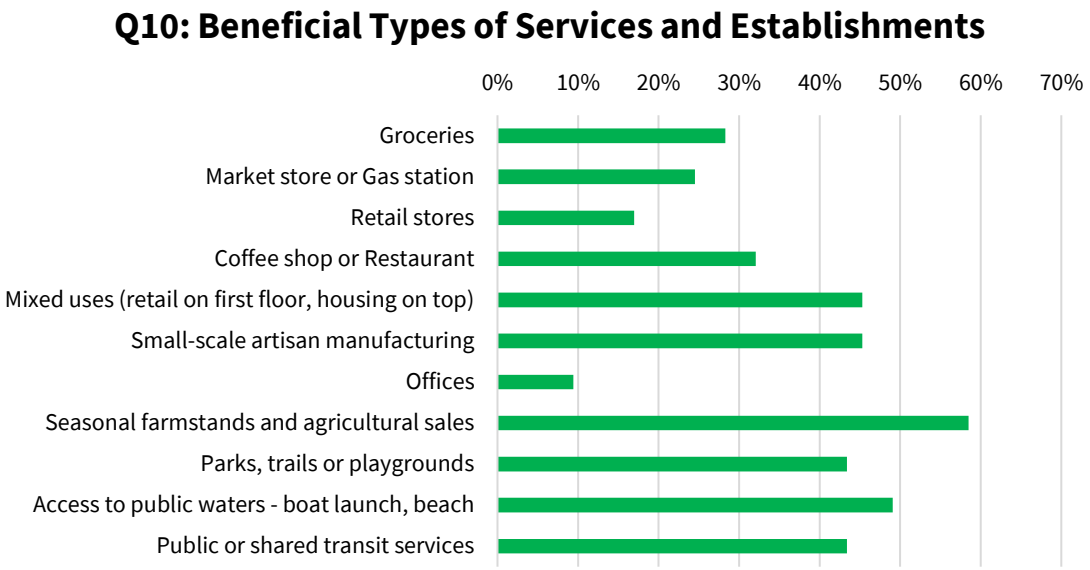
At the core of the Commercial Street redevelopment effort is the revitalization of the former Allied Tannery site. The brownfield site has been subject to several rounds of US Environmental Protection Agency (EPA) funding to address the issue. Cleanup was completed in September 2026. The next step will involve engaging potential developers through a Request for Proposal/Request for Concepts process to develop the site, beginning in Fall/Winter 2026.

COMMUNITY INPUT

Residents were asked to select types of services and establishments that would be beneficial to their community and the region. Corresponding with residents' high value of natural beauty and the environment and farmland, seasonal farmstands and agricultural sales received the most support as a beneficial establishment (58.5%), followed by access to public waters - boat launch, beach (49.1%). A major theme of other highly supported options were services and establishments that support a major community need either directly or indirectly, these include mixed uses (retail on first floor, housing on top) (45.3%), public or shared transit services (43.4%), and groceries (28.3%). The least selected option for beneficial services and establishments in the region was offices (9.4%). This is likely related to rural focus of the region's local economies, but it may also be reinforced by the increase in remote work that has remained since the pandemic.

Some residents (19.7%) emphasized other types of economic services and establishments and/or described more of the characteristics that would make these types of services and establishments more beneficial to their communities. For example, a handful of residents focused on a need for smaller, local businesses that are environmentally sound and community oriented. Small grocery stores, restaurants, music venues, and breweries were all suggested examples. Some specific services that were suggested included a health care facility and a recycling center.

Figure 4.1: Beneficial Types of Services and Establishments



CNHRPC Asked: Which 6 types of businesses or establishments would be most beneficial to add in your community and the Region?

"Refill stations to reduce the use of single use plastics. More local business support." "Recycling centers."

"Low key, environmentally sound, community oriented."

"Public transit could be a BIG one for Warner in terms of getting people to Concord, Lebanon, and beyond."

"I'd like to see more music venues and bars/ breweries."

"More housing and restaurants."

"Healthcare facility."

"Small grocery stores."



FACTS TODAY

Central New Hampshire, like the state and other planning commission regions, enjoys an economy greater than the nation as a whole. Despite this, there is still opportunity for the regional economy to grow. The unemployment rate is slightly higher than the state, suggesting an available workforce. Additionally, spending power is strong in the region with a range of incomes present, and lastly, the regional's private employment sector is diverse, including everything from healthcare, to recreation, and to manufacturing.

