



4. Economic Development

4.1 Introduction

This chapter of the Master Plan is devoted to the economic conditions in the Town of Merrimack. These include:

- Demographics
- Employment & Establishments
- Income & Wages
- Land Use Trends
- Real Estate Development Trends
- Real Estate Assessed Values
- Commercial Real Estate Market Activity

These conditions define the facets of the Town's economic ecosystem, which includes people, institutions, companies, and infrastructure. Utilizing the description of these conditions, strategic recommendations are offered to maximize the Town's economic development efforts. Through the implementation of these recommendations, Merrimack will maintain its role as an attractive place to live, work, and play.

4.2 Economic Development Goals

This chapter's recommendations seek to meet the following goals for the Town's economic development efforts:

- Establish, maintain and expand the lines of communication and relationships between the public and private sectors.
- Retain Town businesses and attract new ones.
- Unify the Town's public sector to become more economic development-oriented.
- Coordinate land use policies, regulations, and permitting to facilitate economic development.
- Develop a stronger Town "brand" that highlights economic development efforts.
- Make the Town's development review process more transparent and consistent.
- Refine the Town's zoning and land use regulations to allow for greater flexibility.
- Encourage repositioning and redevelopment of under-utilized properties through the creation of public-private development finance mechanisms, such as, tax increment financing (TIF), economic revitalization zones (ERZs), and economic revitalization credits.

4.3 Summary of Major Findings

- The Town's population is stable, following two decades of growth.
- Employment conditions in Merrimack are favorable, with a 20 percent increase in the number of jobs during 2000-2009. Furthermore, these positions tend to be high-skill, high-wage positions. Meanwhile, the surrounding County had a loss of about 5 percent during that same time.
- Educational attainment in the Town is high—almost 40 percent of the Town's adults hold a four year degree, a rate that is about five percentage points higher than Hillsborough County.
- Job growth during 2008-2018 is estimated to be about 1,700 jobs.
- Merrimack's unemployment remains lower than state and national rates.
- Median household incomes are high—about \$20,000 higher than the surrounding County.
- Land uses are generally segregated by F.E. Everett Turnpike, which divides residential uses to the west and commercial uses to the east.

- Almost half of the Town's land is residential in nature, followed by vacant (22 percent) and permanent open space (16 percent).
- Almost 90 percent of the Town's commercial and residential properties were built before 1990.
- The tax base is increasingly reliant on residential uses, which comprise about 80 percent of the total assessed value, up from 76 percent in 2001.
- The Town's property tax rate is towards the lower end of the range found among the surrounding communities.
- Office and industrial real estate lease rates tend to be lower than other New Hampshire real estate markets, while sale prices are somewhat high.

4.4 Demographic and Economic Conditions

The demographic and economic conditions of the Town of Merrimack and Hillsborough County (as well as New Hampshire, where applicable) provide the context upon which the Economic Development portion of the master plan is established. These conditions describe the characteristics of both residents and workers.

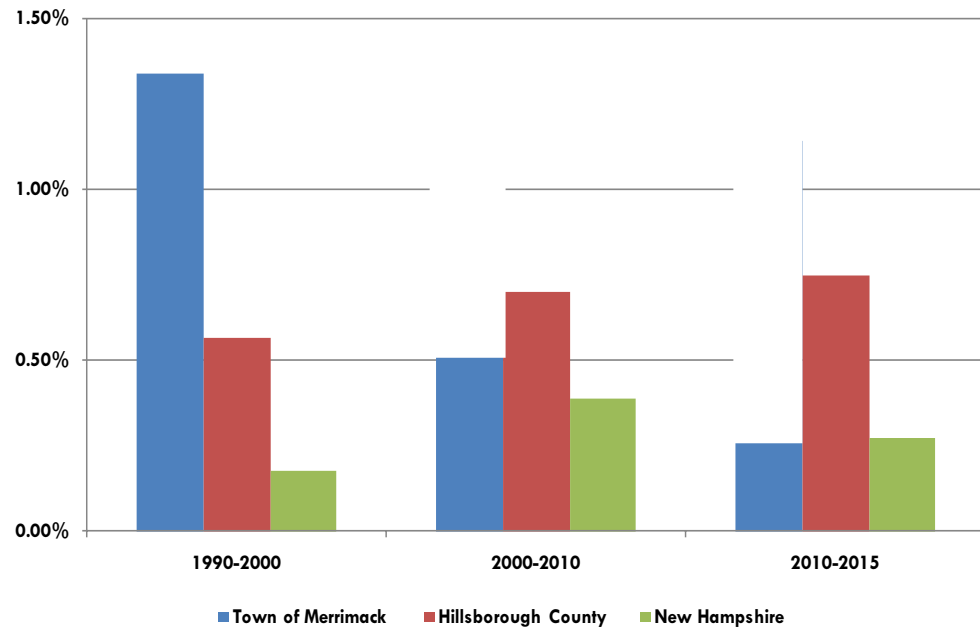
The information utilized in this section was gathered from a variety of sources:

- The Town of Merrimack's Assessing Department
- The Town of Merrimack's Community Development Department
- The Nashua Regional Planning Commission (NRPC)
- DemographicsNow (a reputable source for demographic data)
- New Hampshire's Office of Employment Security
- The US Census Bureau
- The New Hampshire Office of Energy and Planning

4.4.1 Population and Households

The annual rate of population has decreased since 1990 in the Town of Merrimack, in contrast to Hillsborough County as a whole, which has shown a steady increase. The growth rate of New Hampshire has increased since 1990 but is projected to decrease from 2000 to 2015 at a similar rate to Merrimack (**Figure 4-1**). In Merrimack, the annual rate has declined from about 1.3 percent during 1990-2000 to about 0.5 percent during 2000-2010 to a projected rate of about 0.2 percent during 2010-2015. Similar trends are occurring across all study areas.

Figure 4-1: Annual Change in Population



Source: US Census Bureau, DemographicsNow & RKG Associates, Inc., 2011

Table 4-1: Population Growth and Projections

	Trends			Projection
	1990	2000	2010	2015
Town of Merrimack	22,156	25,119	26,544	26,781
Hillsborough County	336,073	380,841	407,490	415,382
New Hampshire	1,109,253	1,235,786	1,328,192	1,346,271

Source: US Census Bureau, Demographics Now & RKG Associates, Inc., 2011

The Town's number of households increased from about 7,400 in 1990 to 8,800 in 2000 to 9,300 in 2010, with an expected increase to about 9,400 in 2015 ([Table 4-2](#)). While the overall number of households is increasing, the rate of increase is declining. During 1990-2000, the annual growth rate of households in the Town of Merrimack (almost 2.0 percent) was higher than its population growth rate (1.3 percent). However, that disparity disappeared during 2000-2010, at which time the growth rates were much more similar (around 0.5 percent). This shift towards a more similar rate of growth is likely attributable, at least in part, to a net decline in the Town's average household size. In 1990, the average household size in Merrimack was 2.97, but shrank to 2.84 in 2000 and then increased slightly to 2.85 in 2010. As household size declined, the number of people per household also declined, thereby reducing the difference between the rate of population and household growth.

Figure 4-2: Annual Change in Households



Source: US Census Bureau, DemographicsNow & RKG Associates, Inc., 2011

Table 4-2: Household Growth & Projections

	Trends			Projection
	1990	2000	2010	2015
Town of Merrimack	7,439	8,832	9,280	9,378
Hillsborough County	124,567	144,455	152,444	155,488
New Hampshire	411,186	474,606	512,160	524,885

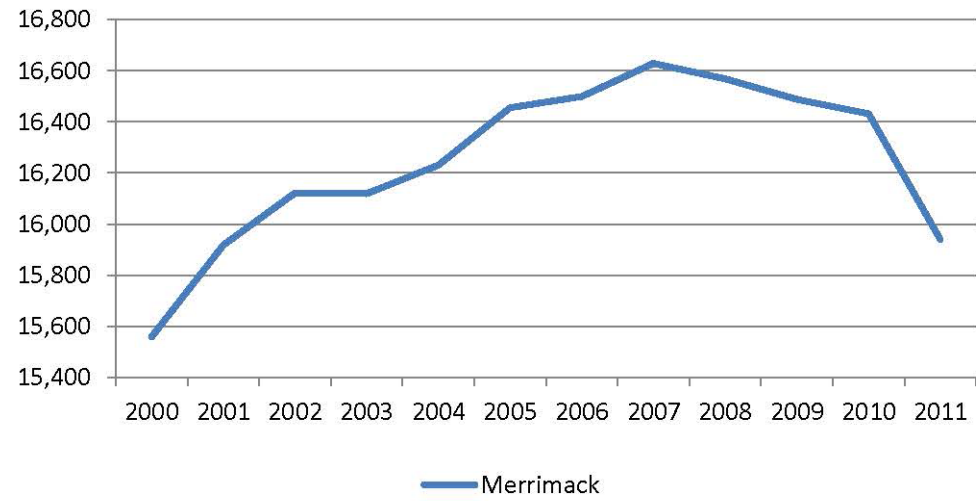
Source: US Census Bureau, Demographics Now & RKG Associates, Inc., 2011

This trend is expected to continue during 2010-2015, with an expected decline in growth rates for both population and households to an annual rate of about 0.3 percent.

4.4.2 Labor Force Characteristics

The size of Merrimack's labor force grew during the first half of the decade but slowed during the last half of the 2000s. Specifically, the Town's labor force increased from 15,559 employees in 2000 to 16,629 in 2007 at the high point, but has shown a steady decline since 2007 to 15,940 employees in 2011. Nevertheless, the Town experienced a net growth in its labor force during 2000-2011, meaning that the Town has netted about 400 labor force participants (or an increase of 2.5 percent) during the 2000s, despite persistent declines in the labor pool since 2007.

