

MINUTES

Lakes Region Comprehensive Economic Development Strategies (CEDS) Strategy Committee Meeting

Meredith Savings Bank
South Main Street,
Laconia, New Hampshire

February 28, 2007

Committee Members Present:

Bill Beyer, Meredith Village Savings Bank	Joe LaPlante, Quin-T Corp
Mel Borrin, Preferred Properties	Henry Lipman, LRGH
Jennifer Boulanger, BCEDC	Rusty McLear, Hampshire Hospitality Holdings
Mark Edelstein, NH Community Technical College	Linda Normandin, Laconia Savings
Debbie Frawley-Drake, Lakes Region Linen	Gerry O'Neil, Private Sector representative
Gary Groleau, N.H. Ball Bearing	Carol Pierce, Laconia Human Relations Committee
David Haley, Munsey & Brazil	Mark Scarano, GCEDC
John Howe, The Citizen of Laconia	Denise Sharlow, FBIDC
Moe Lafreniere, The Common Man	Dick Waitt, LRPC
Theresa Lamson, Greater Laconia-Weirs Beach Chamber of Commerce	Chris Williams, Williams Architects

Others:

Russ Thibeault, Applied Economic Research
Bich Train, student
Kimon Koulet, LRPC
Michael Tardiff, LRPC

Call to Order and Introductions

The meeting was called to order by Bill Beyer at 5:00pm. Members of the CEDS Strategy Committee and others in attendance introduced themselves.

CEDS Status Report

K. Koulet provided an update regarding the overall CEDS process. He described the next steps of the process would include the Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis and the distribution of the Regional Business Survey.

He noted that the Regional Business Survey is in the process of being developed online, and the link to the survey would be distributed to targeted businesses shortly. The process for distributing the survey was then discussed. It was decided that the initial email to the businesses on the targeted list of businesses that email addresses could be collected from would come from B. Beyer. LRPC staff will continue to facilitate the collection of email addresses and finalize the survey for distribution.

Lakes Region Economic Climate/The Story Behind the Data

K. Koulet and M. Tardiff presented information regarding the past, present, and projected economic climate in the Lakes Region. Data presented included population trends (including how the Lakes Region is included in the New England Megalopolis), land use, age cohort and housing data, and information on the employment base and income levels. The presentation can be found online at <http://www.lakesrpc.org/CEDSPresentation.htm>.

The PowerPoint presentation by K. Koulet and M. Tardiff was supported by insight and background information provided by R. Thibeault of Applied Economic Research and many comments and questions by members of the CEDS Strategy Committee. A summary of the discussion follows:

- The United States is projected to grow by 100 million people in 2040 to approximately 400 million people. The Census Bureau has identified numerous metropolitan regions in the US. The 2000 Census identified many “micropolitan areas” with core areas of 10,000, of which Laconia was one. Mega regions or “megapolitan areas” throughout the country have been identified. The Lakes Region is expected to be on the northern edge of the New England Megalopolis in 2050.
- The population of the Lakes Region grew from 60,461 in 1970 to 106,428 in 2000. Growth rates between 2000 and 2005 were greatest in Hebron, Barnstead and Gilmanton.
- The median age is increasing in the Lakes Region. Median age figures by community from the 1980, 1990 and 2000 Census were presented. The highest median age in 2000 was found in Hebron at 50.1 years. The lowest was 36.0 in Northfield. The median age in New Hampshire in 2000 according to the US Census was 37.1. The overall Belknap County median age was 40.1 in 2000.
- The number of senior citizens in the Lakes Region increased by 3,063 (or approximately 22%) between 1990 and 2000.
- Population projections from the NH Office of Energy and Planning estimate that the number of persons 65 years old and older in Belknap County will increase from 8,496 in 2000 to 27,081 in 2030, an increase of approximately 219%. The overall increase in persons 65+ is a greater number than the overall increase in population projected for Belknap County, with the age groups under the age of 65 projected to have a net loss in population. School age population is also an important key. In the 1990s the school age

population grew at a rate three times the rate of the overall population. In the coming years it is expected that the school age population will decline.

