



CITY OF DOVER, NEW HAMPSHIRE MASTER PLAN

2011 Economic Development Addendum to the Land Use Analysis Chapter

Sustaining Growth/ Retaining Quality of Place

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Goals and Objectives

Introduction

As an integral part of land use analysis and planning, we need to explore the role of economic development in Dover's future both in terms of the types and shapes of the future wealth engines and job creators; and the balance between them and the need to preserve the character, quality of place and of life in the future of the City of Dover.

This Addendum will discuss economic development's role in the process and some of the activities, directions, and recommendations put forth to reach the goals and the balance referred to above.

What is Economic Development?

The term economic development means different things to different people. To some it means building up the community's property tax base or attracting new businesses; to others it means controlling growth or managing land use; and to others it means renovating and restoring obsolete factories, stores or houses and providing new infrastructure to attract investment into the community. Some also view economic development as initiatives that go beyond land and buildings to emphasize employee vocational training and education and general workforce development activities. In Dover, economic development must continue to involve all of these activities and more; it is, first and foremost, a process that is intended to make our community a more vibrant and attractive place for people to come together to live, work and visit.

Why is Economic Development Important?

The goals of any economic development program, generally speaking, are to protect and strengthen the economic health and viability of a community. From these goals are various objectives such as jobs creation, property tax base expansion, personal income growth, increased educational attainment of the population, diversification of the existing economic base, and a continuing ability to properly maintain and improve the condition and capacity of the public's infrastructure. Ultimately in working towards the goals and achieving the objectives involved in local economic development, Dover will be able to sustain and improve upon the overall quality of life shared by its population whether they are residents, employees, business owners and/or visitors.

How is Economic Development Realized?

The process of economic development here in Dover, as in any community, is one that must continue to be nurtured, coordinated and supported over the long term. It is not a process that will be successful if undertaken in fits and starts and without vision and long-term direction. Economic development involves a series of distinct steps that involve coordination with varied stakeholders across both the public and private sectors. It requires a broad consensus on goals; a detailed strategy to achieve those goals; a coordinated effort and ongoing implementation of that strategy; cooperation to overcome inevitable obstacles and conflicts; and, regular evaluations and adjustments by all involved to ensure that the process remains on target to achieve desired goals.

Who is Involved in Economic Development

Numerous public and private entities have a role to play in shaping and contributing to Dover's economic development process. Key local players in facilitating economic development here in Dover include the leadership of the City Council and the Dover Business and Industrial Development Authority. The Dover Business and Industrial Development Authority is a local economic development corporation formed pursuant to RSA 162-G and RSA 292:1. In accordance with its most recent bylaws, DBIDA's mission is to foster and encourage positive economic growth along with providing leadership and coordination necessary for the development of business and industrial facilities within the City of Dover. In fulfilling its charge established by State law and assignment by the Dover City Council, DBIDA has and continues to fulfill a key role in guiding the economic development efforts on behalf of the entire City of Dover community. DBIDA works with many other entities including the Dover Planning Board, the Greater Dover Chamber of Commerce, Dover Main Street and the Dover Housing Authority. State agencies that are also involved include the State of NH Department of Resources and Economic Development, the New Hampshire Business Finance Authority, the Small Business Development Center, the Southeast Development Corporation and the Pease Development Authority along with expertise available through the programs provided by the International Trade Resource Center, the US Rural Development Agency and the Small Business Administration. The involvement of educators from our local public and private schools, the NH Vocational Technical Colleges, the University of NH and other post secondary education programs also should not be overlooked. And certainly commercial realtors, private developers, utility operators and bankers are essential participants to be working in partnership with the community. Ultimately, a common vision shared and understood by all of these entities is needed in realizing a successful and viable long-term economic development program here in Dover.

Perceived Strengths Impacting Economic Development

There are many community characteristics and demographics which provide strength to Dover's economic development climate. These include a well developed transportation system with linkages to other regional business markets, quality educational programs, various means and availability of access to financial capital, a modern energy and

telecommunications infrastructure and a high quality of life as reflected in both the natural and built environment.

More specifically, the Dover community benefits from a multi modal transportation system having major highway links to not only the more urban areas of Boston but also Manchester, Portland, ME and ready access to other parts of New Hampshire and Maine. This transportation system includes access via highway, rail, marine and air.

In addition to being centrally located in the Seacoast business market, Dover is also able to take advantage of a designated enterprise trade zone, and Economic Revitalization Zones whose tax advantages in combination with Dover's well managed and user friendly regulatory processes provide an incentive for economic development to be attracted to and flourish in the community.

