



ECONOMIC DEVELOPMENT

Northwood Master Plan
Adopted [DATE]

ACKNOWLEDGEMENTS

The Economic Chapter was prepared under the guidance of the Master Plan Subcommittee.

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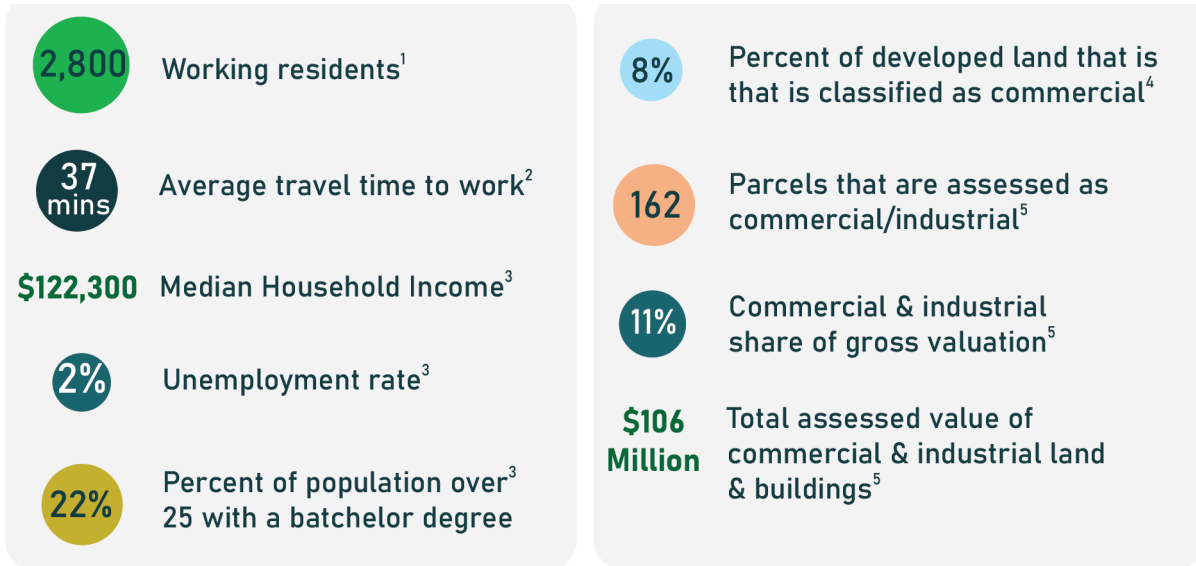
The Economic Development Chapter was prepared by EF | Design & Planning, LLC with TZM Planning.

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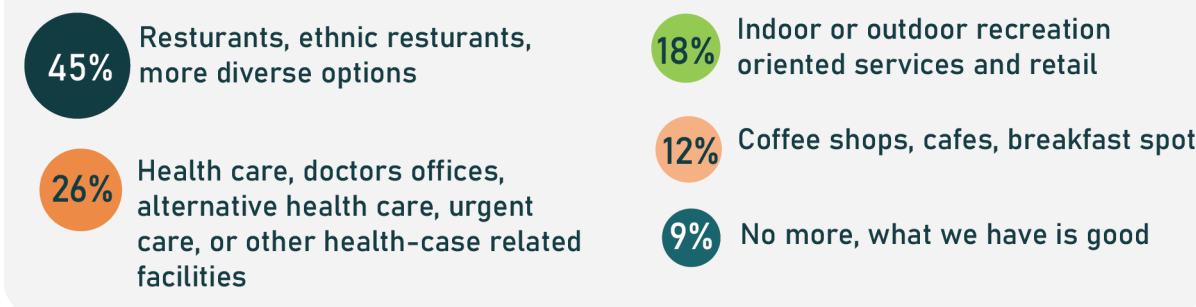
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ECONOMIC DEVELOPMENT SNAPSHOT