- The combination of the available seasonal housing stock, recreational resources, accessibility to quality health care and location close to large metropolitan areas make the Lakes Region a major retirement destination.
- Labor participation rates for seniors increasing – more are taking “bridge jobs.” The labor pool of younger workers will likely be reduced in the future. The work ethic of refugees relocating to the area is an important element in the discussion of need for workers in the future.
- The availability of high speed internet in a number of Lakes Region communities has played a role in attracting people to the Lakes Region who can chose to telecommute from anywhere.
- As the population ages, support systems for seniors will need to be enhanced. It is expected that the economy will be very different in the Lakes Region in the future due to the aging of the population. It is also expected that demand for typical single-family housing may decline in favor of smaller units due to downsized households.
- The overall Lakes Region population is projected to grow by 24% between 2005 and 2030 (NH OEP), led in percentage increase by Alton (42.7%), Moultonborough (37.9%) and Effingham (37.1%). It was noted that the communities in the Lakes Region expected to grow at a relatively faster rate are in Carroll County. The state of New Hampshire is expected to grow by 19% over the same period. The lowest rates of growth over the 25 years are expected in Laconia (2.5%) and Franklin (5.9%).
- The population is aging now, but it is not yet an *elderly* population as the baby boom generation ages. The changes resulting from that generation aging will likely impact the region’s development patterns over the coming 20 years, perhaps causing people to choose housing in more urban areas closer to services. It was pointed out that there are statewide initiatives under way to provide assistance to those who wish to “age in place” instead of moving as they get older and require more services, and there will be an increasing need for programs like this in the future.
- The value of seasonal housing is affected by in-migration of affluent retirees moving into the Lakes Region. The overall value of housing affects the ability of the region to attract younger workers due to the overall high cost of housing. This will then likely impact the ability to provide services for seniors in the future.
- In the 1970s, approximately 1/3 of all jobs in the Lakes Region were in manufacturing, 1/3 in government and services, and 1/3 in tourism. It was noted that in the early 2000s many manufacturing jobs were lost in New Hampshire. In 2005, manufacturing made up approximately 13% of total employment in the Lakes Region.

- An example was given regarding the many professional jobs that once were located in the region are no longer here because of changes and consolidation in industries such as banking and manufacturing. Now, an increasing number of jobs in the area are in retail, with a growing emphasis on large national enterprises that have impacted small mom and pop retail establishments. A key issue is that the area is now exporting more dollars outside of the region than we once did, which affects the ability of the Lakes Region to support an upper-middle income lifestyle.
- It is difficult to attract manufacturing workers and other skilled labor in the area while at the same time many of the diverse jobs once located in the Lakes Region have been outsourced. Just like the 1970s, it is difficult to retain young people in the Lakes Region. The region needs to do a better job of marketing the jobs that are available to people when they are ready to move back to the region once they are ready to raise a family. The region needs to market its quality of life. "Having enough labor in the future will be like having enough electricity."
- It was noted that in some industries, it is feasible to attract people for some of the higher paying jobs because of the draw of the Lakes Region, but many of the lower paying jobs are difficult to fill because of the overall cost of living, including housing, in the region. Other challenges are to fill technology positions.
- The affordability of housing is a key issue, not simply the cost of housing. If a business wishes to recruit someone from outside of the region, they often have to pay a higher rate because of the lack of affordable housing. The decision to move to the region is also affected greatly by housing diversity and accessibility.
- The smaller overall size and the location of the Lakes Region can put businesses at a disadvantage when recruiting. The labor force is not as large as a region such as the Nashua area, so when a position becomes available there will often not be many people available locally to fill it immediately. Other comments were subsequently made regarding the strength and quality of the existing labor pool.
- Jobs in the service sector are difficult to fill, especially in light of housing costs. Many of these service sector jobs such as plumbers, as well as many manufacturing positions, require a great deal of education beyond high school.

Public Comment

There was no public comment.

Next Steps

K. Koulet outlined the proposed schedule and process to develop the Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis. He first asked for volunteers to assist in developing the questions that would be posed to the overall CEDS Strategy Committee during

the SWOT process. He asked if the representatives of economic development councils and chambers of commerce could participate, and any other committee member that was interested.

The proposed schedule would not require a CEDS strategy committee in March, but instead would necessitate a longer meeting on April 25. In the meantime, LRPC staff will meet with the SWOT subcommittee and the hired consultants to help develop questions and post them on the Internet for the entire CEDS Strategy Committee to fill out prior to the 4/25 meeting. The 4/25 meeting will then consist of a review of the Cluster Analysis and the initiation of the SWOT process. The SWOT process will then conclude in May.

Those present agreed that the next meeting of the CEDS Strategy Committee will be on Wednesday, April 25 beginning at 5:00 pm. The meeting will be held at the MVSBS Laconia Branch conference room. It is expected that the meeting will last approximately 2 1/2 hours.