Lastly, in today's more prevalent information economy, Dover's economic development efforts are also strengthened by a full time Economic Development Director, quality Dover brochures, an Ambassador Program, an active Tourism Project, the availability of diverse quality educational programs including both public and private secondary schools along with the nearby presence of UNH, and the State run career technical schools.

Perceived Weaknesses Impacting Economic Development

Of course there are also community attributes which reflect weaknesses or, at the very least, challenges which need to be considered in the context of supporting future growth in the Dover economic climate. These include the decreasing availability of land for new non residential development, increasing traffic and parking congestion in the Downtown area, the lack of tax incentives to spur desired growth, and relatively high utility rates for electricity, telecommunications, and water and sewer services. Also of note are the water pressure concerns in the North-end of the City along with growing fiscal constraints which curtail ongoing and future investments in local street, road and other public facility maintenance, economic decline worldwide, restrictions on business credit availability.

Current Challenges for Successful Economic Development

Taking into account both the strengths and weakness noted above, there are immediate challenges needing to be addressed in achieving a positive economic development program here in Dover. These include:

- Establishing consensus between the varied stakeholders in defining what truly is balanced, responsible and sustainable economic growth for the community.
- Building the "capacity" to leverage and achieve the desired growth identified by consensus as essential for a vibrant economy
- Determining and agreeing upon which entity most appropriately leads and promotes overall economic development efforts on behalf of the community

- Ensuring long term commitment to a point person(s) to coordinate and manage economic development efforts on behalf of the designated entity and the entire community
- Establish an agreed upon set of measures for determining the continuing success of an economic development program here in Dover
- Current economic context worldwide

Longer Term Issues Impacting Economic Development

Beyond the challenges associated with instituting a successful economic development program are longer term issues that may positively or negatively impact implementation and therefore must be considered. These include:

- State political environment (unsettled fiscal situation including transportation/schools)
- Local political environment (community image/stability)
- Nature of the economy (changing demographics, international trade/competition, mix of industry type)
- Capital access for new and existing business/employees
- Technology changes
- Housing market supply/demand/value fluctuations
- Ability and willingness to leverage public/private investments
- Public infrastructure maintenance/development/capacity (energy, telco, water, sewer, solid waste, traffic, parking)
- Available workforce (quality, skills, education)
- Sustainable quality of life (existing municipal services including schools, culture/recreation and public safety)
- Developing and maintaining an environmentally sustainable economic engine in Dover

Shared Values Concerning Economic Development

Appropriate types and levels of economic development generally are viewed as beneficial to a community. The shared values that support economic development efforts here in Dover include:

- Attractive and environmentally sound community
- Desire to become a destination (new dollars, desirable location)
- Increased property values
- Reduce tax burden/ grow tax base
- Ensure quality jobs
- Increase employment opportunities
- Pride in community
- Need for quality education

Conflicting Values Concerning Economic Development

Inherent in any community will be differences of opinion concerning the best approach and purpose behind an economic development program. Conflicting values that impede

economic development efforts here in Dover include:

- Maintain past (retain community character/economy)
- Anticipate future (adjust to changing community character/economy)
- Desire to become a destination (traffic, parking, increased need for services/taxes)
- Nature of development (none, residential, commercial, mix)
- Expectation of growth (good or bad, inevitable/avoidable, controlled/rampant)
- Understanding of individual property rights/limitations of land use regulations
- Community spending priorities (tax/user fee burden for municipal services/infrastructure)

Achieving Consensus on Economic Development

In order to develop a coordinated economic development program for the community, consensus between the various stakeholders must be achieved. Efforts to achieve this consensus include:

- Identify and understand roles of players
- Educate public (public relations)
- Demonstrate results
- Involve public and business community
- Establish and sustain message
- Big picture (connect the dots, see the forest)
- Provide relevant information, projections and ongoing measures
- Include community activists
- Leadership

Opportunities for Economic Development Activity

There currently exist many opportunities to enhance and expand economic development activity here in the community. These include:

- Identify and promote properties available for development
- Identify and promote community aspects that contribute to retaining and growing the work force
- Enhance the availability of information accessible to business owners (interactive web site, regular visitation program)
- Encourage downtown in-fill
- Promote opportunities for public/private partnerships (waterfront, First Street, Third Street, Orchard Street and School Street parking lots, parking garage, north-end water tower, other infrastructure upgrades)
- Promote financing opportunities through local bank programs
- Encourage small entrepreneurial business growth (locally owned, all sectors)
- Support maintenance of incubator space for new business growth
- Promote a positive community image and market business successes
- Attract clean, knowledge based manufacturing, including high technology clusters (symbiotic)