Top Services & Retail Community Members Want to See⁷

Percent of survey respondents, 130 people responded and shared around 50 types of businesses and services



Data reference and chapter page:

1. ACS 2018-2022 5-Year Estimates, page 5
2. ACS 2018-2022 5-Year Estimates, page 9
3. ACS 2018-2022 5-Year Estimates, page 7

4. NH Geodata Portal, 2024 Land Use layer, page 11, 12
5. Town of Northwood Assessing Data, page 11, 13
6. NHES Economic and Labor Market Information Bureau, page 6
7. Town of Northwood 2024 Economic Development Survey, page 17



GOALS

The Planning Board's goals for economic development are:

- 1 Foster an environment that is welcoming to businesses, especially small businesses.
- 2 Maintain a stable tax rate and provide local employment opportunities by attracting a mix of non-residential uses.
- 3 Promote a high quality of life in Northwood and provide opportunities for building connections and gathering.
- 4 Uphold the safety of residents, businesses, employees, and other communities
- 5 Direct commercial and industrial development to areas that are already developed and to a thoughtfully designed village-center-like development.

Economy and business viability is
a part of Northwood's vision



INTRODUCTION

This chapter provides an overview of economic conditions in Northwood, including:

- Employers
- Industries
- Labor force
- Median household income
- State and regional indicators and trends,
- Commercial and industrial land use and development trends
- Incentives
- Input from residents and businesses on desired economic activity and experience doing business in Northwood.

The chapter also identifies several opportunities and a set of recommendations for the Town with respect to economic development.

It is the community's vision that development is located in areas where commercial development already exists along Route 4, as well as a thoughtfully designed village center-like development in appropriate locations of the community.



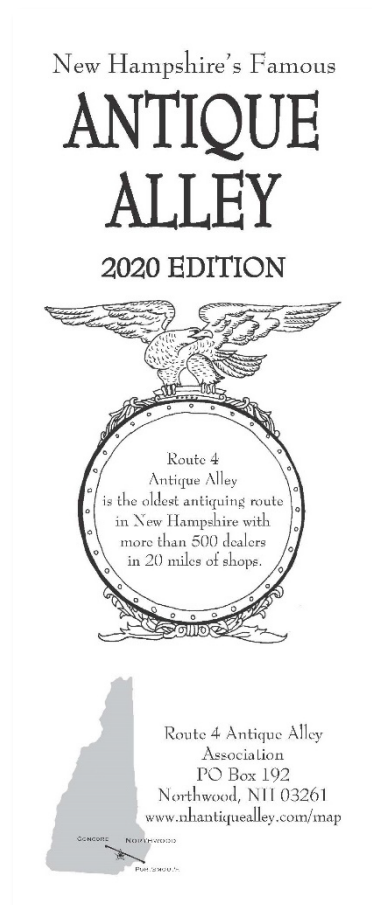
Village center development among Northwood's goals.

NORTHWOOD'S ECONOMY

Since 1800, New Hampshire's first turnpike, known today as Route 4, has provided a reliable roadway connecting Portsmouth with Concord.¹ Northwood's built environment and businesses coalesced around the eight-mile turnpike corridor that runs through the town. In the 19th Century, the turnpike connected grain mills, sawmills, a clothing mill, and trading stores with customers and markets. The Pillsbury Shoe Factory in East Northwood and the Northwood Narrows Shoe Factory were prominent businesses.



Bennett's Store. Image Courtesy of the Northwood Historical Society



In the 1980s and 1990s, Route 4 from Epsom to Lee became recognized as a destination for antiques and was dubbed Antique Alley. Today, the corridor continues to be home to a number of antique shops as well as an array of other businesses and services.

[Antique Alley 2020 Edition Pamphlet](#) lists 16 shops, 9 of which are in Northwood. Visit <https://nhantiquealley.com/> to learn more about the shops.

