

Moving Derry Forward

Report to the Derry Town Council

December 2010



Dear Fellow Councilors.

In September of 2010, the Town Council of Derry formed a Task Force to recommend to the Council specific ways that its adopted Goals might be best implemented. The Council was looking for new, good ideas, as well as practical suggestions to Move Derry Forward (MDF). Starting in October, over 50 community and business leaders participated in three strategy sessions Chaired by Councilor Olbricht, and facilitated by the Town's economic development contractor; the Arnett Development Group. The Task Force members represented all types and stages of enterprise in the community, from its largest employers to new start-ups. Key community anchors – Parkland Hospital, Sanmina Corporation, and Cedar Point Communications – hosted the three working sessions, on-site.

When this many good people put their efforts to a challenge, many good ideas emerge. During this 90 day period, over 60 suggestions were made and discussed by the MDF Task Force as worthy of consideration by the Town Council. Additionally, the members were presented another 20 recommendations and research findings from several recent Derry-specific studies, reports, plans, and strategies; every recent effort of record was reviewed and considered. From this long list of good ideas and reports, the members, the Chair and the facilitator prioritized, merged, added or jettisoned ideas, so that an innovative, manageable number of recommendations are herein recommended, directly responding to the Council's 3 Adopted Goal areas of:

1. **North Route 28 TIF** District Development
2. **Add \$2m+ of net-new private assessed value in the Derry Downtown**

Additionally, the MDF also is submitting for consideration several other **Community Development Recommendations**, including specific ideas about *how to implement* the Council's two Recommendations, and how much should be regularly invested into the Derry economy, and Derry's economic infrastructure. Some of the enclosed ideas are often-suggested, but have awaited implementation; some are new. All are realistic and focused.

On behalf of MDF Task Force members, we hope our work will be of assistance to the Derry Town Council and to our community's leadership, as we – together – *Move Derry Forward*.

Joel Olbricht, Town Councilor and Task Force Chair

Invitees:

Philip Abirached – Owner Metro Market Plaza

John Anderson – Town Administrator

Mary Anderson – Headmaster Pinkerton Academy

Tom Buchanan - Developer

Laurel Bistany – Executive Director Rockingham Economic Development Corporation

Craig Bulkley – Derry Economic Development Corporation

Arthur Caras – Commercial real estate owner

Gent Cav – CEO G4 Communications

Bob Cavanna – Grubb & Ellis Realty

Ron Dupont – Red Oak Realty

Mike Gallagher – Enterprise Bank

Gordon Graham, Esq. -Downtown Committee

David Granese – Chair, Derry Planning Board

Tom Hankins – Merchants Association

George Kassas – Executive VP – Cedar Point Communications

Tina Legere – CEO Parkland Hospital

Hon. Robert Letourneau – NH State Senator

Jack Munn - Southern NH Planning Commission

David Preece- Executive Director Southern NH Planning Commission

Bernie Ross – Greater Derry/Londonderry Chamber of Commerce

Jafar Salimi – Director Global Real Estate – Sanmina-SCI

George Sioras – Derry Planning Director

Gary Stenhouse – Town Administrator (former)

Leonard Sweeney – Derry Housing and Redevelopment Authority

Ralph Thompson – G4 Communications

Ralph Valentine – The Valentine Group

Brenda Willis – Derry Cooperative School District

Others:

Julia Huss, Carol Robidoux and Kaitlyn Woods – local media

Stuart Arnett – Facilitator – Arnett Development Group with Raymond Gagnon

Recommendations:

