

## MINUTES

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

Meredith Savings Bank  
South Main Street,  
Laconia, New Hampshire

May 23, 2007

#### Committee Members Present:

Bill Beyer, Meredith Village Savings Bank	Theresa Lamson, Greater Laconia-Weirs Beach Chamber of Commerce
Mel Borrin, Preferred Properties	Joe LaPlante, Quin-T Corp
Jennifer Boulanger, BCEDC	Henry Lipman, LRGH
Rick Demark, North Country Resource Conservation & Development Council	Rusty McLear, Hampshire Hospitality Holdings
Mark Edelstein, NH Community Technical College	Linda Normandin, Laconia Savings
Debbie Frawley-Drake, Lakes Region Linen	Carol Pierce, Laconia Human Relations Committee
Gary Groleau, N.H. Ball Bearing	Mark Scarano, GCEDC
John Howe, The Citizen of Laconia	Jack Terrill, Lakes Region United Way
Moe Lafreniere, The Common Man	Denise Sharlow, FBIDC
	Chris Williams, Williams Architects

#### Others:

Deborah Avery, NH Department of Resources and Economic Development  
Carol Cantin, NH Department of Employment Security  
Pam Szacik, NH Department of Employment Security  
Kimon Koulet, LRPC  
Michael Tardiff, LRPC

#### Call to Order and Introductions

Bill Beyer called the meeting to order at 5:10pm. He began the meeting by thanking the members of the CEDS Strategy Committee for their work and diligence so far during the CEDS process. He then asked for any comments related to the minutes of the April 25, 2007 CEDS Strategy Committee meeting. The minutes were accepted as written by a unanimous vote of the committee.

## **CEDS Outlook**

B. Beyer referred to the handout entitled CEDS Proposed Schedule. He noted that he has been working closely with Kim Koulet to scope out the agenda for both the May and June CEDS Strategy Committee meetings, and hoped that by the end of this evening's meeting the committee would have a rough idea of 2 to 5 strategic issues to possibly move forward on. He then noted that in June the committee would move forward in refining the issues, with subcommittees then formed to continue work on these issues. Membership on these committees will possibly be made up of persons from the CEDS Strategy Committee as well as those not serving on the CEDS Strategy Committee.

Members of the CEDS Strategy Committee and others in attendance then introduced themselves.

K. Koulet then outlined the objectives for the meeting and noted that it was now the time to tie what we have learned together with ideas for what it all means in an effort to begin defining overall goals.

## **Defining Economic Development**

K. Koulet stated that he and Bill Beyer felt that it was a good time to step back and discuss what the committee sees as the definition of economic development. He noted that President Bush had been quoted as saying "The role of government is to create conditions in which jobs are created, in which people can find work." He also noted that the U.S. Economic Development Administration (EDA) identifies economic development as employment, i.e., the number of jobs created at implementation. He then asked the committee how they felt about that definition of economic development.

During the subsequent discussion, members of the committee discussed a variety of topics related to economic development in the Lakes Region. Debbie Frawley-Drake noted that she felt economic development in the area related to quality of life, better jobs and opportunities, and the celebration of the region's amenities. Jennifer Boulanger stated that she had done some research regarding the definition, and stated that she had seen others define economic development as the "creation of wealth," whether it is for individuals, businesses and the community. Chris Williams noted the importance of jobs that can be sustained over time.

Rick Demark emphasized the "building of wealth," and discussed the wealth index developed by the Northern Forest Center. The five factors that make up the wealth index are community, environment, economy, culture and education.

Jack Terrill stated that he agreed with the notion of wealth creation, but would also say that economic development is the "enhancement of the condition of the community." We are using jobs as the leader, but it is instead a tool to get there, not the driving force. K. Koulet followed that by adding that the EDA looks at the number of jobs created as implementation as a result of funding provided to communities. Mel Borrin stated that jobs are clearly a measure, but is it the correct measure for the Lakes Region? He noted that an issue is not the number of jobs; it is finding qualified persons to fill jobs that are already here in the Lakes Region.