Large Businesses & Employers

The largest businesses in the town include Hannaford, Original Johnson’s Dairy Bar at Northwoods Brewing, and Harding Metals.² The ELMI’s listing of largest employers, including government and public entities, is derived by a company called Data Axle. This dataset was reviewed and compared with information on employees contained in the Town’s annual report, the school district annual report, and Coe-Brown Northwood Academy’s website. Table 1 shows a selection of large employers, including both commercial/ industrial businesses and public and government entities. These large businesses and employers are all located on Route 4, with the exception of the Fire Department’s Narrows facility.

Table 1. Large employers in Northwood

Largest Commercial/Industrial Businesses (10-50 employees)	Product/Service
Hannaford	Supermarket
Original Johnson’s Dairy Bar at Northwoods Brewing	Restaurant
Harding Metals	Scrap metal recycling
Solid Creations	Countertop manufacturing
Cooper Hill Pizza	Restaurant
Meyer Family Dentistry	Dental care
New England Signal Systems	Traffic signal equipment
Northwood Veterinary Hospital	Pet health care

Public and Governmental Entities	Approximate Number of Employees)
Town of Northwood	
Northwood Police Department	8 full-time, 1 part-time
Northwood Fire & Rescue	3 full-time , 21 part-time
Other Town Departments	10 full-time, 13 part-time, 3 library substitutes
Northwood Elementary School	130 (includes full and part time)
Coe-Brown Northwood Academy	90 (includes full and part time)

Sources: [NH Community Profiles](#), Northwood (2024). Economic and Labor Market Information Bureau; 2023 Town of Northwood Annual Report; Coe-Brown Northwood Academy website; Town of Northwood Fire Department. Northwood Town Administrator. Includes full- and part-time personnel. Data may be incomplete.

Labor Force and Employment

Within Northwood, there were just over 2,800 working residentsⁱ as of 2022.³ The industries *retail trade* (15%) and *healthcare and social assistance* (14%) had the greatest share of employees (Figure 1).⁴ The number of individuals working has increased by about 370 people in the last decade and represents a slightly greater percent of the total population today than in 2012.⁵

The *finance and insurance* industry has grown the most (239%) over the last 10 years, while several industries — such as *agriculture, forestry, fishing and hunting, mining, quarrying, and oil and gas extraction, educational services, arts, entertainment, and recreation, and accommodation and food services* — have seen a decline in their share of employees.⁶