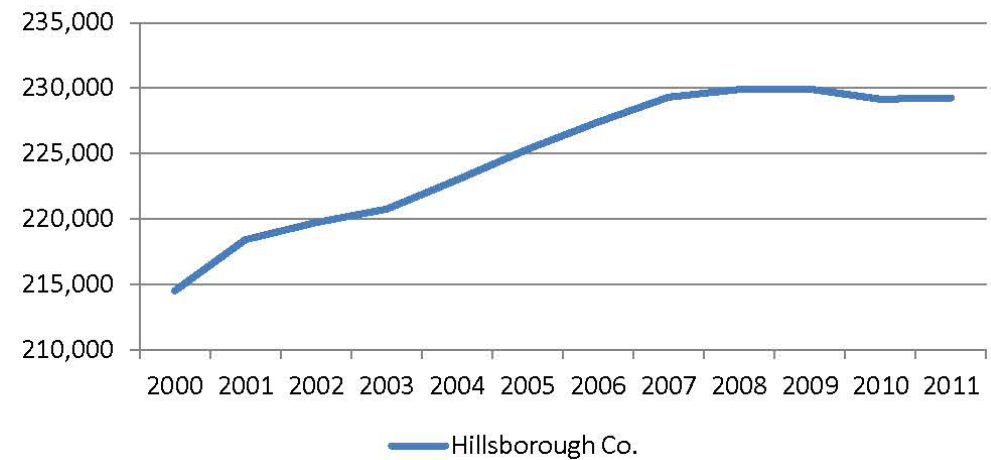
Figure 4-3: Civilian Labor Force, Town of Merrimack



Source: New Hampshire Employment Security & RKG Associates, Inc., 2011

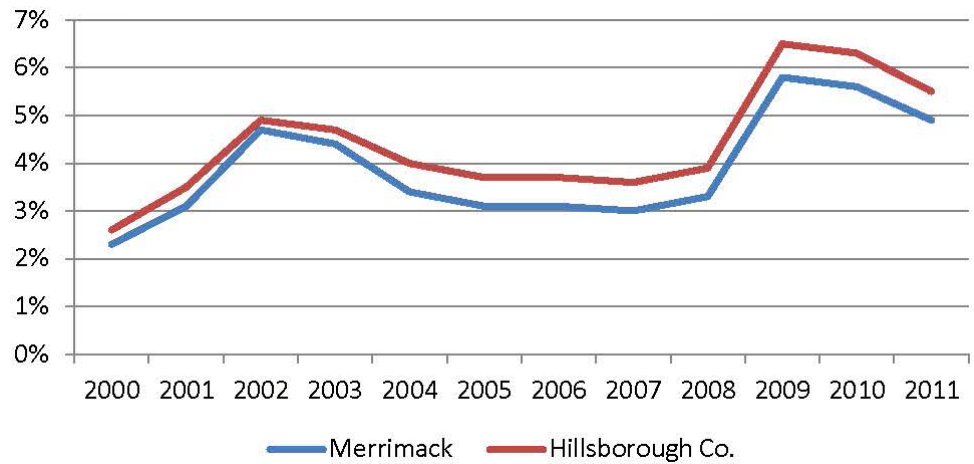
A similar trend is occurring in Hillsborough County. The workforce grew from 214,534 in 2000 to 229,927 in 2009, but then declined to 229,175 in 2010, resulting in a net gain of 14,641 persons (or 7 percent) ([Table 4-4](#)).

Figure 4-4: Civilian Labor Force, Hillsborough County



Merrimack's unemployment rate has remained 0.2-0.7 percent lower than the County's rate since 2000 ([Table 4-5](#)). Peaks in these two geography's unemployment rate have coincided with the two most recent nationwide recessions (2001 and 2007-2009). Assuming that Merrimack residents are maximizing their employment opportunities, the relatively low unemployment rate in the Town of Merrimack relative to County and nationwide trends may indicate that the Town's residents are in relatively higher demand as employees compared to the County.

Figure 4-5: Unemployment Rate, Town of Merrimack and Hillsborough County



4.4.3 Employment & Establishment Trends

Employment growth in the Town of Merrimack has shown a steady increase between 2000 and 2011, growing by about 7 percent (or 843 employees). This is significant considering the two recessions that occurred during this time (2001 and 2007-2009) as well as a County-wide decline of 11 percent of its jobs during the same period. The majority of this growth in employment in the Town of Merrimack has occurred in white collar industries. For example, the professional and technical service, finance and insurance, and management of companies industries grew by 2,567 employees during 2000-2011, increasing from 28 percent to 42 percent of the total jobs in the Town (**Table 4-3**). Other growing white collar industries, such as health care and social assistance, gained jobs by almost 1,000 jobs during that same time.

Table 4-3: At-place Employment: Town of Merrimack

	2000	2011	% of Total	# Change	% Change
Professional & Technical Services	443	1,659	11.2%	1,216	274.5%
Finance & Insurance	3,100	4,120	27.9%	1,020	32.9%
Management of Companies	98	429	2.9%	331	337.8%
Education Services	682	116	0.8%	-566	-83.0%
Retail Trade	1,303	1,315	8.9%	12	0.9%
Health Care & Social Assistance	410	500	3.4%	90	22.0%
Other Services	357	440	3.0%	83	23.2%
Administrative & Waste Service	354	325	2.2%	-29	-8.2%
Arts, Entertainment & Recreation	47	48	0.3%	1	2.1%
Utilities	16	0	0.0%	-16	100.0%
Real Estate, Rental & Leasing	195	168	1.1%	-27	-13.8%
Wholesale Trade	309	284	1.9%	-25	-8.1%
Transportation & Warehousing	310	159	1.1%	-151	-48.7%
Information	206	117	0.8%	-89	-43.2%
Accommodation & Food Service	1,023	886	6.0%	-137	-13.4%
Manufacturing	3,505	2,635	17.8%	-870	-24.8%
Construction	N/A	N/A	N/A	N/A	N/A
Total	12,358	13,201	100.0%	843	6.8%

Source: New Hampshire Employment Security & RKG Associates, Inc., 2011.

Note: Private establishments jobs only. Government-related jobs not included.

The biggest declines in employment occurred in manufacturing (almost 900 jobs lost or a 25 percent decrease), education (566 jobs or a 83 percent decrease), accommodations and food service (137 jobs or a 15 percent decrease), information (90 jobs or a 43 percent decrease), and transportation and warehousing (151 jobs or a 49 percent decrease).

Similar, but not as pronounced, trends occurred in Hillsborough County as well. However, the greatest growth occurred in less-skilled white collar jobs, such as health care and social assistance, which grew from 21,334 jobs to 26,575 jobs during 2000-2011, or an increase of 25 percent (Table 4-4). Higher-skilled white collar jobs, such as professional and technical services and management of companies grew but at a slower rate, 1,744 and 590 jobs, and remained a much smaller portion of the County when compared to Merrimack's distribution of employment.

Table 4-4: At-Place Employment: Hillsborough County

	2000	2011	% of Total	# Change	% Change
Health Care & Social Assistance	21,334	26,575	16.1%	5,241	24.6%
Education Services	11,879	4,265	2.6%	-7,614	-64.1%
Professional & Tech. Services	9,855	11,599	7.0%	1,744	17.7%
Arts, Entertainment & Recreation	1,753	2,418	1.5%	665	37.9%
Management of Companies	2,407	2,997	1.8%	590	24.5%
Accommodation & Food Service	13,391	13,998	8.5%	607	4.5%
Other Services	6,231	6,523	3.9%	292	4.7%
Real Estate, Rental & Leasing	2,555	2,316	1.4%	-239	-9.4%
Finance & Insurance	9,932	9,393	5.7%	-539	-5.4%
Information	5,954	5,204	3.1%	-750	-12.6%
Utilities	614	367	0.2%	-247	-40.2%
Administrative & Waste Service	8,526	9,160	5.5%	634	7.4%
Wholesale Trade	8,104	7,187	4.3%	-917	-11.3%
Construction	7,072	6,194	3.7%	-878	-12.4%
Transportation & Warehousing	6,677	3,820	2.3%	-2,857	-42.8%
Retail Trade	28,053	26,513	16.0%	-1,540	-5.5%
Manufacturing	41,497	26,327	15.9%	-15,170	0
Total	185,834	164,856	100.0%	-20,978	-11.3%

Source: New Hampshire Employment Security & RKG Associates, Inc., 2011

Note: Private establishments jobs only. Government-related jobs not included.

Growth in the number of business establishments in Merrimack also exceeded that of the County, with an increase of almost 5 percent, or 26 firms. As in the case of employment growth, this is also a noteworthy achievement given the losses sustained in many other parts of the country and region. The Town's establishment growth typically occurred among its relatively high-skilled white collar firms, such as the management of companies, finance and insurance and professional and technical services (Table 4-5). Conversely, wholesale trade and transportation and warehousing lost both firms and employees.

Table 4-5: Business Establishments: Town of Merrimack

	2000	2011	% of Total	# Change	% Change
Finance & Insurance	39	61	10.4%	22	56.4%
Professional & Technical Services	69	81	13.8%	12	17.4%
Administrative & Waste Service	41	52	8.9%	11	26.8%
Accommodation & Food Service	43	54	9.2%	11	25.6%
Education Services	16	16	2.7%	0	0.0%
Management of Companies	4	12	2.0%	8	200.0%
Health Care & Social Assistance	39	45	7.7%	6	15.4%
Information	12	10	1.7%	-2	-16.7%
Utilities	1	0	0.0%	-1	-100.0%
Arts, Entertainment & Recreation	5	5	0.9%	0	0.0%
Real Estate, Rental & Leasing	21	19	3.2%	-2	-9.5%
Manufacturing	40	38	6.5%	-2	-5.0%
Other Services	61	59	10.1%	-2	-3.3%
Retail Trade	74	65	11.1%	-9	-12.2%
Transportation & Warehousing	21	10	1.7%	-11	-52.4%
Wholesale Trade	75	60	10.2%	-15	-20.0%
Construction	N/A	N/A	N/A	N/A	N/A
Total	561	587	100.0%	26	4.6%

Source: New Hampshire Employment Security & RKG Associates, Inc., 2011

Note: Private establishments only. Government-related units not included.

Hillsborough County did not experience the same amount of growth found at the Town level, losing about 2 percent of its firms during 2000-2011. However, sectors such as retail, information, manufacturing, and wholesale trade experienced relatively large losses across both fronts (**Table 4-6**). Meanwhile, sectors such as administrative and waste service, accommodation and food service, health care and social assistance and professional and technical services experienced growth in both employees and firms.

Table 4-6: Business Establishments: Hillsborough County

	2000	2011	% of Total	# Change	% Change
Administrative & Waste Service	572	775	7.2%	203	35.5%
Accommodation & Food Service	684	810	7.5%	126	18.4%
Health Care & Social Assistance	969	1,062	9.9%	93	9.6%
Education Services	195	188	1.7%	-7	-3.6%
Finance & Insurance	585	613	5.7%	28	4.8%
Professional & Tech. Services	1,366	1,414	13.1%	48	3.5%
Arts, Entertainment & Recreation	115	150	1.4%	35	30.4%
Management of Companies	79	103	1.0%	24	30.4%
Transportation & Warehousing	248	211	2.0%	-37	-14.9%
Utilities	26	16	0.1%	-10	-38.5%
Information	246	202	1.9%	-44	-17.9%
Construction	981	913	8.5%	-68	-6.9%
Real Estate, Rental & Leasing	419	358	3.3%	-61	-14.6%
Other Services	992	959	8.9%	-33	-3.3%
Manufacturing	773	625	5.8%	-148	-19.1%
Wholesale Trade	1,145	953	8.8%	-192	-16.8%
Retail Trade	1,621	1,429	13.3%	-192	-11.8%
Total	11,016	10,781	100.0%	-235	-2.1%

Source: New Hampshire Employment Security & RKG Associates, Inc., 2011

Note: Private establishments only. Government-related units not included.

4.4.4 Employment Projections

The sectors generating the most growth during 2000-2009 are generally expected to continue on their trajectory during the coming years in Hillsborough County. Some of these high-growth industries that typically require relatively high levels of skill include:

- Health care and social assistance (7,601 jobs)
- Professional, scientific, and technical services (2,787 jobs)
- Educational services (2,423 jobs)
- Finance and insurance (686 jobs)
- Information (107 jobs)

In all, the County is expected to experience a net gain of almost 20,000 jobs during 2008-2018 (**Table 4-7**). Since Merrimack represents 8.6 percent of the County's 2008 total employment, it is reasonable to estimate that the Town may capture a similar share of the projected growth to 2018, which equates to 1,708 jobs. Based on an average quantity of 300 square feet required for each employee, the addition of these new employees to the Town's employment base could generate demand for an additional 512,500 square feet of commercial real estate, thereby increasing the Town's property tax base.