The topic of quality jobs was then discussed. Henry Lipman noted that with 4% unemployment, the creation of new jobs relates to sustainable jobs or jobs that provide a higher quality of life. He offered that we are trying to create a better community condition through wealth building without compromising quality of life.

Rick Demark commented on his experience working on the CEDS in the North Country. He said that the goal of that committee is to look at comprehensive strategies related to economic development, and to be comprehensive it not only identified strategies that the EDA can fund; it identifies other strategies in the community.

M. Borrin noted that we should perhaps move ahead to the next steps in the process before we come back to define economic development in the region.

### **Lakes Region Economic Development Vision Statement**

K. Koulet then moved into a discussion of the CEDS Vision Statement, outlining the process that includes the development of a vision, goals and objectives. He referred to a Powerpoint slide that defined the vision as “the ideal destination. It should be challenging, innovative and forward thinking. It helps energize people and set priorities.” He pointed out that part of the process to define a vision is a willingness to express something that may be a little unrealistic, and all of the sudden it can turn into something that can happen. He noted that vision statements might express the means for how the economic vision can be achieved.

He then asked the group who they felt the customers for the vision statement are, for example, helping the local economic development councils and chambers of commerce related to defining a regional vision. Mark Scarano noted that he felt that the EDCs could help execute the plan.

M. Borrin noted that he felt that the group did not need to decide who could use the plan, but instead should put the committee in the position that the final document can be used and understood by many businesses and individuals. Other comments noted that local government would be a customer and it was hoped that that the CEDS would be used by many in an integrative manner as a guide in economic development decision-making in the region. K. Koulet noted that it would be a challenge to make the vision relevant, and it would need to be inspirational.

K. Koulet then said that it was an appropriate time for the group to write down their inspirational messages related to the vision. He asked them to write down ten words in ten minutes or so that should be in the vision statement.

When the group completed their work, K. Koulet stated that he was not going to ask the committee to wordsmith the vision statement at the meeting, but instead asked for volunteers to develop a draft vision statement from the group’s words and comments. Jennifer Boulanger, Mark Edelstein, John Howe and Jack Terrill volunteered to serve on the subcommittee. Once the draft statement is developed, it would then be distributed to the overall CEDS committee for review and comment.

### **New Cluster Data For Our Lakes Region**

K. Koulet then moved into a discussion of some newly received Lakes Region community specific results from the cluster analysis prepared for the CEDS by Camoin Associates (CA). He noted that due to the time constraints of the overall process, CA had not received employment data specific to the 30 communities to analyze during the cluster analysis until very late in their process. Instead, much of the analysis had been performed using county level data. He said that CA had recently received the community specific data and had completed some analysis of the data that he had asked Michael Tardiff to review quickly with the CEDS committee as some of the results from the review of community specific data had been somewhat masked in the overall county data.

M. Tardiff referred to a spreadsheet he had passed out entitled “Key Results of the Cluster Analysis - Lakes Region Cities and Towns.” He began by again describing the Location Quotient (LQ) as a ratio that compares an industry’s local share of employment to its share of employment in a greater area, in this case either New England or the U.S. as a whole. He further noted that if the ratio is 1.00, the share of employment is that same in the local area as it is in the greater area such as the U.S. If it is less than 1.00, the share is less, greater than 1.00, the local ratio is higher.

In reviewing the highlights of the data, he began with a discussion of non-store retailers, with a local LQ of 6.34 in 2000 and 6.68 in 2005. He noted that the numbers are probably skewed by J. Jill in Tilton, but could also highlight other mail order operations or web-based businesses in the Lakes Region. He also noted a wide disparity in trend within the overall manufacturing category, with high increases and decreases in manufacturing subcategories between 2000 and 2005, while the overall category only declined slightly. While Plastics and Rubber Products Manufacturing had a decrease in LQ from 3.44 to 1.59 over the 5 years, Primary Metal Manufacturing increased from 1.96 to 4.36 over the same period.