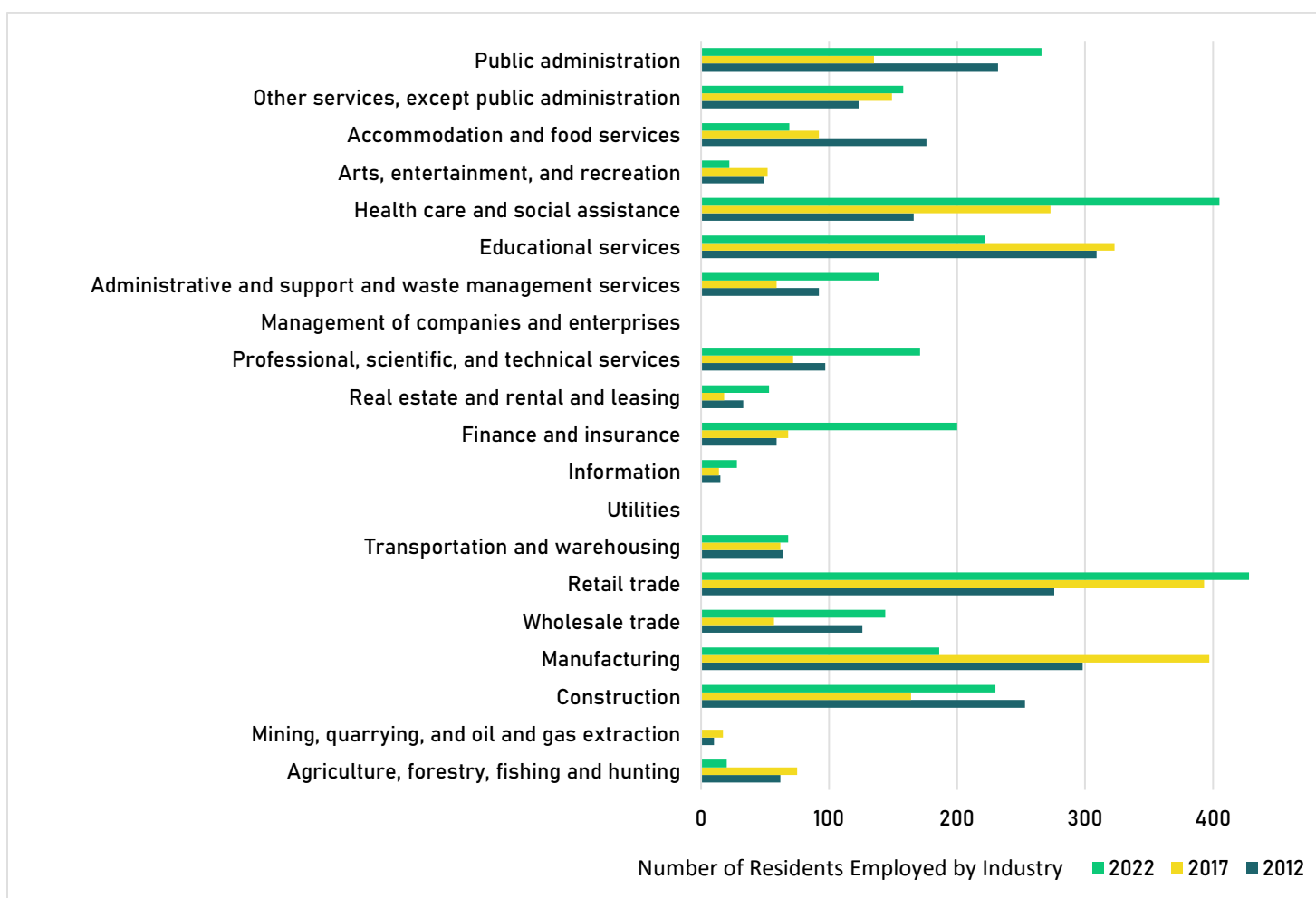


Figure 1. Employees by industry (Source: ACS 2008–2012, 2013–2017, and 2018–2022 5-Year Estimates)
 Note: These figures represent the industry that Northwood residents work in. They do not represent the number of Northwood residents who work in Northwood nor the total number of individuals who work in Northwood.

ⁱ Estimated civilian employed population 16 years and older

Employment Projections

Long-term industry projections for the Strafford Regional Planning region, of which Northwood is a part of, indicate that *accommodation and food services*, followed by *arts, entertainment, and recreation*, and *professional, scientific, and technical services*, are projected to increase the most between 2020 and 2030 (Table 2).⁷

Table 2. Long-term employment projections by industry in the Strafford Regional Planning region.

Industry	Projected Percent Change in Employment 2020-2030
Accommodation and Food Services	29.8%
Arts, Entertainment, and Recreation	19.0%
Professional, Scientific, and Technical Services	17.0%
Health Care and Social Assistance	13.4%
Other Services (Except Government)	10.9%
Construction 1	9.5%
Agriculture, Forestry, Fishing and Hunting	8.9%
Administrative and Support and Waste Management Services	7.9%
Transportation and Warehousing	7.3%
Wholesale Trade	6.7%
Educational Services	5.7%
Government	4.9%
Real Estate and Rental and Leasing	4.8%
Finance and Insurance	4.1%
Mining	0.0%
Manufacturing	-0.9%
Self-employed Workers	-1.6%
Retail Trade	-2.2%
Information	-3.6%
Management of Companies and Enterprises	-4.7%
Total Employment	7.60%

Source: NHES ELMI. Long-term Industry Projections 2020 to 2030
(<https://www.nhes.nh.gov/elmi/products/proj.htm>)

Detailed occupational projections for the Strafford Regional Planning Commission region are available with information about education and experience required for these occupations through [NHES ELMI](#).