Several of the region's communities have adopted tools to stimulate the economy through infrastructure development and tax incentives. Other communities could utilize these tools as well. Many communities have created Economic Development Committees (EDCs), which can champion local economic development efforts. Lastly, CNHRPC has secured, and will continue to pursue, economic grants such as EPA brownfields assessment funds and EDA funds for the development and update of the Comprehensive Economic Development Strategy (CEDS).

Economic Data Snapshot

The economic base of the region is diverse across a variety of sectors. Some of the largest employers are found in the healthcare industry and recreation, but also in manufacturing. The economic diversity of the region accomplishes several things: first, it provides jobs for a variety of skill sets and education levels, second, it ensures a diverse source of non-residential tax base, and third, a diverse economy is more resilient in the face of national and global headwinds.

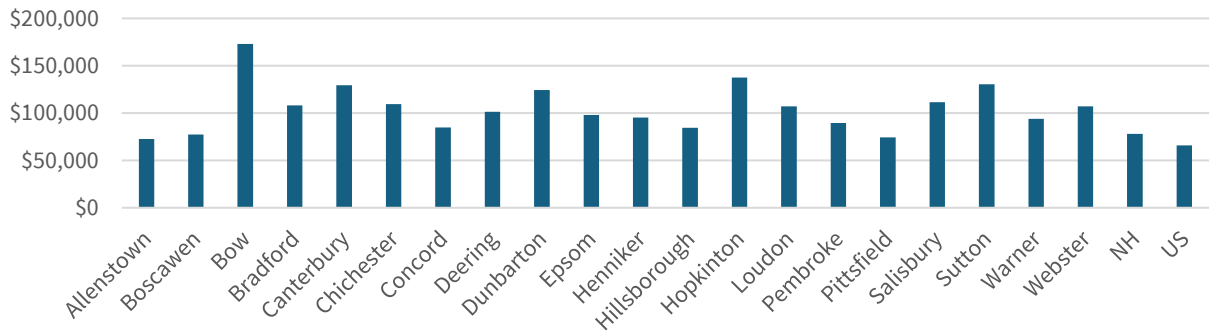
Table 1.1: Major Employers in Central NH

Employer (Private Sector)	Municipality	Employee Range
Concord Hospital	Concord	1000-4999
New Hampshire Motor Speedway	Loudon	1000-4999
Pats Peak Ski Area & Banquet	Henniker	500-999
OSRAM SYLVANIA INC	Hillsborough	500-999
Globe Manufacturing Co LLC	Pittsfield	250-499

Source: NH Bureau of Labor Statistics

In terms of income, CNHRPC residents are likely to exceed that of the state and the nation. This buying power can help stimulate the economy but also represents potential sources of investment for the growth of existing, and starting new businesses.

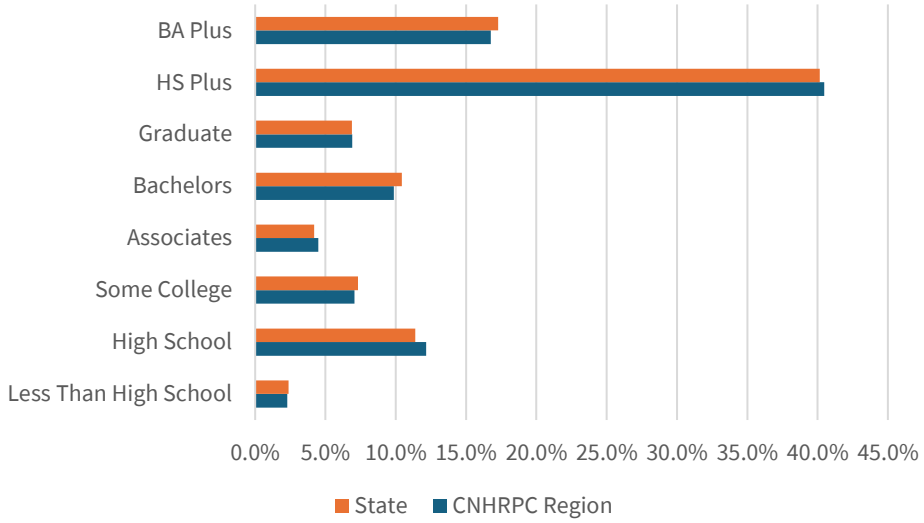
Figure 4.2: Median Household Income by Community - 2024



Source: 2024 5-Year US Census ACS

From an education standpoint, the region has a populace that has a larger percentage of the population for whom a high school is their highest level of education, and a higher percentage of the population that has either a bachelor's degree or high school degree. This suggests a workforce that fits well with a diverse economy.