Table 4-7: Employment Projections, Hillsborough County (2008-2018)

	2008 Estimated Employment	2018 Projected Employment	# Change	% Change
Health Care and Social Assistance	25,894	33,495	7,601	29%
Professional, Scientific, and Technical Services	12,695	15,482	2,787	22%
Educational Services	15,865	18,288	2,423	15%
Accommodation and Food Services	14,354	15,770	1,416	10%
Administrative and Waste Management Services	9,093	10,412	1,319	15%
Other Services (Except Government)	7,521	8,513	992	13%
Retail Trade	27,956	28,863	907	3%
Total Self-Employed and Unpaid Family Workers	16,902	17,706	804	5%
Construction	7,107	7,882	775	11%
Finance and Insurance	11,313	11,999	686	6%
Wholesale Trade	8,240	8,782	542	7%
Arts, Entertainment, and Recreation	2,368	2,875	507	21%
Public Administration	9,180	9,584	404	4%
Real Estate and Rental and Leasing	2,684	2,967	283	11%
Transportation and Warehousing	6,008	6,183	175	3%
Information	5,630	5,737	107	2%
Management of Companies and Enterprises	2,813	2,906	93	3%
Mining	49	52	3	6%
Agriculture, Forestry, Fishing and Hunting	204	205	1	1%
Utilities	354	308	-46	-13%
Manufacturing	29,266	27,307	-1,959	-7%
TOTAL	215,496	235,316	19,820	9%

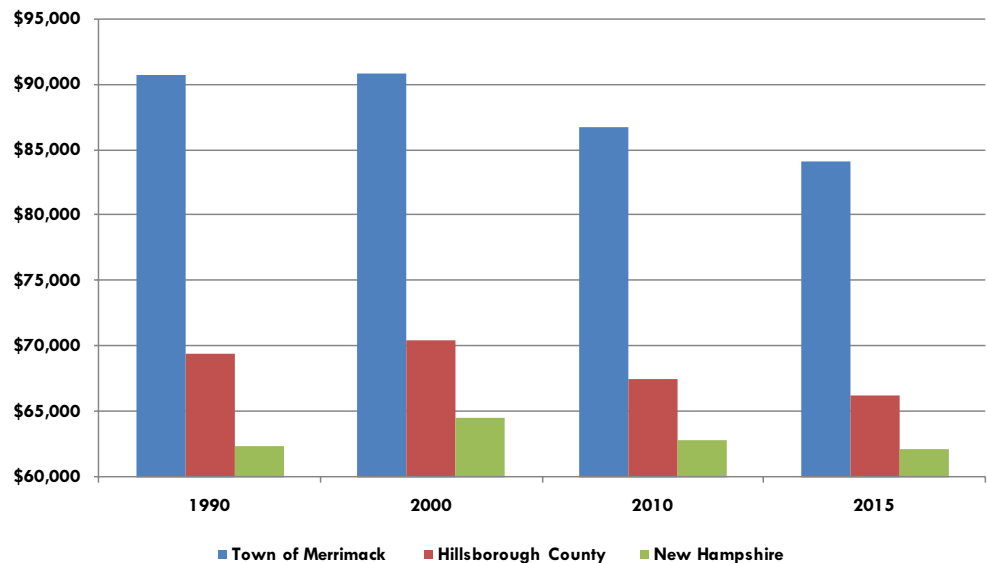
Source: New Hampshire Employment Security & RKG Associates, Inc., 2011

4.4.5 Household Incomes & Wages

For the purposes of this analysis, household incomes have been adjusted to remove the effects of inflation, the impact of which devalues the worth of money over time. By adjusting the incomes in this way, they can be measured against the worth of a dollar at a specific point in time (in this case, 2010), providing a more accurate comparison.

Median household income levels in the Town of Merrimack are consistently higher than the County and State by \$20,000-\$30,000 (**Figure 4-6**). When comparing the 2010 figures, the Town's median household income is about \$20,000 higher than the surrounding Hillsborough County and almost \$30,000 higher than the State. However, the Town's median household income has declined since 1990, remaining practically stable (about \$90,800) between 1990 and 2000, but then declining to about \$86,700 in 2010, followed by an additional expected decline to about \$84,100 in 2015. Similar decreases since 2000 are expected in every study area. While the Town's median household income is declining, the decrease is relatively small given the high income level and the duration of the study period (25 years). However, it is worth noting that this decline is nevertheless taking place.

Figure 4-6: Median Household Income for Merrimack, Hillsborough County, Rockingham County, and New Hampshire



The relatively large margin of Merrimack's household incomes over the County and the State can be attributed to the type of employment and high educational attainment found there, and the relatively high incomes that they provide. For example, three of the high-growth sectors in Merrimack generate relatively high incomes.

Annual wage data available for the County and the State are shown in Tables 4-8 and 4-9. Annual wage data are not available for the Town of Merrimack but providing the regional context is helpful for gaining a better understanding of salary trends for the different industries. It is also likely that residents of the Town of Merrimack have jobs within the County. Some of the wages within the County tend to be lower than statewide averages. For example, the average annual wage for the management of companies, education services, and utilities is about \$20,000 to \$10,000 lower in Hillsborough County than in the state.

Conversely, the average annual wage for finance and insurance is about \$20,000 higher in Hillsborough County than in the state in the only wage at the 6-figure mark (Tables 4-8 and 4-9). These variations are likely attributed to the varied nature of different firms within each sector, despite however similar they may be. The annual wages for each sector saw increases over the decade-long period from 2001 to 2011, with the greatest gains in wages were in real estate, finance and insurance, utilities, and manufacturing in Hillsborough County (almost 50 percent increase for these sectors). The magnitude of the wage increases were largely mirrored across the state.

Table 4-8: Annual Wages by Sector, Hillsborough County

Hillsborough County	2001	2011	% of Total	# Change	% Change
Health Care & Social Assistance	\$33,910	\$48,182	5.1%	\$14,272	42.1%
Education Services	\$25,857	\$37,840	4.0%	\$11,983	46.3%
Professional & Tech. Services	\$62,289	\$83,373	8.9%	\$21,084	33.8%
Arts, Entertainment & Recreation	\$18,146	\$20,036	2.1%	\$1,890	10.4%
Management of Companies	\$49,714	\$68,187	7.2%	\$18,473	37.2%
Accommodation & Food Service	\$14,288	\$16,847	1.8%	\$2,559	17.9%
Other Services	\$26,016	\$31,164	3.3%	\$5,148	19.8%
Real Estate, Rental & Leasing	\$32,783	\$54,806	5.8%	\$22,023	67.2%
Finance & Insurance	\$60,556	\$100,912	10.7%	\$40,356	66.6%
Information	\$62,838	\$84,301	9.0%	\$21,463	34.2%
Utilities	\$55,877	\$86,403	9.2%	\$30,526	54.6%
Administrative & Waste Service	\$27,636	\$33,227	3.5%	\$5,591	20.2%
Wholesale Trade	\$58,668	\$79,072	8.4%	\$20,404	34.8%
Construction	\$46,310	\$52,229	5.6%	\$5,919	12.8%
Transportation & Warehousing	\$30,797	\$40,657	4.3%	\$9,860	32.0%
Retail Trade	\$24,829	\$30,463	3.2%	\$5,634	22.7%
Manufacturing	\$49,602	\$73,346	7.8%	\$23,744	47.9%
Total	\$680,116	\$941,045	100.0%	\$260,929	38.4%

Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages.

Table 4-9: Annual Wages by Sector, Statewide

Statewide	2001	2011	% of Total	# Change	% Change
Health Care & Social Assistance	\$33,253	\$48,032	5.2%	\$14,779	44.4%
Education Services	\$31,033	\$47,760	5.2%	\$16,727	53.9%
Professional & Tech. Services	\$57,108	\$77,068	8.3%	\$19,960	35.0%
Arts, Entertainment & Recreation	\$16,607	\$19,121	2.1%	\$2,514	15.1%
Management of Companies	\$68,936	\$88,534	9.6%	\$19,598	28.4%
Accommodation & Food Service	\$14,056	\$17,299	1.9%	\$3,243	23.1%
Other Services	\$24,991	\$31,645	3.4%	\$6,654	26.6%
Real Estate, Rental & Leasing	\$30,172	\$47,032	5.1%	\$16,860	55.9%
Finance & Insurance	\$53,508	\$81,587	8.8%	\$28,079	52.5%
Information	\$55,986	\$74,527	8.1%	\$18,541	33.1%
Utilities	\$64,394	\$96,334	10.4%	\$31,940	49.6%
Administrative & Waste Service	\$28,096	\$40,259	4.4%	\$12,163	43.3%
Wholesale Trade	\$59,889	\$77,868	8.4%	\$17,979	30.0%
Construction	\$42,122	\$50,119	5.4%	\$7,997	19.0%
Transportation & Warehousing	\$30,243	\$37,660	4.1%	\$7,417	24.5%
Retail Trade	\$23,156	\$27,353	3.0%	\$4,197	18.1%
Manufacturing	\$44,710	\$63,208	6.8%	\$18,498	41.4%
Total	\$678,260	\$925,406	100.0%	\$247,146	36.4%

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages

4.4.6 Commuting Patterns

Besides those residing within the Town of Merrimack, workers commuting to Merrimack for employment most prominently come from Nashua and Manchester, which provide almost 30 percent of the people who are employed within the Town (**Table 4-10**). Other locations tend to include those communities which surround Merrimack within a radius of one or two municipalities away. Nashua and Manchester also receive many Merrimack residents who work outside of the Town. These workers make up almost 40 percent of Merrimack's resident workforce (**Table 4-11**).