Additional information about occupation projections is available through NHES ELMI at: <https://www.nhes.nh.gov/elmi/products/documents/occ-projections-plan-region-strafford.pdf>

Income

The median household income (MHI) in Northwood is \$122,294 (Figure 2),⁸ compared to \$90,845 statewide. MHI has increased by 87% in Northwood over the last decade.⁹ Per capita income is estimated at \$44,875, compared to \$48,250 statewide.¹⁰

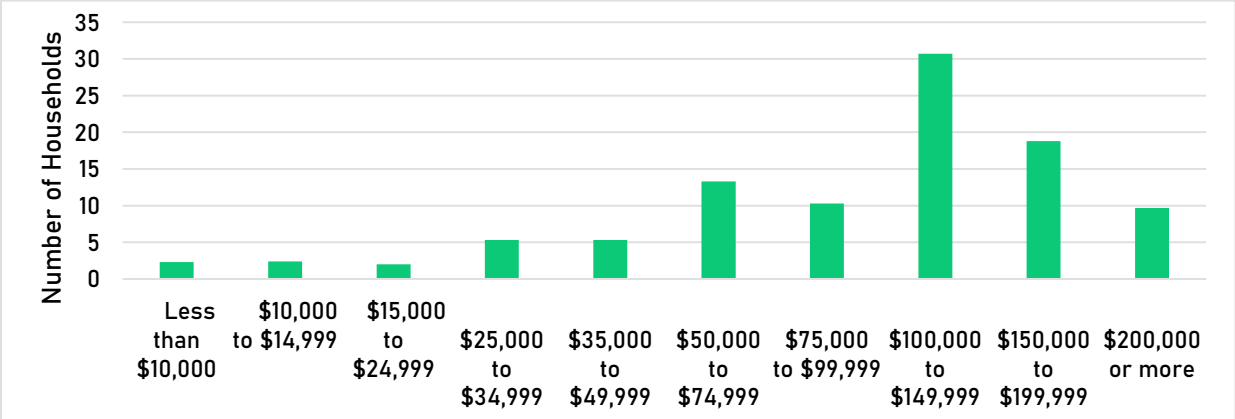


Figure 2. Median household income (Total households = 1,770. Median Household Income=\$122,294)
Source: American Community Survey 2018-2022 5-Year Estimates

Unemployment in Northwood has followed a similar trajectory to that of Rockingham County over the last decade (Figure 3). The unemployment rate dropped from over 4% in 2014 to around 2.5% in 2019, then increased significantly to over 6.0% in 2020 due to the COVID-19 pandemic. Since 2022, the unemployment rate in Northwood has hovered around 2%.