Figure 4.3: Education Levels of Residents Age 25 or Older - 2024



Source: 2024 5-Year US Census ACS

A final statistic relates to unemployment. During 2024, the region saw a rate of 2.1% which was greater than the state's rate of 1.8%, but less than the county's rate of 2.9%. These differences suggest that the region could have more of a workforce available that the state, but less than the county.

Taken together, these statistics suggest that the region has a solid, diverse economy and residents with notable buying power. Data also suggests that the region's economy has some room to grow, and it has the capital and workforce to support such an effort. The facts today suggest that the region's economy is strong, but could improve.

CHALLENGES AND OPPORTUNITIES

As with the other chapters of this Regional Plan, there are both challenges and opportunities that exist with economic development. Finding ways to grow the economy, while protecting community character, for instance, represents both concepts. An effective way forward then is to consider economic development in the context of community development. This stems from the fact that there is an interconnectedness to the various issues. Infrastructure, for example, is needed for housing and economic growth, and community character is impacted by both. As with other chapters, balance can serve as a north star to economic development.

Challenges

Challenges fall in several areas, though costs, growth, and community character tend to be most notable.

- Costs, in the form of inflation, are a notable challenge. Construction costs, fuel costs, and raw material costs are just some of the expenses making economic growth and development more difficult. Identifying ways to limit costs can help. For a municipality, this could come in the form of tax relief or reducing fees associated with permitting, which could help to offset other fees, or pursuing one of the economic zoning techniques further described as Chapter Tools.
- Housing is a challenge on its own but becomes more challenging when factoring in economic development. While the region can help to provide a workforce in the short term, declining population growth could become problematic in the future if there are not enough workers to fill jobs. To address this issue, housing of an affordable nature is needed to ensure that the region continues to enjoy an available workforce in the future.
- Infrastructure costs related to housing are concern. Roads, sewer, water, and even internet and telecommunication costs have increased as well. Communities that are able to find ways to address these issues will be able to accommodate growth to support the economy.
- Attracting new and retaining existing businesses is the primary challenge associated with economic development. Finding ways to draw new businesses to the region, while ensuring that existing businesses can grow and expand require constant vigilance. A multitude of factors influence business growth, ranging from marketing the community, to housing and infrastructure, to education. Communities will need to take a holistic approach and consider those elements that best support business development in their on municipality.
- Community character will need to be protected in the face of community growth and development generally, including economic development. As businesses owners often look to locate their business in a community in which they want to live, community character provides the vital “glue” that holds a community together. Be it natural resources, historic structures, community events, or architectural standards, protecting community character is vital to economic development.

Opportunities

The opportunities for the region’s economic development can draw upon circumstances that are already present. Economic development efforts are aligned with other planning factors, leveraging the accomplishment of strategies to the benefit of all:

- Capitalize on the region’s workforce and income. The region’s workforce is experienced and has an appropriate education level for a diverse economy. The presence of higher incomes suggests the ability for investment in new or expanded business ventures. Capitalizing on these factors could help foster new economic growth right now.
- The Central NH region’s quality of life is an attraction to both people and businesses. This high quality of living here needs to be protected, while at the same time is a strong reason for a business to stay and grow where the people are located. Marketing and highlighting the quality of life, including outdoor recreation, historic villages, and community events, can help to spur economic growth in the most appropriate areas of a community.
- The region’s location could be the focus of a strategic marketing effort. Situated just north of Manchester, communities are within about an hour and a half’s drive north of Boston, an hour from the ocean, and an hour from the mountains. Including Central NH’s locality in marketing efforts that highlight community character can contribute to economic development.