Geographic Areas of Economic Development Activity

There currently exist many areas throughout the City where economic development activity has and continues to take place. These include, but are not limited to, the following: ¹

- Enterprise Park
- Crosby Road
- Industrial Park Drive
- Knox Marsh Road (Rt 155)
- Coheco Mill
- One Washington Center
- Downtown (including infill potential)
- 4th and 5th Street area downtown (Holmwoods)
- Chestnut Street (transportation center)
- Waterfront
- Indian Brook/Exit 9
- Sixth Street/Liberty Mutual
- Route 108 North beyond Week's Crossing
- Miracle Mile
- Central Ave – surrounding Hospital
- Route 108 South and Mast Road (Dover Fields Development)
- Dover Point Road - Thornwoods
- Mast Road

Goals Necessary to Implement a “Successful” Economic Development Program

Ultimately, in its simplest form, a successful economic development program must support and facilitate existing business retention and expansion along with the attraction of new business to the community. In articulating the many aspects that have and will continue to contribute to a successful economic development program in the City of Dover, this report concludes with three specific recommendations for further action:

- Inform and generate buy-in from key players to support and participate in a necessary community consensus building effort required to establish a shared vision and longer term goals for a coordinated community wide economic development program (residents, business owners, City Council, Planning Board, Chamber of Commerce, Main Street, DHA, etc.)
- Use the commitment by City Council to fund DBIDA activities for a 3 year

¹ For a more detailed accounting of the areas of potential nonresidential development within the City of Dover, please review pages 34 – 36 of the main Land Use Chapter.

- minimum period that has allowed the hiring of a skilled and knowledgeable Economic Development Director who will remain committed to facilitating the development of stakeholder consensus and the subsequent implementation of a plan of action that coordinates and revitalizes the local economic development function
- Assemble and share local economic growth data and periodically report to interested stakeholders (residents, business owners, City Council, Planning Board, Chamber of Commerce, Main Street, DHA, etc.) on the progress made in achieving the economic development expectations that result from the stakeholder consensus.

Economic Development Trends

1. While Dover's economy was healthy through 2007, it didn't ride the crest of the economic "bubble" wave and was not damaged as severely when the bubble burst. Our local banks didn't get into subprime lending and our local unemployment didn't rise above 5.7%. It has now stabilized at 4.4%. The Dover economic recovery is expected to slowly and consistently improve over the next 3-5 years while local access to credit for our businesses also is expected to show slow and consistent improvement.
2. The regional geographic economic development trend is pushing north from Portsmouth and Pease as these historical development centers are now 90% developed and the "problems of success" (higher prices, more expensive real estate, traffic, congestion, and parking costs and availability) urge future residential and commercial/industrial development north to Dover and surrounding towns where an educated and available workforce resides, and where UNH and a regional burgeoning healthcare industry is developing apace.
3. In this decade of rising energy costs and auto fuel prices, our 12,000 Dover workers now commuting outside the City to work will both continue to be available to new Dover employers attracted here, and will increasingly be attracted to residing in Dover because we have centrally located passenger rail allowing residents to get to Boston or Portland in about an hour. This also allows travelers to avoid large urban center parking costs, fuel costs, tolls, and be able to use the travel time to work. Dover train ridership is increasing at the highest rate of any NH Downeaster station and is already larger than that of Durham and Exeter combined.
4. Another positive trend for Dover economic development stems from the quality of life and of place here. Dover's recreational amenities in terms of both facilities and naturally occurring waterfronts, parks, golf courses, cross country skiing venues, and walking trails has been a beneficial tool in attracting over 20 new business and 280 new jobs to our city in 18 months of a recessionary period. This coupled with our low crime rate, excellent and diverse educational institutions, and local access to superlative healthcare, will stand Dover in good stead for future tax rateable business attraction.

Areas of Economic Development Activity

Business and Job Retention:

A primary responsibility of local economic development is to preserve, sustain, and support the existing commercial and industrial enterprises in Dover. This is done by checking in on local businesses regularly to identify and address potential problem areas in any number of ways from helping with a business model, assistance in obtaining credit or financing, marketing help, cash flow management or expansion assistance.

Business Attraction/ Outreach:

Business attraction to Dover is done in many and varied ways. Obtaining leads on potential business relocation candidates is done through networking at Commercial Investment Board of Realtors meetings and other leads generation groups that meet regularly.

Advertising and promoting Dover through brochure ware, relocation magazine advertising, trade shows, the Economic Action of Dover newspaper, industry directories, as well as liaison with the NH Department of Resources and Economic Development.