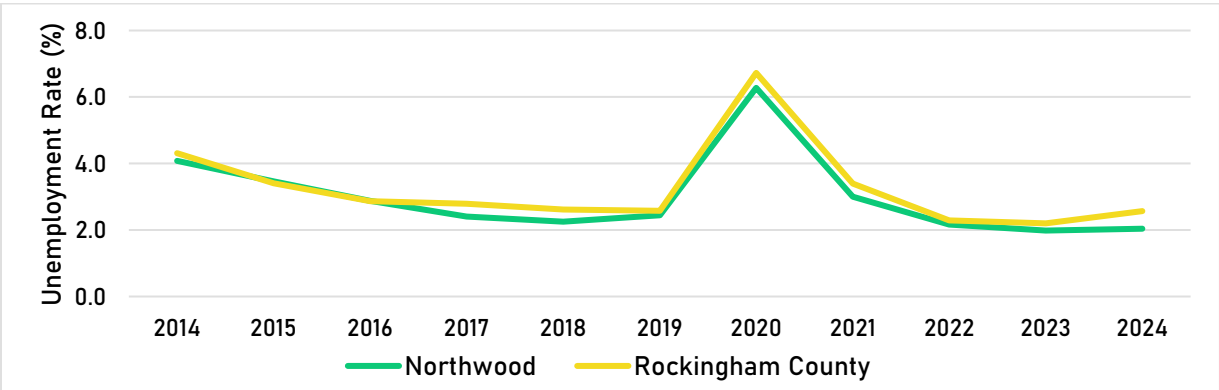
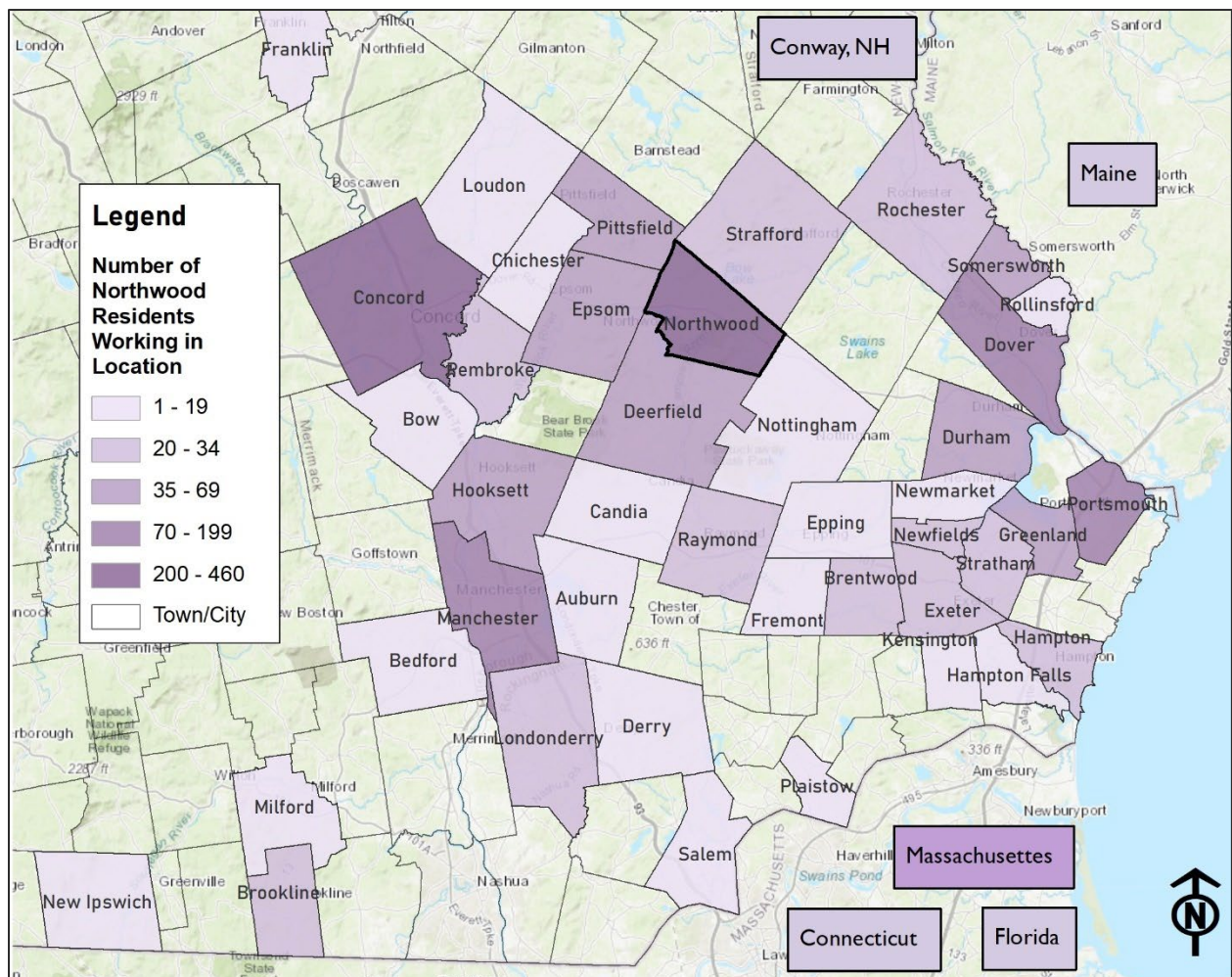
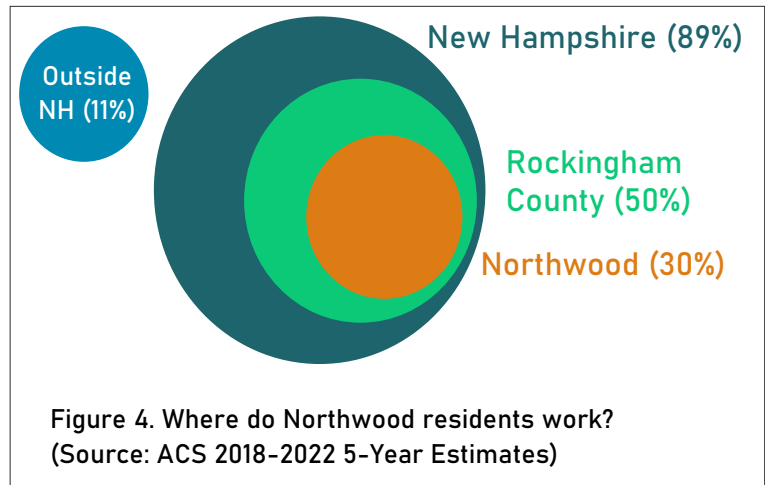