Table 4-10: Residence Location of Workers Employed in Merrimack

Location	# Workers	% of Total
Merrimack, New Hampshire	3,373	28%
Nashua, New Hampshire	1,856	15%
Manchester, New Hampshire	1,449	12%
Milford, New Hampshire	405	3%
Amherst, New Hampshire	362	3%
Bedford, New Hampshire	343	3%
Hudson, New Hampshire	337	3%
Goffstown, New Hampshire	276	2%

Location	# Workers	% of Total
Weare, New Hampshire	190	2%
Hooksett, New Hampshire	183	2%
Londonderry, New Hampshire	179	1%
Derry, New Hampshire	173	1%
Litchfield, New Hampshire	168	1%
Hollis, New Hampshire	146	1%
New Boston, New Hampshire	113	1%
All Other Locations	2,493	21%
TOTAL	12,046	100%

Table 4-11 : Workplace Location of Merrimack Residents

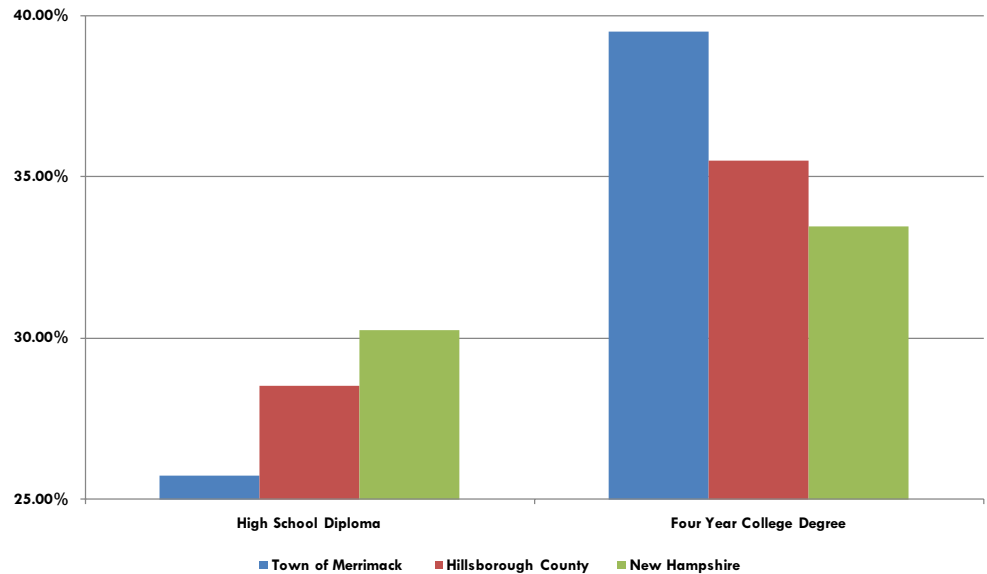
Location	# Workers	% of Total
Nashua, New Hampshire	3,628	25%
Merrimack, New Hampshire	3,373	24%
Manchester, New Hampshire	1,682	12%
Bedford, New Hampshire	802	6%
Hudson, New Hampshire	506	4%
Milford, New Hampshire	283	2%
Concord, New Hampshire	259	2%
Amherst, New Hampshire	253	2%
Billerica, Massachusetts	211	1%
Londonderry, New Hampshire	187	1%
Hollis, New Hampshire	141	1%
Hooksett, New Hampshire	141	1%
Chelmsford, Massachusetts	135	1%
Boston, Massachusetts	134	1%
Andover, Massachusetts	123	1%
All Other Locations	2,467	17%
TOTAL	14,325	100%

Source: US Census Bureau & RKG Associates, Inc., 2011

4.4.7 Educational Attainment

The educational attainment of the Town's population 25 years or older is consistent with employment and income trends discussed previously. In this case, the relatively high income and skill level required by the Town's employers is most likely correlated to the high levels of college completion among its residents. The rate of adults who completed a four year degree is almost 40 percent, which is about five percentage points higher than the County and about seven percentage points higher than the State (**Figure 47**).

Figure 4-7: Educational Attainment for Merrimack, Hillsborough County, and New Hampshire



Source: US Census Bureau, DemographicsNow & RKG Associates, Inc., 2011

4.5 Land Use Trends

Land use trends within the Town of Merrimack are relatively segregated. Residential uses are generally concentrated west of the F.E. Everett Turnpike, while commercial, industrial, and institutional uses are typically found east of the Turnpike (**Figure 4-8**). Exceptions to this generalization occur along Continental Boulevard within one mile of Exit 10.

Given this relatively uniform separation of commercial and industrial uses from the Town's residential areas, the strategies and recommendations discussed in this plan will typically focus on the area east of F.E. Everett Turnpike as identified in Figure 4-. Note that the parcels east of the Boston & Maine (B&M) railroad line are excluded, since the railroad line limits access to these sites, thereby decreasing the likelihood of redevelopment. For the purposes of this plan, this area is referred to as the Daniel Webster Highway corridor.

As previously mentioned and further reinforced by [Table 4-12](#), the Daniel Webster Highway corridor contains almost all of the Town's industrial and land. However, it also contains the majority of the Town's institutional (96 percent), school (85 percent), manufactured (90 percent) and multifamily (60 percent) housing, and mixed use (88 percent) land area, while only encompassing 29 percent of the Town's total acreage.

Table 4-12 : Land Use Trends, Town of Merrimack

Land Use	DW Highway Corridor			Town of Merrimack			
	Parcels	Acres	% of Town-Wide Supply	Land Use	Parcels	Acres	% of Total Town Acres
Vacant	171	1,431	34%	Vacant	553	4,212	22%
Industrial	55	1,297	92%	Industrial	60	1,406	7%
Single Family Residential	1,008	779	9%	Single Family Residential	6,852	8,451	43%
Commercial	221	691	99%	Commercial	224	698	4%
Permanent Open Space	27	449	14%	Permanent Open Space	116	3,126	16%
Institutional	16	201	96%	Institutional	18	210	1%
School	9	192	85%	School	10	227	1%
Multi Family Residential	97	165	60%	Multi Family Residential	163	276	1%
Government	24	150	37%	Government	35	401	2%
Recreation	4	102	50%	Recreation	10	201	1%
Manufactured Housing	7	65	90%	Manufactured Housing	14	72	0%
Mixed Use	1	20	88%	Mixed Use	2	23	0%
Right of Way	5	19	100%	ROW	9	19	0%
Agricultural	-	-	0%	Agricultural	3	131	1%
TOTAL	1,645	5,561	29%	TOTAL	8,069	19,452	100%

Source: Nashua Regional Planning Commission & RKG Associates, Inc., 2011

Figure 4-8 : Existing Land Use, Town of Merrimack

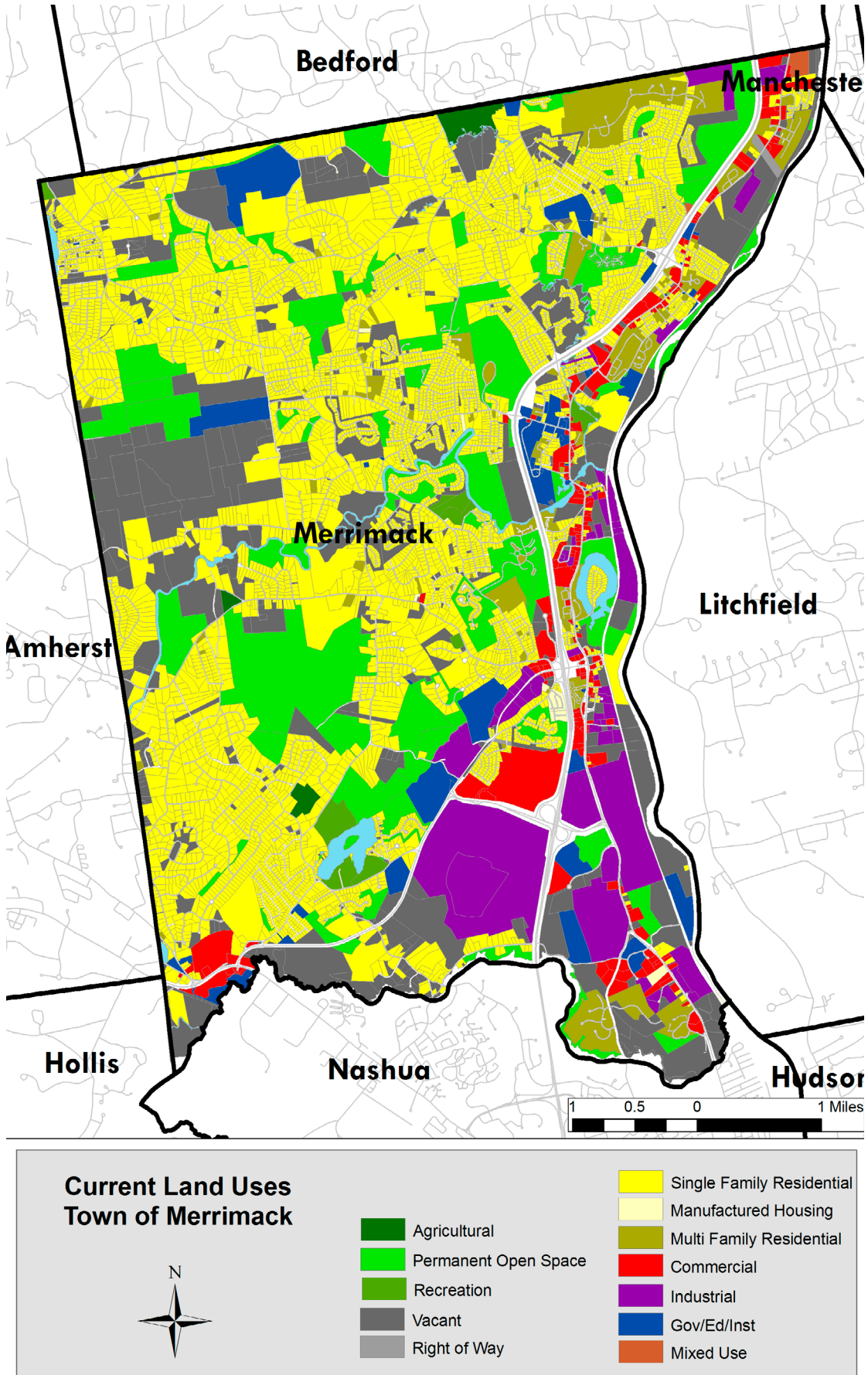
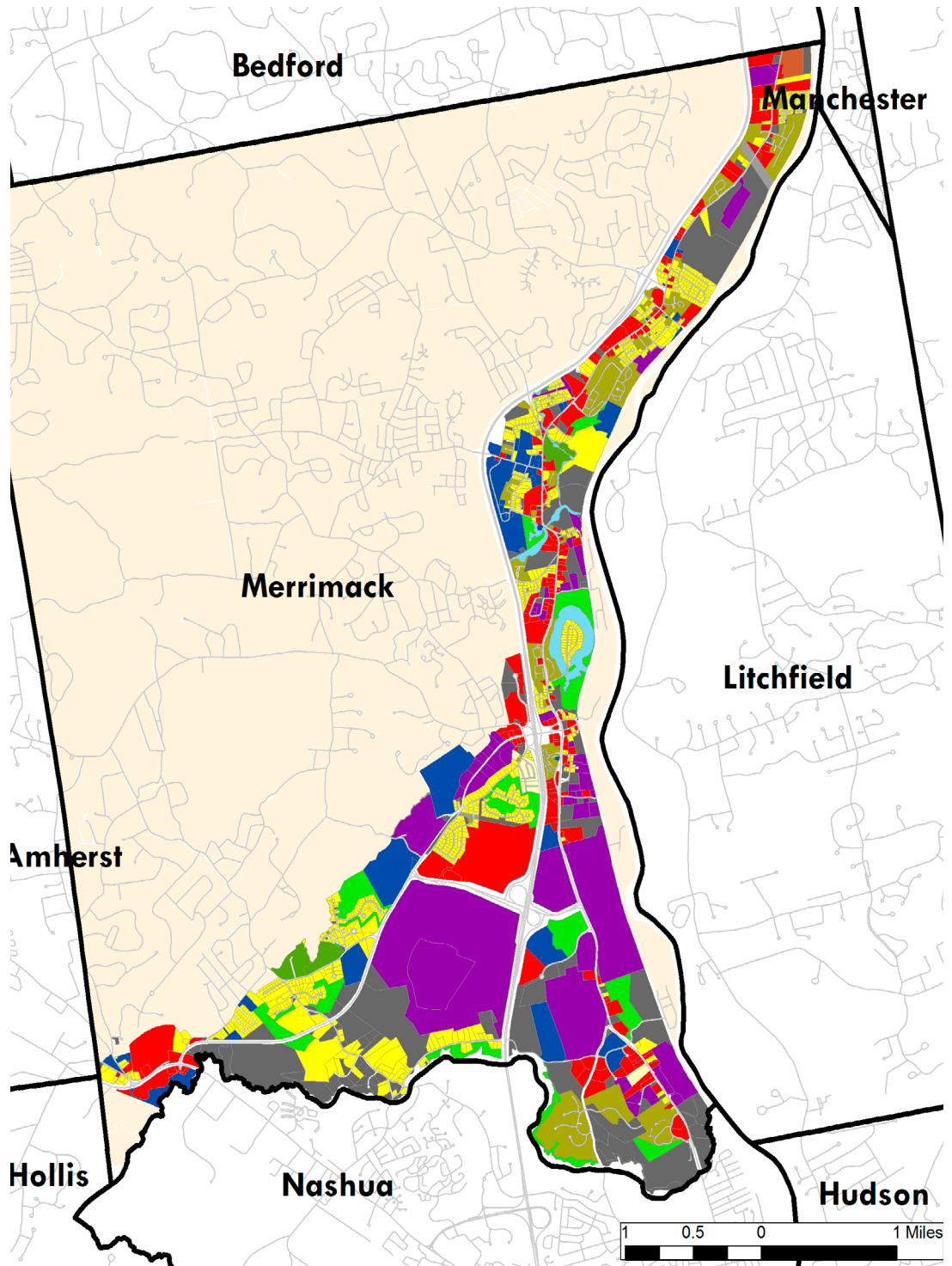