Other outreach is accomplished through our Ambassador Program, where Dover volunteers traveling outside of the City promote Dover to their business contacts.

Dover is now fortunate to have five Economic Revitalization Zone Districts approved. These offer NH Business Profits Tax and NH Enterprise Profits Tax exemptions to new or expanding businesses investing in and/or hiring new employees in these Districts.

Our fledgling DOVERTECH intellectual property exchange event is designed to bring knowledge based businesses and jobs to the region.

Project Work:

Economic development embraces many different projects. A recent one involved putting out an RFP for infill projects at four City owned parking lots to promote their fuller utilization in public/private partnership developments. These are to include downtown commercial, residential, and public parking while transforming City owned lots into tax ratables. Their development will assist in tax rate reduction while providing quality downtown development.

Other project work will include hotel/conference center developments, waterfront redevelopment, and the development of Skyhaven Airport as a regional attraction asset for Dover.

Tourism Development:

Economic development organizes and manages a Tourism Stakeholders Group that includes representation from Dover hotels, the NH Childrens Museum, The Woodman Institute Museum, The Friends of the Land, Sea and Space Center, The Greater Dover Chamber of Commerce, Dover Main Street, The Recreation Department, the Dover Mills and others. This group coordinates Dover tourism events, advertising and scheduling, to grow Dover as a tourism destination and a place to overnight, eat, drink, and have fun while bringing dollars to Dover establishments.

As part of the tourism effort, Dover is gaining ridership on the Downeaster AMTRAK train to bring residents and visitors to Dover.

Other tourism initiatives include tourism discount packages at hotels, restaurants, pools, ice arenas, the Gundalow, and museums, bus tours, and Portsmouth tour boats.

A Land, Sea and Space Center initiative that would provide another tourism anchor and several hundred thousand visitors per year to Dover is in the exploration stage. Other venues for the future would include the Tuttle Farm Preservation, the Strand theater, a conference center/hotel for groups and conventions, and the relocation of the UNH crew, boathouse, and college crew championship races to Dover.

Parking System Development and Integration:

Economic development works closely with the Parking Commission on property use, facilities development, and future needs planning. Among these is the public/private partnership development to infill lots mentioned above. Liaison with the Parking Coordinator is and will be ongoing to handle metered parking, merchants' issues, and future needs.

Recommendations

Previous Dover Master Plans have identified the importance of consciously balancing growth throughout the Dover community to achieve a fiscally sound mix of and a regional "fair share" of new nonresidential investments. DBIDA has supported this overall objective by developing and actively marketing industrial and business office parks in the City including Crosby Road and Enterprise Park along with assisting various businesses in coordinating and financing their business expansion and/or relocation plans here in Dover for more than three (3) decades.

To ensure its continued success in supporting the economic development needs of the Dover community, the DBIDA Board of Directors undertook a strategic planning effort during the fall of 2007. This effort involved a review of past activities, an inventory of existing resources and consideration of future efforts needed to further stimulate and support the type and amount of economic growth necessary to ensure the long term health and sustainability of the Dover community. This process culminated in an all-day planning session held by the DBIDA Board of Directors on September 13, 2007 and the resulting generation of a written plan for strategic action which is being recommended to be undertaken through to June of 2011. This updated plan has now been re-adopted in February, 2008, amended in May, 2009, and amended in January, 2010 to keep it current with the changing needs and opportunities inherent in the future of the vibrant city that Dover has become.

Ultimately, the DBIDA Board of Directors acknowledges that a successful economic development effort for any community is a major undertaking. It requires focused leadership and the development of a community-wide consensus on goals and objectives. Major commitments of time are required of a diverse group of people including

community leaders, citizen volunteers and staff along with the targeted involvement of federal, state and community organizations. Therefore this plan focuses on the interrelationships that exist and partnerships that must be nurtured and subsequently coordinated to ensure a successful economic development program benefiting the Dover community for the long term.

Short Term Recommendations:

1. Business Retention:

- Assist Dover properties owners in developing strategies to keep their properties vibrant and occupied.
- Facilitate Dover businesses in accessing credit and financing when needed.
- Develop a process for assisting businesses needing help with developing business models, marketing plans, and networking contacts.
- Align Dover businesses needing training with appropriate training providers.