He then quickly reviewed several retail category trends, highlighted by the fact that approximately 20% of all employment in the Lakes Region in both 2000 and 2005 was attributable to retail. A number of subcategories including Motor Vehicle and Parts Dealers Furniture and Home Furnishings Stores, Food and Beverage Stores, and Gasoline Stations all had high LQs in both 2000 and 2005.

He then concluded his review of the cluster analysis results by describing the increasing percentage of overall employment attributable to nursing and residential care, rising from 3.38% of overall employment in 2000 to 3.68% in 2005, as well as the increasing percentage of overall employment in Food Services and Drinking Places, increasing from 9.59% in 2000 to 10.38% in 2005.

### **Review Of Strengths, Weaknesses, Opportunities, And Threats**

K. Koulet noted that the next item on the agenda was the review of the results of the SWOT analysis. He reviewed with the committee the process that had been followed to develop the SWOT analysis including an internet-based survey of the CEDS committee members and the ranking of all those topics identified during the internet survey at the April CEDS meeting. He stated that the committee had as a handout the rankings of each topic identified as a strength, weakness, opportunity or threat in numerical order.

He then referred to a PowerPoint slide that included the top five regional strengths identified by the committee. He then summarized what he saw in those responses to get the committee's feedback. His summary of the top five responses was that "*the Lakes Region is a wired, economically partnered, safe and friendly place to live within a beautiful setting.*"

B. Beyer then reminded the group that the top five responses under the categories of Strengths, Weaknesses, Opportunities, and Threats was the initial summary of the group's SWOT numbering exercise during the last meeting. He noted that there will be more opportunities to refine the results, but the summaries that Kim had developed for each category was to encourage further thinking by the committee.

K. Koulet then moved to weaknesses, and he summarized the top five regional weaknesses as "*the Lakes Region is a tourist area that is more expensive for year-round residents offering few incentives to attract and retain quality knowledge workers. Our amenities are threatened by unsightly sprawl which is due to weak authority to coordinate land use planning.*" B. Beyer noted that the group should refer to the sheets that contained all the responses in numerical order when considering the summary statements. He also noted his concern regarding the term "over reliance" related to tourism. He said he felt a better way to say it would be that the region needs more diversification. K. Koulet noted that the reason it was worded that way was because it was phrased as a weakness, while the need for more diversification could be looked at as an opportunity. He also emphasized that many members of the committee had voted for that topic.

It was then noted that the reliance on tourism was tied in the scoring of the SWOT as the main weakness with the lack of affordable housing. B. Beyer voiced his concern regarding the committee's ranking high the over-reliance of tourism. Theresa Lamson said that she was looking to emphasize that the Lakes Region needs "second line" industries, as there are times that the tourism industry suffers (such as 9/11) at that affects the entire region. K. Koulet noted that the problem was probably with the term "over" in over-reliance of tourism.

Discussion then turned to the idea of poorly coordinated inter-municipal planning as a weakness. The idea that more coordination among communities when developing and staffing new facilities such as fire stations and fire stations was discussed. C. Williams noted there was a difference between authority and a cooperative effort between communities. H. Lipman stated that the question was how we can get people to work together in different ways. B. Beyer noted the example that many people may choose to save money by coordinating better with neighboring communities if they knew how much they could save on their taxes.