Figure 4-9: Existing Land Use, Daniel Webster Highway Corridor



**Current Land Uses -
Daniel Webster
Hwy Corridor**



Non-Corridor Area

Agricultural

Permanent Open Space

Recreation

Vacant

Right of Way

Single Family Residential

Manufactured Housing

Multi Family Residential

Commercial

Industrial

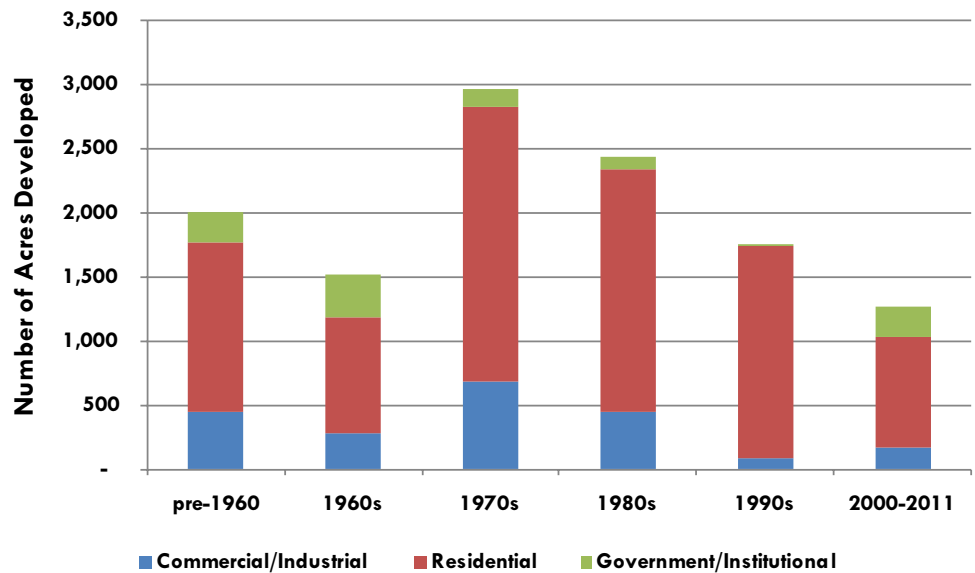
Gov/Ed/Inst

Mixed Use

4.6 Development Trends

The peak years of commercial and industrial development in Merrimack occurred during the 1970s and 1980s, during which time more than 1,100 acres were developed for these land uses (Figure 4-10). Since the end of that period, relatively little commercial and industrial development has occurred. In fact, almost 90 percent of the Town's developed commercial and industrial acreage includes structures more than twenty years old. This condition is most acute for industrial properties, of which less than 40 acres have been developed in the last twenty years (Figure 4-10). This finding indicates that there is relatively little new stock of this land use type available within the Town of Merrimack.

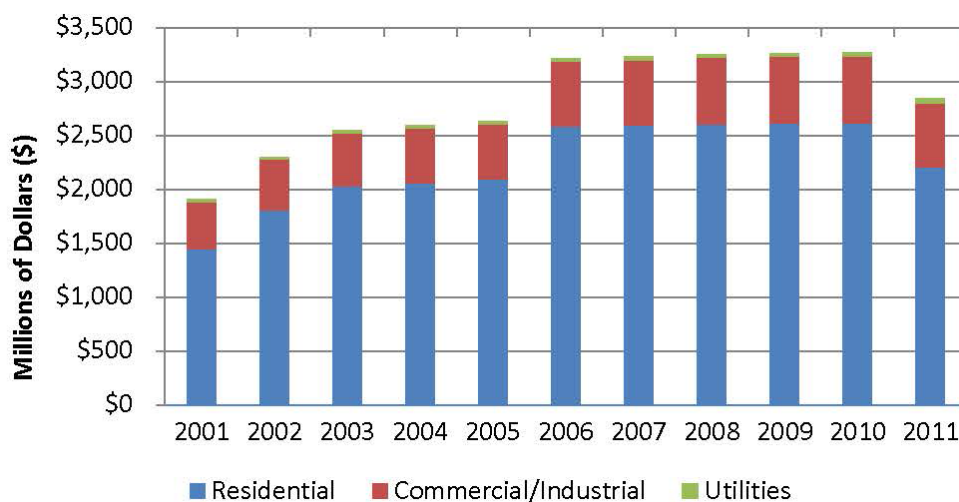
Figure 4-10: Development Trends by Land Use Type for Town of Merrimack



4.7 Tax Base Conditions

The total assessed value of properties in the Town of Merrimack has increased from \$1.9 billion to \$2.8 billion between 2001 and 2011 (**Figure 4-11**). However, assessed values have remained largely stable between 2006 to 2010, decreased between 2010 and 2011 by 13 percent (**Table 4-13**).

Figure 4-11: Assessed Value in Merrimack



Source: New Hampshire Department of Revenue Administration

Notes: Assessment totals include assessment for land and buildings.

1 Includes manufactured housing.

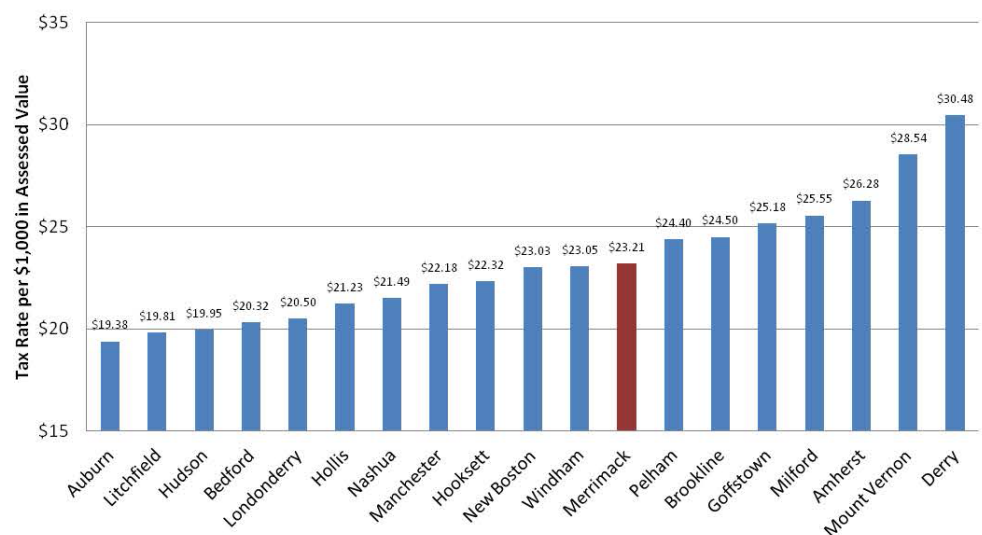
The total value of residential properties in Merrimack increased more than 50 percent between 2001 and 2011, growing from \$1.5 billion to \$2.2 billion (**Table 4-13**). Commercial and industrial properties have also increased in value from \$436 million in 2001 to \$589 million in 2011, an increase of 35 percent. The residential share of the Town's total assessed value has remained close to the original share in 2001 increasing only 1.6% to 77.6% of total assessed value in Merrimack. The commercial and industrial share has declined somewhat by about 2.2 percentage points to 20.7 percent of total assessed value.

Table 4-13: Real Estate Assessment Values, Town of Merrimack, 2001 to 2011

Year	Residential ¹	Percent of Total	Commercial/Industrial	Percent of Total	Utilities	Percent of Total	Total Assessed Value	Percent Change
2011	\$2,205,523,500	77.6%	\$589,316,300	20.7%	\$47,801,900	1.7%	\$2,842,641,700	-13.0%
2010	\$2,617,713,770	80.1%	\$616,501,030	18.9%	\$33,161,400	1.0%	\$3,267,376,200	0.2%
2009	\$2,609,331,320	80.0%	\$620,144,280	19.0%	\$31,609,400	1.0%	\$3,261,085,000	0.2%
2008	\$2,606,711,040	80.1%	\$615,417,660	18.9%	\$31,399,300	1.0%	\$3,253,528,000	0.7%
2007	\$2,594,180,460	80.3%	\$606,580,890	18.8%	\$31,309,000	1.0%	\$3,232,070,350	0.5%
2006	\$2,581,867,010	80.3%	\$606,946,540	18.9%	\$27,753,400	0.9%	\$3,216,566,950	22.4%
2005	\$2,091,064,495	79.6%	\$512,049,215	19.5%	\$24,794,400	0.9%	\$2,627,908,110	1.3%
2004	\$2,059,925,497	79.4%	\$508,545,913	19.6%	\$24,689,400	1.0%	\$2,593,160,810	1.9%
2003	\$2,028,077,052	79.7%	\$493,037,548	19.4%	\$22,667,800	0.9%	\$2,543,782,400	10.7%
2002	\$1,807,370,657	78.6%	\$468,345,943	20.4%	\$22,397,400	1.0%	\$2,298,114,000	20.6%
2001	\$1,448,554,876	76.0%	\$435,481,934	22.9%	\$21,685,900	1.1%	\$1,905,722,710	-
% change 2001-2011	52.3%		35.3%		120.4%		49.2%	

4.8 Property Tax Comparison

Merrimack's property tax rate sits approximately in the middle of the range of tax rates in eighteen surrounding communities surveyed for this section. The Town's 2012 rate of \$23.21 (down from \$23.43 in 2011) per \$1,000 in assessed value is seventh lowest of the selected pool (**Figure 4-12**). The lack of a relatively high property tax rate is likely an indicator of relatively high residential values in the Town which offset the shrinking share of commercial and industrial assessed values as a portion of the Town's total assessed value.¹

Figure 4-12: Property Taxes

¹ New Hampshire Department of Revenue Administration, Equalization, Property Appraisal Division. http://www.revenue.nh.gov/munc_prop/equalization/index.htm

4.9 Local Non-residential Real Estate Conditions

According to active real estate listings on the website Loopnet.com, there is about 740,000 square feet of office, industrial, and retail space available for lease in the market at the time of writing (see Appendix B for a complete list of properties). Approximately 50 percent of this supply is office, 40 percent is industrial, and 10 percent is retail. Lease rates are \$5-\$9 for industrial space, \$7-\$17 for office space, and \$10-\$14 for retail space. This available supply found in Merrimack represents about 40 percent of the total vacant industrial (717,000 square feet) and office (2.8 million square feet) supply in the Nashua submarket, which includes Merrimack (**Table 4-14**). This submarket is part of the larger New Hampshire commercial real estate market as defined by Grubb & Ellis, a leading property brokerage and research firm.