I. North Route 28 TIF District Goal

1. Jointly market the Route 28 TIF with:

- a. *Owners*
 - i. Get buy-in from each owner for a joint development and marketing approach. The area is a higher-value site for the owners once the efforts are coordinated
 - ii. Coordinate the marketing of the existing Phase I Industrial Park (Current Wal-Mart area) marketing with the proposed Phase II Eco-Commerce Park (proposed Wal-Mart area)
 - iii. Demonstrate via the *Best Practices Guide* eco-methods for internal water runoff, drainage, and trail and road designs to encourage maximum density, resulting in a higher value for their land, and higher taxes and better jobs for the community
- b. *Commercial brokers-realtors, property managers via:*
 - i. Broker tours
 - ii. Joint marketing materials that shows all of the land-buildings in either Phase I or Phase II.
 - iii. Site visits to all existing buildings
 - iv. Establish a Confidential meeting site for clients, with needed information on hand (Sales Office)
 - v. Joint web-listings

2. Fix “A Street” turn problem:

- Add traffic light at “A” Street, and add this to the TIF budget, and/or
- Begin design of new B St. thru road to Ashleigh Drive

3. Change Name of Phase I Industrial Park to “*Commerce Park*”, Phase II to “*Eco-Park*”, together both are referred to as the *Derry Commerce District North*

II. Downtown +\$2m Growth of Tax Base Goal

1. Set-aside a **Downtown Development Fund** as part of overall Development Budget

2. Improve **Existing Parking**:
 - a. Improve Signage and lighting via DPW projects
3. Prepare for **New Parking**:
 - a. Council to decide where, when, how many, how much
4. Support **Performing Arts**: Encourage the Opera House to attract programs designed for the Opera House, so that schedules are coordinated with the many other performing venues in the immediate area.
5. Establish a “**Railroad Crossing Redevelopment Area** Tax Increment Finance (TIF) District to:
 - a. Develop Abbot Court with – or without - the two-story parking garage
 - b. Construct and repair municipal parking lots
 - c. Design the infrastructure needed for the new building(s)
 - d. Acquire other key-properties around the sites
 - e. Adopt a District Development Strategy for the District
 - f. Develop a high-tech entrepreneurial network of services - and incentive space - in Downtown Derry
6. Recruit and retain a private-sector **Farmer’s Market Sponsor(s)** so the Market can continue, grow and be sustainable.
7. **Redevelop 6 West Broadway** as an anchor building for the *Railroad Crossing Redevelopment Area*
8. **Fix blighted buildings** by utilizing a “carrot then stick” approach with the building owners: offer incentives first to clean-up and redevelop. Incentives could include façade improvement loans, business training, and owner symposiums and charrettes that would demonstrate what downtown could become if we – town and owners – cooperated. If that does not work, then coordinated enforcements actions by the Town
9. **Adopt RSA 179** regarding upper-floor tax incentives for building-owners

- a. This enabling statute allows for new property improvements in downtown buildings - for 2nd floor and above - to have higher taxes due to improvements waived for a period of up to five years. The Town receives the same amount, and the owner has an incentive to invest.
10. **Support the Downtown Merchants** with events, joint marketing, training and “fast-track” problem resolution. The merchants can be hosted under the Downtown Committee.
- a. Work with merchants, the Chamber and property owners to improve storefronts and the downtown atmosphere; generate more activity.
 - b. Coordinates activities through the Downtown Derry Committee (DDC)
 - c. Receive assistance from the Town’s *Project and Client Team*
11. Communicate and coordinate the similar development goals of **Derry Downtown and the proposed Londonderry Village Center**. Seek information from - and cooperation with - the proposed new “village” concept developers in Londonderry at exit 4a.
- a. This proposed development could be a major factor – either positive or negative – on Derry’s local economy.