2. Business Attraction/ Outreach:

- Optimize networking contacts with relocation candidate companies through both CIBOR and leads group meetings
- Develop a distribution plan for the Economic Development Resource Guide and rack cards for continued access to target audiences.
- Work with the New Hampshire Department of Resource and Economic Development to enhance Dover's position with companies moving to the state.
- Develop and maintain an advertising program for relocation of business into Dover.
- Develop and publish the Quarterly Economic Action of Dover newspaper.
- Develop a plan to continue to nurture and improve the Ambassador Program.
- Review the zoning of all non-residential property to ensure proper zoning is in place for continued economic vitality and growth.
- Review residential property abutting non-residentially zoned land for inclusion in the adjacent non-residential zone.

3. Project Work:

- Develop, review and publish a bid package for the development of City parking lots as potential areas of infill redevelopment.
- Add Skyhaven Airport marketing to the DBIDA outreach toolbox for Dover.

4. Tourism Development:

- Form and manage a Tourism Stakeholders Group.
- Form a closer coordinated tourism project with the Chamber and Main Street.
- Develop tourism packages between the hotels, restaurants, museums, Gundalow, and Recreation Department venues and events.
- Introduce the Land, Sea and Space Center to Dover DBIDA, Tourism Stakeholders, and the Dover City Council.
- Monitor and support the sale and preservation of the Tuttle Farm.

5. Parking System Development:

- Continue acting as a resource to the Parking Commission and Parking Manager regarding the pay and display meters and the development of a parking facility
- Develop a plan for the creation; review and publishing of bid packages for the development of mixed use, infill and parking facility projects on existing downtown parking lots.

Long Term Recommendations:

1. Business Retention:

- Develop a coordinated Dover business resource clearing house to manage existing properties, business needs re: credit, business planning, problem solving, and business model assistance with financing, marketing, cash flow management and networking contacts.

2. Business Attraction/ Outreach:

- Develop a plan for the enhancement and sustainment of outreach opportunities including:
 - Regional and national relocation publications.
 - The Economic Action of Dover quarterly newspaper.
- Build a permanently constituted Dover professional “Welcome Wagon” group with Planning, Legal, Community Services, Engineering, environmental components to assist significant relocation candidate companies to relocate to Dover.
- Build a plan for the expansion of the Economic Revitalization Districts in Dover to add incentives for Dover relocation candidate companies.
- Establish another business park to provide viable site locations to clean, knowledge based, high tech company clusters to continue to enhance the commercial tax base and keep residential tax rates viable.
- Establish a “par” position with Manchester, Rochester, Concord, Nashua and Portsmouth in terms of cooperation with and from DRED.
- Develop a plan to institutionalize the Dover Ambassador Program, including the establishment of obtainable/tangible results to be drawn from it.
- Develop a plan with the owners of the downtown mill properties to stabilize and sustain said properties as profitable commercial, residential entities and downtown anchors.

3. Project Work:

- Develop a plan for the creation; review and publishing of bid packages for the development of mixed use, infill and parking facility projects on existing downtown parking lots.
- Develop a plan to facilitate permitting and assistance to Dickenson Development Corporation for the full successful development of the Waterfront Redevelopment Project.
- Establish Skyhaven Airport as a regional asset and a resource for business attraction to Dover.

4. Tourism Development:

- Develop goals and obtainable measures of success for the Tourism Stakeholders Group to sustain it as a vibrant and effective tourism management organization.

- Continue to participate in the Northern New England Passenger Rail Authority Operations Committee to ensure Downeaster development and Dover benefits therein are optimized as service is expanded and track extended.
- Continue to develop a close knit cooperative working relationship with the Chamber and Dover Main Street to coordinate, integrate, and facilitate optimal tourism growth in Dover.
- Develop a tourism plan which includes:
 - Bringing ABA bus tours, or a similar company, to Dover in every season.
 - Evaluate the potential of a permanent Portsmouth Boat Tour to Dover.
 - Fully explore the viability of the Land, Sea, and Space Center locating in Dover. Assist in getting the Friends of the LS&S Group a full and fair hearing on their proposal.
 - Encourages the return the Strand Theater to its theatrical function.
 - The need for a hotel/conference center development in Dover.
- Develop a plan to assist the University of New Hampshire in relocating its boathouse to Dover.
- Assist any new owner of the Tuttle Farm with making it economically viable.

5. Parking System Development & Integration:

- Continue to act as a resource for Parking Commission projects.
- Encourage future infill project developments include public parking in their plans.
- Continue liaison with the Parking Manager on metered parking, merchant issues and parking facilities development.

6. Staffing:

- Develop and advocate a plan which establishes the Economic Development Director position as a permanent staff position of the Dover Business and Industrial Development Authority to sustain the progress made and bring continuity to the process.