Table 4-14 : Commercial Market Conditions, New Hampshire Real Estate Market

Submarket	Vacant	Total	Vacancy Rate	Warehouse/ Distribution	R&D/ FlexSpace	Vacant	Total	Vacancy Rate	Class A	Class B
Concord	213,982	1,392,692	15.4%	\$3.37	\$9.02	351,569	3,991,939	8.8%	\$18.25	\$14.22
Manchester	1,092,523	5,824,348	18.8%	\$5.68	\$7.90	754,794	13,120,099	5.8%	\$19.88	\$13.13
Nashua*	717,482	2,881,942	24.9%	\$5.63	\$8.03	2,802,824	18,513,776	15.2%	\$16.79	\$12.24
Portsmouth	467,095	2,316,871	20.2%	\$6.36	\$10.26	1,424,322	7,906,267	18.0%	\$18.22	\$15.00
Rochester	227,361	810,133	28.1%	\$0.00	\$6.50	950,225	6,078,756	15.6%	\$15.50	\$19.19
Salem	88,162	576,209	15.3%	\$5.48	\$8.57	1,800,348	5,167,344	34.8%	\$20.56	\$15.27

Source: Grubb & Ellis & RKG Associates, Inc., 2011

Note: * Includes Town of Merrimack.

The Nashua submarket's vacancy rates are 0.4 and 4.6 percentage points higher than the market-wide figures for office and industrial, respectively. The submarket's industrial vacancy rate is the second highest of the submarkets (25 percent), while the submarket's office vacancy rate is the fourth highest (15.2 percent).

The Nashua submarket's industrial rent rates are about \$0.30 higher than market-wide figures for warehouse and distribution properties and \$0.35 lower for R&D/flex space properties. Meanwhile the submarket's office rent rates are about \$1.41 lower for class A office space and \$2.20 lower for class B office space. Given these findings, the submarket appears to be more competitive in the industrial sector than in the office sector. In terms of Merrimack's competitiveness within the submarket, the Town's lease rates for industrial are generally in the same range as the Nashua submarket, with both ranging between about \$5-\$9. However, given some of the available office space in the Town available at rates as low as \$7, it is likely that the Merrimack market offers some relatively low-priced office space compared to the larger submarket.

Recent commercial/industrial land transactions include the sale of five parcels, ranging from about one quarter to almost four acres in size (**Table 4-15**). Sale prices per acre ranged from \$96,000 to \$1 million. Parcels of commercial/industrial land actively on the market range in size from 0.8 to 2.48 acres and in price per acre from \$111,000 to \$333,000. The range of these active and recently completed sales is generally higher than comparable sales activity in the towns surrounding Merrimack, where many sales occurred at a price of less than \$200,000 per acre.

Recent building sales in Merrimack ranged from \$43 to \$129 per square foot for retail and office buildings ranging in size from 1,800 to 79,000 square feet. Buildings actively on the market range from \$37 to \$225 per square foot for office, retail, and industrial structures ranging in size from 1,000 to 18,000 square feet. Recent sales activity in surrounding communities has been at the lower end of the range described by Merrimack's active and recently completed offerings. For example, the average sale price for a selection of retail, office, and industrial properties in Bedford, Manchester, and Nashua ranged in price per square foot from about \$5 to \$50.

Based on this comparison of both building and land sale prices between Merrimack and surrounding communities, Merrimack appears to have relatively high sale prices while at the same time having relatively low lease rates. This may be due to the relatively older nature of the supply in Merrimack, which drives the lease prices down. However, the potential for new space offered through the purchase and repositioning of a property followed by subsequently higher rents may be keeping the sale prices afloat. While these findings are anecdotal in nature due to the small sample size available, they nevertheless reflect an appropriate level of accuracy to describe current real estate market conditions for the purposes of this plan.

[LEFT]
Atrium construction sign

[RIGHT]
Atrium



Table 4-15: Commercial Property Transactions, Town of Merrimack

Active Land Listings

Address	Type	Price	Acres	Price/Acre
52 DW Hwy	Comm	\$229,000	1.13	\$202,655
101 Herrick St	Comm	\$275,000	2.48	\$110,887
6 Herrick Street	Retail	\$395,000	1.51	\$261,589
723-725 DW Hwy	Retail	\$499,000	1.5	\$332,667
Amherst & Continental	Retail	N/A	0.8	N/A

Recent Land Sales

Address	Type	Price	Acres	Price/Acre
4 Dobson Way	Comm	\$500,000	1.57	\$318,471
21 Star Dr	Comm	\$1,000,000	1.00	\$1,000,000
55 DW Hwy	Industrial	\$600,000	3.75	\$160,000
5 Caron St	Industrial	\$206,500	0.23	\$899,514
Star Dr.	Industrial	\$275,000	2.86	\$96,154

Active Building Listings

Address	Type	Sq Feet	Price	Price/SF
10 Twin Bridge Rd	Industrial	6,250	\$465,000	\$74
712-714 DW Hwy	Industrial	8,314	\$950,000	\$114
1 Crosswoods Path Blvd	Office	18,000	\$1,800,000	\$100
2 Mount Ct	Office	2,160	\$189,000	\$88
10 Twin Bridge Rd	Office	954	\$104,900	\$110
10 Twin Bridge Rd	Office	5,392	\$199,900	\$37
10 Twin Bridge Rd	Office	2,219	\$215,000	\$97
725 DW Hwy	Retail	1,310	\$225,000	\$172
256 DW Hwy	Retail	4,000	\$900,000	\$225

Recent Building Sales

Address	Type	Sq Feet	Price	Price/SF
9 Executive Park Dr	Office	27,338	\$1,400,000	\$51
7 Executive Park Dr	Office	20,887	\$1,425,000	\$68
393 DW Hwy	Retail	1,841	\$237,000	\$129
416 DW Hwy	Retail	31,346	\$1,350,000	\$43
706 Milford	Retail	9,625	\$1,150,000	\$119
297 DW Hwy	Retail	15,464	\$660,000	\$43
7 Continental Blvd	Retail	78,893	\$9,760,000	\$124

Source: LoopNet & RKG Associates, Inc., 2011

4.10 Commercial and Industrial Assets, Constraints, and Opportunities

The following assets, constraints, and opportunities are offered as the foundation for the creation of further recommendations. They serve as a description of the Town's current employment, demographic, and physical characteristics as they relate to economic development.

4.10.1 Assets

Demographic and Economic Conditions

- **Stable Population**—The Town's population is generally stable, a condition that is expected to continue into the future.
- **High Incomes**—Merrimack's median household income level is about \$20,000 higher than the surrounding County.
- **Employment and Establishments**—Employment growth in the Town increased by 20 percent during 2000-2009. Much of the growth occurred in high-skill and income levels. Growth in establishments reflects similar trends. The Town is expected to capture an additional estimated 1,708 jobs during 2008-2018.
- **Unemployment**—Merrimack's unemployment rate has remained below the County figure since 2000.
- **Educational Attainment**—The Town's share of adults with a four year college degree is almost five percentage points higher than Hillsborough County and about seven percentage points higher than New Hampshire.

Infrastructure

- **F.E. Everett Turnpike** —The Turnpike runs in a north-south direction through the Town, connecting to the metro Boston area to the south and the Manchester area to the north.
- **Turnpike Interchanges**—Merrimack has three interchanges within its boundaries to connect traffic with the Turnpike. These interchanges are located in relative proximity to much of the Town's industrial and commercial properties.
- **Manchester Boston Regional Airport (MHT) Access Road**—The now completed airport access road just north of Merrimack on Daniel Webster Highway provides convenient connection to MHT. The construction of this roadway appears to have stimulated new commercial development along South River Road in Bedford near the intersection with the access road. Such activity may spread south into Merrimack, thereby creating a new commercial node clustered around the entrance to the access road.
- **Boston & Maine (B&M) Railroad**—The B&M rail line follows the eastern boundary of the Town from Nashua north to Bedford. The proximity of the line to the Town's main commercial corridor (Daniel Webster Highway) could provide an important amenity in the attraction of future businesses to the corridor.

- **Water Service**—Water is provided to the Town by the Merrimack Village District Water Works (MVD) and Pennichuck Water Works. Current water usage by the Town's residents and businesses has an average usage of 2.2-2.5 million gallons per day (GPD), with maximum usage rates of about 4.5-5.0 million GPD, typically during the summer. While the Town's current water supply will supply about 5.2 million GPD, the MVD typically implements water use restrictions when usage approaches these higher levels. The MVD has been actively looking at new sources as well as improvements to existing ones to meet future demand.
- **Sewer Service**—Sanitary sewer service is provided by the Town's Public Works Department (PWD). The Town's sewer treatment facilities have a capacity of about 5 million GPD, but have a typical usage level of about 1.8 million GPD. One of the Town's major water users, Anheuser-Busch, once contributed as much as 50 percent of the plant's daily treatment activity, but their output has declined to about 30 percent of current treatment activity.

Vacant Land

The supply of privately-owned vacant parcels in the Town of Merrimack is based on the Town's geographic information system (GIS), land use, and assessment data. Figure 4-13 illustrates the privately-owned vacant parcels by zoning designation. Parcels under one acre in size were eliminated, as were those parcels designated as permanent open space, even if they were held under private ownership. Under these parameters, almost 3,700 acres were identified, distributed among 266 parcels (**Figure 4-13**). Almost all of these acres are zoned residential (69 percent) or industrial (29 percent). The remaining 2 percent is distributed among Limited Commercial (C-1) and General Commercial (C-2). The geographic distribution of these parcels follows the general land use trends of the Town at large, with the commercial and industrial parcels concentrated east of F.E. Everett Turnpike, and the residential parcels concentrated west of F.E. Everett Turnpike. More than 80 percent of these acres are found on parcels of ten acres or more, which often makes them more attractive as development sites, since larger sites are typically more capable of capturing sufficient economies of scale.

The development of real estate in the Town of Merrimack since 1990 has occurred at an average annual rate of about 140 acres per year. Applying this annual rate to the remaining supply of privately-owned vacant land under present zoning, the Town would reach a built-out status in 26 years.

- **Transitional Properties**—Utilizing the assessor's database, the Town's transitional properties were identified as properties more likely to attract redevelopment activity. In this case, transitional properties included those that had an assessed value below that of the median value for the given land use type. More than 6,500 acres were identified, comprised primarily of single family residential properties, which make up 76 percent of the total supply of transitional acres (see Figure 4-14). However, industrial, institutional, and commercial uses also comprise almost 1,000 acres, or 15 percent of the total supply. These parcels also tend to be relatively small, typically less than five acres in size.