III. Other Community Development Projects

A Sustainable Economic Development Capacity to “Move Derry Forward”

1. Continue regular and open strategy discussions of **Moving Derry Forward Group**
 - a. Define development success: 3 measurable Goals annually
 - b. Set benchmarks versus other similar communities, including competitors
 - c. Report directly to Town Council regularly
2. Target an **Annual Investment Fund** in the Town budget of 1% of the budget total:
 - a. Staff and Operating costs and
 - b. Capital costs
 - c. Provide sustainability for multi-year efforts
3. Convene a **Project and Client Team**:
 - a. Town Council drives Team actions via the Town Strategy and annual Goals
 - b. Ten organizations participate: all existing people, contracts and entities
 - c. Coordinator-Leader:
 - i. Town Administrator

1. Convene all involved in Derry's development for a 1-hour Project-Client Review, bi-monthly :
- d. Point Of Contact and coordination: Economic Development Contractor until a Town employee is affordable
 - i. Tasks:
 1. Coordinate Project and Contact Management activities across several organizations
 2. Provide Derry information and serve as the community's promotional clearinghouse
 - ii. The Project Development and Client Team:
 - Town Administrator-Convenes
 - Planning Director
 - Rockingham Economic Development Corp (REDC) Director
 - Derry Housing & Redevelopment Authority Director
 - Southern NH Regional Planning Commission representative
 - Economic Development Contractor (to serve as Coordinator)
4. Establish a **1st-Stop "Welcome to Derry"** presence at the Chamber office, with toll-free #, coordinated web-site, Derry marketing information, TIF and commercial property sales materials, a confidential meeting space, and client information
5. Implement a **Communications and Marketing Strategy**:
 - a. Create the distinctive yet credible brand that answers the question: "why Derry"?
 - b. Co-market the TIF Districts and the Downtown
 - c. Seek a co-developer(s) for the Abbot Court properties, as well as grant funding
 - d. Seek developers of the *Railroad Crossing Redevelopment Area TIF District*
 - e. Achieve community-wide buy-in of MDF efforts via community outreach and an inclusion community-participation strategy
6. Determine initial estimates for the operating feasibility and capital costs of extending sewer and water services to **Route 28 South**.
 - a. This is a future economic and job-growth area, but is limited by the lack of municipal sewer or water. Once the North R28 TIF District areas are absorbed (2-10 years), this area needs to be ready.
 - b. Preliminary cost and design estimates are needed now to make sound investment decisions and land-use policies to be ready later.
7. Grow and protect Derry's **local growth industries**
 - a. Derry has a significant presence in two growth sectors of the economy:

- i. Healthcare
 - ii. Technology
- b. Healthcare - To build on these industries, we need to understand their unique challenges. As an example, the state of Massachusetts makes it difficult for NH residents -working in Massachusetts for a company that provides health insurance - to use local healthcare providers. Healthcare providers are in a very competitive marketplace in southern NH; how do we ensure our local providers have a competitive edge?
- c. Technology companies – both those that make tech products and services as well as those that utilize technology – share similar needs. They need a significant pool of qualified technicians. Tech infrastructure – including high-speed internet service – is required. Tech workers need places to associate and network to stay current. And higher-education courses are valued.
- i. Recruit a higher-education institution(s) for Derry residents
 - ii. Provide networking opportunities with other technology partners

Summary

These recommendations are offered to assist the Town Council, staff and others engaged in building the local Derry economy. These recommendations are designed to both be realistic, while also thinking long-term, with a vision. We have first recommended the *better utilization of existing resources* before seeking any new investment. There is much to gain by a sharing of information and the assigning of tasks and client questions.

These recommendations also recognize that for the attainment of a sustainable local economy, *a predictable, affordable and recurring investment must be made by the Town into the economic infrastructure*, to leverage other public and private funds. The recommendation is for the Town to determine what is a reasonable and sustainable targeted amount before engaging in project-by-project discussions, so that all possibilities are reviewed against a long-term strategy and within what is affordable.

As important as any spending *by the Town* is leadership *from the Town*. No other official or unofficial entity has the economic welfare of all Derry residents, taxpayers and enterprises as its mission. While many parts of the strategy's implementation should be delegated or contracted to others, the Town leadership cannot delegate away its responsibility to lead; to be sure these efforts are efficient and effective, and to respond to changing needs over time. *Moving Derry Forward* is a good example of the community-based leadership the Town must provide.

Organization Chart and Lines of Communications