- Economic development efforts can often work in tandem with other community development goals. Housing, for example, is a focal point of many communities, and it is necessary to provide the next generation of the region's workforce. Finding ways to balance economic growth with housing development can help to accomplish both goals. Planned Unit Developments, for instance, are zoning ordinances that allow for a mix of commercial and residential uses on the same lot.
- Economic development can strengthen community cohesion. Efforts that seek business growth and development balanced with other aspects of the community can strengthen a sense of community. A downtown holiday event, for example, enhances community character while providing foot traffic for local businesses. Such an event creates "buzz," a sense of place, and relies on volunteer efforts that bring people closer and enhance a sense of community.

TOOLS FOR IMPLEMENTATION

The Economic Development Chapter is supported by actionable strategies for implementing recommendations. Different regulatory techniques as described in these Chapter Tools can help communities to further local economic development in the region. See also the supporting chapters of the Regional Plan related to Housing, Transportation, Natural Resources, Community Facilities, and Land Use.

- **Community Revitalization Tax Relief Incentives (NH RSA 79E) Tool Sheet:** This tool allows for the rehabilitation or replacement of structures in a downtown to benefit from a delay in tax increases that may result from the improvements for up to five years.
- **Tax Increment Financing District (TIF) Tool Sheet:** Seeks to fund infrastructure within a defined district with funds generated from new development within that district.
- **Infill Development Tool Sheet:** Directs new homes and mixed-use construction to vacant or underused sites within established neighborhoods, village centers, downtowns, and commercial corridors.
- **Planned Unit Development (PUD) Tool Sheet (Housing):** Allows for a clustering of a mix of commercial and residential uses on one property. Often includes a mix of a variety of housing types. A PUD can result in the creation of a new village or simply serve to offset new residential tax base with new commercial property.
- **Economic Revitalization Zone (NH RSA 162:N):** Allows municipalities to establish certain zones in a community where a business can move to, or expand, and receive a credit on its NH Business Profits Tax. The program is managed by the State once the zone (or zones) is established.
- **Commercial/Industrial Tax Credits (NH RSA 72:81):** Provides a delay in the increase in taxes for all new construction of commercial or industrial uses, including for businesses to build, rebuild, modernize, or enlargement.

RECOMMENDATIONS FOR THE REGION THROUGH 2040

- [ ] **Implement the goals and objectives outlined in the 2015 Regional Plan**. The passage of time saw a macro-scale global issues, including a pandemic, political upheaval, and inflation that impacted the country, State of NH, and its communities. Remaining, relevant strategies can be reviewed again once readiness is obtained.

- [ ] **Establish and support Economic Development Committees**. An EDC is a vital advocate for, and conduit to economic development in a community. EDCs can connect the municipality to the needs of businesses, help with zoning development, event coordination, and grant applications.

- [ ] **Consider the use of available tax incentives to encourage economic growth and development**. Tax incentives, such as RSA 79E, ERZ Tax Credits, and the Commercial/Industrial Tax Incentive are all ways that communities can help foster economic growth through tax relief. Adopting – and, when possible, "stacking" these incentives on top of one another – are great ways to attract economic growth.

- [ ] **Consider TIF Districts to fund infrastructure needed for growth**. A TIF district is a way to fund needed infrastructure, ranging from sewer, water, to roads, as well as other facilities needed to support economic development. Often paired with a developer's agreement, at TIF can make development happen where it may not otherwise occur. A TIF can also be "stacked" upon other tools such as tax incentive zones.

- [ ] **Review and update zoning ordinances and land use regulations.** Communities should review their zoning ordinances to ensure that it works in the current economic climate while protecting community character. Additionally, the permitting and land use regulations (Site Plan and Subdivision Regulations, building permit process, ZBA process) should be assessed for clarity and ease of use. Municipal contacts and a clear fee schedule are also vital to this effort.

FOR MORE INFORMATION

Following is a list of resources and hyperlinks to documents and sites to assist communities with economic development.

CNHRPC's Comprehensive Economic Development Strategy:

https://cnhrpc.org/regional-planning/ceds/

NH Department of Environmental Services (NH DES) Brownfields Program:

https://www.des.nh.gov/waste/contaminated-sites/brownfields

Northern Borders Commission:

https://www.nbrc.gov/

New Hampshire Department of Business and Economic Affairs:

https://www.nheconomy.com/