Figure 4-13: Privately-owned Vacant Parcels by Zoning Designation

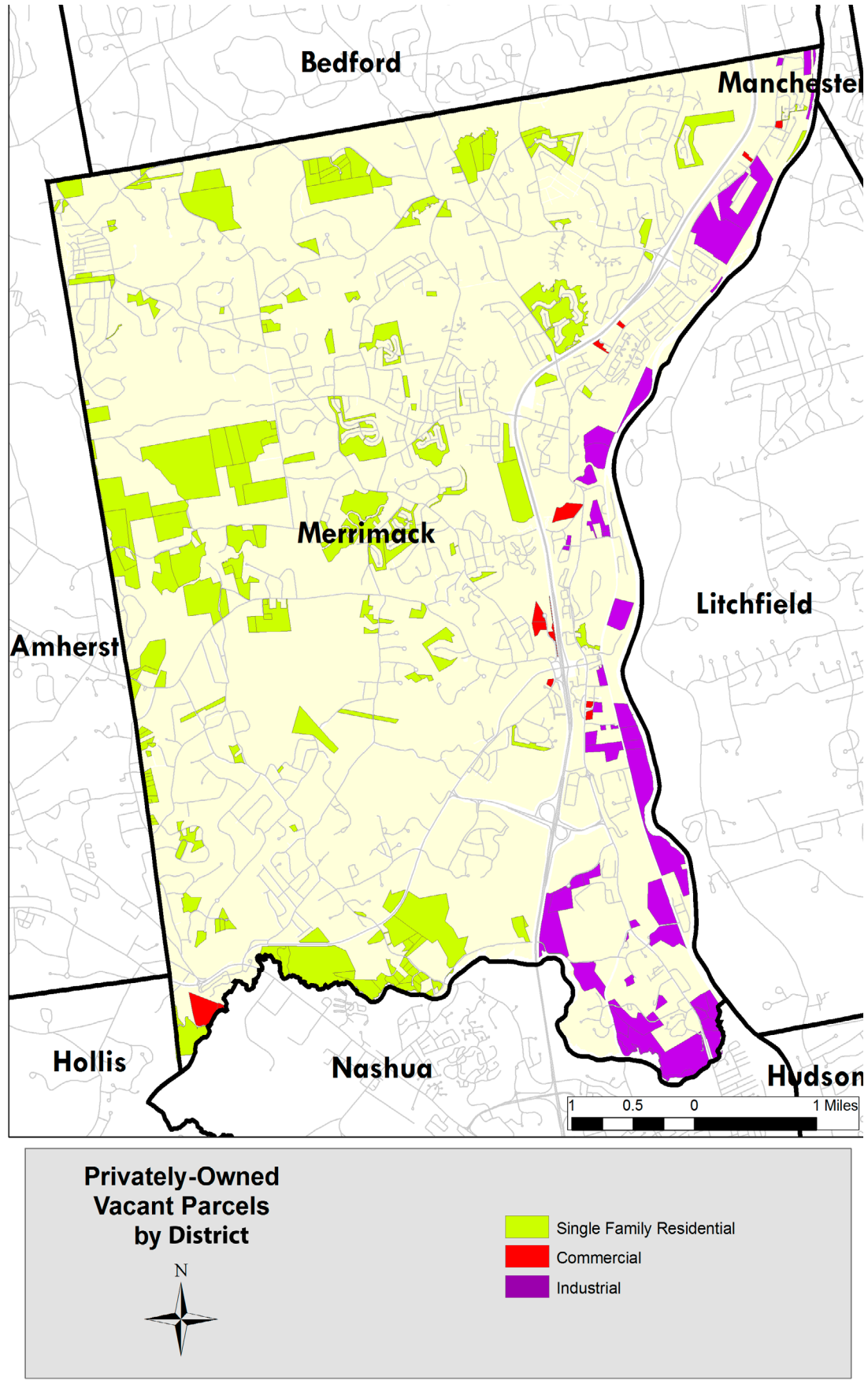
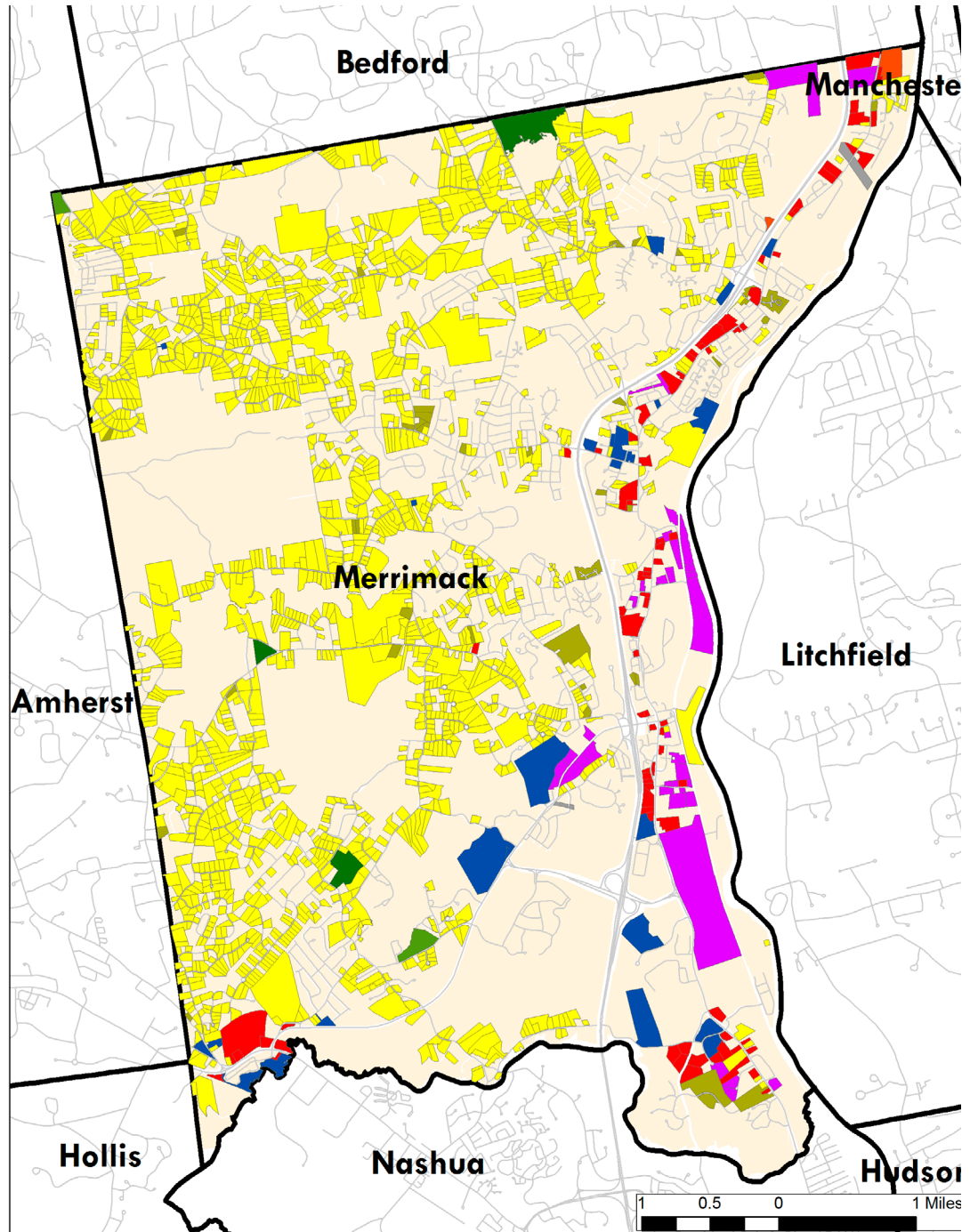


Figure 4-14: Transitional Properties



**Transitional Properties
Town of Merrimack**



- Non-Transitional Properties
- Mixed Use
- Multi Family Residential
- Single Family/Manufactured Residential

- Commercial
- Industrial
- Government/Institutional
- Recreation
- Agricultural
- ROW

Constraints

- **Zoning**—Based on a review of the Town’s land use regulations, Merrimack’s zoning code represents a common style of Euclidean land use regulation. This style is common in many communities throughout the United States and focuses on segregating land uses by type, scale, and function. As the community’s land use patterns have evolved over time, however, the zoning code does not appear to have evolved in tandem. In some cases, the zoning requirements of a given parcel may be inhibiting the repositioning of a property to a new “highest and best use.”
- **Development Review Process**—The Town’s real estate development review process is sometimes described by public officials and private businesses as opaque or inconsistent. Assuming this perception is accurate, such conditions inhibit the redevelopment of properties or the repositioning of marginal uses to adapt to changes in the current economy. Some perceive that the development review process is too challenging to allow for a feasible project, and subsequently discourages developers and property owners from creating new or redeveloped real estate.
- **Real Estate Market Conditions**—Commercial real estate market conditions in Merrimack can be characterized by relatively low rents and relatively high sale prices and replacement costs. Low rents discourage property owners from rehabilitating their existing space or creating new space, as it may be infeasible to recoup the accompanying costs. Relatively high sale prices, however, indicate that some buyers believe the property can be repositioned in order to generate higher rents or that the existing income stream is sufficient to justify the purchase price. Nevertheless, based on the minimal supply of newer commercial properties in Merrimack, such instances are relatively uncommon.