K. Koulet then moved the discussion to Regional Opportunities. He summarized the committee's ranking of opportunities as "*We need to cultivate relationships with the many seasoned, talented and successful retirees and find a way to mentor youthful enterprises and exploit or use the strong telecommunications infrastructure and reuse old mill buildings to create businesses while seeking ways to attract urban talent with connections to Boston area economy and finance.*" It was noted that in addition to retirees, there should be mention of the high number of second homeowners that are not retired. K. Koulet asked if the group felt it was realistic to ask retirees to become involved in the Lakes Region. M. Borrin said that he did not believe that seasonal residents are ready to give much of their time to getting involved locally, while R. McLear said that more and more seasonal residents are getting involved in their local communities as they are spending more time

in the region than in years past. He said it is a small number of people, but a number that the group should really look at. C. Williams noted that he has a number of clients looking to get involved in the community but do not know how, and cited the example of the Squam Lakes Association being concerned with planning topics throughout the region, not just in the vicinity of Squam Lake. K. Koulet came back to opportunities for people to get involved such as Planning Board or other committees. H. Lipman said that it was a difference between government and other community projects. B. Beyer said that is was really how you approached people, and overall he believed that would rather be integrated into the community than be isolated. C. Williams noted the key is how to tap the expertise that is out there.

K. Koulet then continued the discussion to that of Regional Threats. He began by summarizing the top SWOT responses related to threats as *“Escalating housing prices from a steady influx of affluent retirees and second home seekers, along with national issues such as higher cost of living for those on fixed incomes, ever spiraling health care costs for patients and providers, combined with fewer accommodation choices for tourists, along with continued loss of jobs in the manufacturing sector and the specter of businesses that may impair the environment, these all conjure significant threats to defend against.* Comments during the subsequent discussion included a question as to how attracting affluent retirees can be seen as a threat and how some of the best paying jobs are in health care, so you may be looking at that as an opportunity as well. Other comments related to how much of some of the threats outlined such as high health care costs can be addressed in the Lakes Region, as they are national issues.

Discussion then centered on the aging of the population and the need to prepare for demographic changes in the future. T. Lamson noted that we need to prepare for the influx of retirees and the aging population through the creation of infrastructure and services, and if we do not do this, the aging population does become a threat. She stated that the Lakes Region had recently been rated in the top three for retirement destinations in Where to Retire magazine.

Discussion then moved to the question of the cost of housing, with a comment made about the lack of diversity in the housing market. We have a lot of units such as second homes and condominiums, but do we have housing for students or those working in retail? A comment then followed that zoning and neighborhood issues affect the availability of such housing types.

H. Lipman then commented that population now that there are now approximately 3 people for every person over 55. In 20-25 years, this will change to 1.3 to 1. In coming years we will be depending upon fewer people to generate the wealth we are talking about here. Not having a balance of demographics could greatly affect the economy.

M. Borrin then questioned the SWOT process from the last meeting where red labels were put on each topic. He said he believed that if they did it now there would be different priorities based upon today’s discussion. R. Demark noted his concern that the value of the natural environment had been identified; there were not any weaknesses, threats or opportunities that make sure we maintain the environment. K. Koulet noted that we are using the SWOT and subsequent discussion to lead towards action and goal setting.

### **Goal Statements**

K. Koulet then opened the discussion of goal setting, and stated that we are trying to get to the point of having committee members write down comprehensive economic development goals based upon what has been discussed by the committee so far. He presented several examples of developing regional economic development expectations prepared by Camoin Associates based upon the cluster analysis results, including “Build on unique assets to distinguish our region from others” and “Build on apparent high regard for environmental awareness and responsible stewardship.” After a quick review of the difference between goals, objectives and strategies, he asked the group to take some time each write down a goal statement. He said that when they were done, they would be asked to write them down on the large pad in the front of the room.

After the group completed the process to write down the goal statements, K. Koulet described the process that was being proposed to move forward. He stated that LRPC staff would work to consolidate the goal statements and present the list electronically in its entirety to the committee for further prioritization for use at the next committee meeting. He noted that work on the vision statement would be happening at the same time.

### **Public Comment**

There was no public comment.

### **Next Steps**

It was then agreed that the next meeting of the CEDS Strategy Committee will be on Wednesday, June 27 beginning at 5:00 pm. The meeting will be held at the MVSB Laconia Branch conference room.