Figure 3. Average annual monthly unemployment rate in Northwood and New Hampshire (2014-2024)
Source: BLS Local Area Unemployment Statistics, Not seasonally adjusted, Year 2024 is preliminary.

Approximately 22% of Northwood residents age 25 or older have a bachelor’s degree, while 11.7% have a graduate or professional degree. Compared to the state, Northwood has a slightly higher percentage of people age 25 and over that graduated high school but a lower percentage of people with a bachelor’s degree or a graduate or professional degree.

Place of Work

According to American Community Survey Estimates, of the residents who are working and age 16 and over, approximately 30% work in Northwood (Figure 4).¹¹ Figure 5 displays the number of Northwood residents working in other communities and states at a finer scale, however the data is somewhat out of date, as it was compiled in 2010.¹²



LODESⁱⁱ data reports that in 2021, 229 people lived and worked in Northwood, while 2,394 residents commuted out of town and 1,176 people commuted into town (Figure 6).¹³



Figure 6. Inflow and outflow job counts in 2021, based on residency and place of work (Source: LODES)

Approximately 20% of workers 16 years and over reported that they worked at home.¹⁴ The average travel time to work is 37 minutes. Almost all workers who commute to work drive alone, with few people carpooling, walking, using public transportation, or traveling by other means.¹⁵

REGIONAL AND STATE ECONOMIC PLANNING

Comprehensive Economic Development Strategy (CEDS) for the Region

Northwood is a member community of the [Regional Economic Development Center \(REDC\)](#),ⁱⁱⁱ a nonprofit alternative lender that provides advising, funding, and support to new and existing companies that have challenges accessing traditional financing in New Hampshire.

The [2024 Update](#) of REDC's Comprehensive Economic Development Strategy (CEDS) lays out an economic development master plan for 37 communities of the southern New Hampshire region. Five regional priorities are outlined in this plan:

- Housing
- Workforce Attraction & Retention
- Childcare
- Utilities & Infrastructure
- Community Vibrancy.