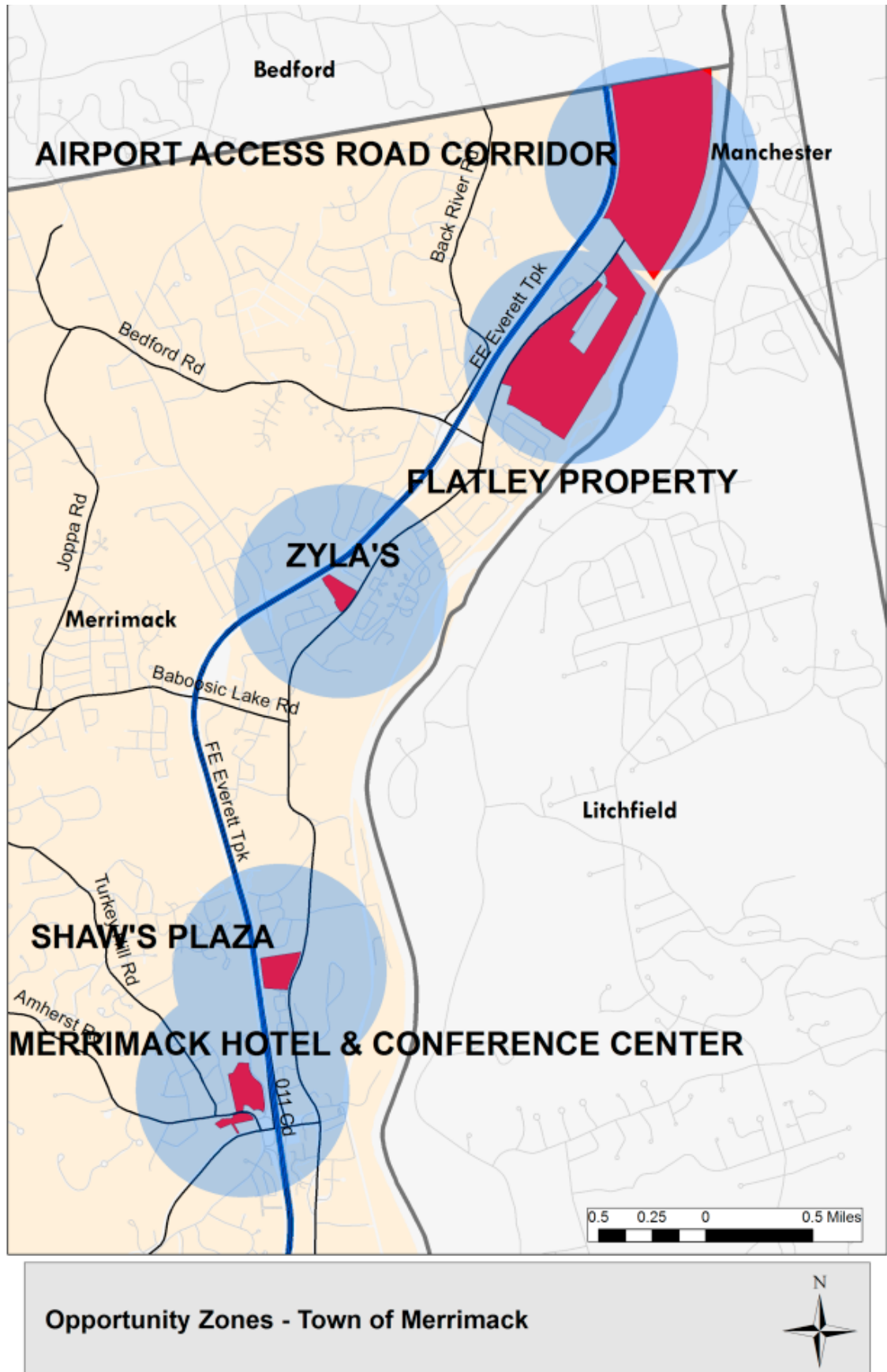
4.10.2 Opportunities

Opportunity Zones

The following are five sites which appear to have the most promising revitalization or redevelopment potential, based on their location, size, or other attributes (**Figure 4-15**). Their consideration also assumes that the existing structures, if any, will be removed and environmental contamination will either be nonexistent or mitigated prior to a new use. A feasibility study should also precede any serious consideration of redevelopment of the Opportunity Zones.

- **Airport Access Road Corridor**—The completion of the airport access road already appears to have generated new development activity in Bedford along Daniel Webster Highway approaching Merrimack. While many of the parcels in the Corridor have been developed, in many cases the existing uses are somewhat marginal or underdeveloped. This corridor now offers immediate access to the airport, thereby generating an opportunity to reposition the area.

Figure 4-15: Opportunity Zones, Town of Merrimack



Source: Merrimack Assessing Department, Nashua Regional Planning Commission & RKG Associates, Inc., 2011

- Flatley Property—The Flatley property is a 150 acre site just south of the Airport Access Road Corridor. It envelops the St. Gobain Performance Plastic Property, and represents a sizable development opportunity in terms of available acreage, frontage, and access. This zone is the most “shovel ready” of the five, an important characteristic given the additional cost burden required by the redevelopment of an already-improved site.
- Zyla’s—A former discount retail store, this site is fronted along Daniel Webster Highway. The building has not been in use for some time and appears to be suffering from some deferred maintenance. The property may serve as a valuable redevelopment opportunity given its location along a well-traveled corridor and its ideal amount of roadside exposure. The property was designated as an Economic Revitalization Zone in 2012.
- Former Shaw’s Plaza—The retail plaza at 356 Daniel Webster Highway has continued to lose tenants since the departure of the Shaw’s grocery store to a new site farther north in Merrimack in 2006. CVS Pharmacy and Blockbuster Video have also vacated the Plaza since that time, leaving only three tenants in the facility at this time. These include a Bank of America branch, a new Asian restaurant, New England Credit Union, and a hair salon. Shaw’s lease on their portion of the Plaza expired in April 2012, and the company chose not to renew their lease. This site offers excellent visibility from Daniel Webster Highway as well as proximity to Exit 11. And the Daniel Webster Highway/Continental Boulevard intersection. The property was designated as an Economic Revitalization Zone in 2012.



- Merrimack Hotel and Conference Center—This non-operating facility is sited relatively well, with immediate access to Route 3 via the Exit 11 interchange. There is also the recently opened Holiday Inn Express (opened November 2012) in the location of the former Fairfield Inn located nearby. The location of this site is ideal given their proximity to the Turnpike and Exit 11, Daniel Webster Highway, and other major commercial uses.

The recent opening of the Merrimack Premium Outlets on Continental Boulevard has the potential to attract additional commercial business development to this site.

The Merrimack Economic Development Citizens Advisory Committee (EDCAC) recommended that the Town adopt the Community Revitalization Tax Relief Incentive (RSA 79-E). This legislation encourages investment in downtowns and village centers with a new tax incentive through the rehabilitation and active use of under-utilized buildings. Although some specific properties are listed above, this Plan also specifically designates Reed's Ferry Village, the "Center Village" and Thorntons Ferry Village, which are described in the Land Use and Community Design element of the Plan (see Chapter 2). On November 15, 2012, the Town Council moved to support adoption of RSA 79-E.

Changes in municipal staff—the hiring of a new Community Development Director and Town Manager in 2011 can play a role in developing new economic development procedures and roles within the Town's public administration, as well as the creation of an economic development-oriented culture.

4.11 Recommendations

The Town of Merrimack has a solid economic foundation which includes high incomes, above average job growth, competitive property tax rates, and large, high-tech employers. To maintain a competitive position in the region, the following recommendations are based on three main tenets:

- Business Retention & Relationship-Building.
- Administrative & Procedural Recommendations. To encourage the redevelopment or repositioning of underutilized properties, the Town of Merrimack can streamline the development review process.
- Land Use Policy & Economic Development Finance Mechanisms.

These three tenets will leverage the Town's unique qualities and aspects to address constraints to economic development as well as existing areas of opportunity.

4.11.1 Business Retention and Relationship-Building

The Town of Merrimack has a healthy employment base that includes many large, well-paying employers and a growing number of workers. As such, retaining these employers should be the primary thrust of the Town's employment-oriented economic development strategy. This strategy should focus on the growth and expansion of existing businesses through the implementation of pro-business policies and regulations, financing infrastructure construction, and labor force training. Other specific elements of this strategy include:

- ED-1 Execute outreach by the Town to develop a relationship with the Town's various employers, in order to open a line of communication between the public and private sector.
- ED-2 Examine Town policies and procedures to ensure that they do not discourage local business operations and initiatives.
- ED-3 Identify the key position on Town staff responsible for economic/business coordination, monitoring and outreach and ensure Merrimack's business community is aware of this person.

- ED-4 Conduct periodic and regular business outreach efforts to existing businesses to identify issues and needs and how to best address these concerns.
- ED-5 As the use of the internet as an information source becomes increasingly ubiquitous, the Town should create a new website (or revamp the existing Town Community Development/Economic Development webpage) to feature four core informational themes:
 1. Starting a new business
 2. Growing your business
 3. Finding a location
 4. Community information

This website should serve as the Town's "face" or "front door" for economic development by providing answers to questions in support of the four core themes including:

- "I'd like to open a business. What do I need to do?"
- "Can I get financial support from the Town or State?"
- "What space (either land or buildings) is available in Merrimack?"

The website would also serve as a platform for existing businesses to contact the Town as well as provide testimonials from existing firms in Merrimack reinforcing the community's business-friendly atmosphere, quality of life and other assets. The website for the City of Rochester, New Hampshire (www.thinkrochester.biz) is one example of a municipal economic development website. The message of this website, as well as the Town's original home page, should be that Merrimack is a great place to work, as well as live.

4.5.5 Development Review Process and Administration

In order to encourage the redevelopment or repositioning of underutilized properties and to streamline the development review process, the following recommendations are offered:

- ED-6 Review and assess the Town's development review process for clarity and transparency, as well as its organizational structure. Ensure that the review process is clearly defined, guarantees flexibility, projects a business friendly attitude, and encourages high quality development. Reviews of the Town's development review process should be repeated at 3-5 year intervals.
- ED-7 Create a user-friendly guide which outlines the steps and procedures necessary to expand an existing business operation or open a new business. This guide should become an integral part of the development review process in order to provide greater standardization.

4.7.1 Land Use Policy and Economic Development Finance Mechanisms

The repositioning or revitalization of properties is often more feasible when flexible land use regulations are in place. These regulations recognize the changing nature of land use compatibility and the dynamic nature of real estate demand over time. The implementation of these types of regulations, as well as public-private development finance mechanisms,

can encourage the revitalization of a property, corridor, or community. Specific methods of implementing these concepts include:

- ED-8 Examine zoning regulations in existing non-residential districts to ensure that they achieve the community's land planning objectives without being overly restrictive on the establishment of new businesses or the expansion of existing ones.
- ED-9 Consider implementing performance-based zoning to increase the flexibility of land development. Performance-based zoning seeks to delineate allowable land uses through their physical exterior features, such as parking, setbacks, design, and bulk, while placing less emphasis on the actual use of the property. In this way, the scope of allowable uses is broadened while still protecting the character of the community.
- ED-10 Examine the potential for creation of Transit Oriented Development (TOD) in the vicinity of the proposed rail station and the airport access road on the Route 3 corridor. This action might include rezoning a portion of the three current districts (I-1, R, and C3), or creating an overlay district, that would allow high density mixed use development that combines residential and nonresidential uses. Residential development in this zone should include consideration for the creation of workforce housing. Any such rezoning will be dependent upon the state securing funding for upgrading of the rail corridor. Zoning changes should also be coordinated with the Town of Bedford to insure compatibility of land uses to the greatest extent possible.
- ED-11 Seek grants to encourage or facilitate the repositioning of underperforming properties in the community, especially those found in the Town's opportunity zones. These include facilities that are not currently operating at their highest and best use. One example of such a property might include the former Shaw's plaza on Daniel Webster Highway.
- ED-12 Consider preparation of a conceptual "master design plan" for key parcels along the northern Route 3 corridor that could illustrate the potential for a mixed use development to property owners, potential users of the site and investors. Such a plan might illustrate the possible reuse of some underutilized or transitioning retail properties for uses such as office and retail uses, or combined medical and residential uses, or other similar configurations. This plan might also include a feasibility analysis of various options to illustrate the market demand to potential users.
- ED-13 Consider Tax Increment Financing District (TIF) in appropriate geographic areas to help fund infrastructure improvements. These geographies might include the Town's opportunity zones or other corridors that would benefit from such policies. Explore the possibility of linking tax base growth in commercial corridors with town center redevelopment efforts.
- ED-14 The Town should work toward implementation of RSA 79-E Community Revitalization Tax Relief Incentive as well as potential locations of parcels that should be considered for inclusion in a 79-E district. On November 15, 2012, the Town Council moved to support adoption of RSA 79-E. The implementation of RSA 79-E should be pursued following completion of the 2013 Master Plan. The eventual development of the enabling ordinance should be prepared by the Community Development Director with assistance from the Town's legal counsel and the Economic Development Citizens Advisory Committee.