New Hampshire's housing shortage continues to pose a significant challenge to employers, municipalities, and anyone desiring to call this region home.

- REDC CEDS 2024 Update

ⁱⁱ LODES is an acronym for Longitudinal Employer-Household Dynamics (LEHD) Origin-Destination Employment Statistics

ⁱⁱⁱ Although Northwood is in the Strafford Regional Planning Commission's planning region, it is located within the Regional Economic Development Center (REDC)'s region for economic development. REDC is based in Raymond, NH.

The Goals and Objectives for the region include:

- Infrastructure development
- Workforce Attraction and Retention
- Housing
- Sustainable Living.

In 2023, there were 3 licensed childcare facilities in Northwood with a total capacity of 94 children.

- NHES ELMI NH Community Profile, DHHS-Bureau of Child Care Licensing

Northwood does not have any projects listed in the 2024 CEDS. The community could work with REDC to identify appropriate projects to include in the CEDS and to connect businesses with resources and enhance economic development in Northwood.

State Trends & Key Economic Indicators

Several aspects of the economy are assessed by the state in its [Vital Signs, Economic & Social Indicators for New Hampshire](#) report.¹⁶ Included below are a selection of trends and indicators that provides context to economic development in Northwood:

- Population growth declined statewide in 2023 but was about the same as pre-pandemic growth.
- In-migration, which is critical to the state's economy and labor force, increased during the pandemic but has since slowed. The limited supply of available housing likely contributed to this trend. Without new residents, the labor force could start to shrink as residents retire. Additionally, without migration the talent pool will also decrease.¹⁷
- In the spring of 2023, unemployment fell to the lowest number since the late 1980s, equivalent to about a 1.8 percent unemployment rate. By mid-2024, it had increased up to 2.5 percent, due largely to residents entering or re-entering the labor force rather than to layoffs.¹⁸
- The major trends affecting long-term employment projections are aging and the expansion of e-commerce, which results in fewer retail workers but more delivery and shipping positions.¹⁹
- The average weekly wage for private nonfarm workers in New Hampshire increased 4.2 percent in 2023, which was slightly above the same rate as the previous year and similar to that of the US.²⁰
- GDP in the state has grown slightly faster than in the US since the pandemic started. measures the value of the final goods and services produced in a region and is one of the most used indicators of a region's overall economic health.²¹
- Disasters are anticipated to have a continued and increasing impact on the economy. The 2020's are on track to have more billion-dollar disasters than any other decade. This trend is present at the national and state level in New Hampshire, where there have been four billion-dollar disasters in the last four years.²² Industries that bolster the region and state – tourism and recreation, for example – will be impacted by climate change.²³

COMMERCIAL & INDUSTRIAL LAND USE & DEVELOPMENT

Land Use

Digitized arial imagery shows that approximately 220 acres of land in Northwood are developed with commercial, industrial, or other mixed uses.²⁴ A majority of commercial and industrial land is classified as other mixed uses and commercial retail (Table 3). Most of these uses are located along Route 4 (Fig 8). Note that there may be some inaccuracies associated with this data and that not all undeveloped land is developable. This is intended to provide a general picture of where non-residential development is located. Refer to the Existing Land Use Chapter for additional information about land use.

Table 3. Commercial and industrial land use

Land Use Classification	Acres
Commercial/ Industrial Uses	219.2
Other Mixed Uses	84.4
Commercial Retail	68.2
Services	52.5
Other Commercial, Services, and Institutional	7.1
Commercial Wholesale	6.2
Shopping Mall	0.7
Strip Mine/Quarry or Gravel Pit	0.1
Other Developed Land	2,738.90
Undeveloped Land	15,479.40
Total Land Area	18,437.50

Source: NH Geodata Portal, 2024 Land Use Data

Commercial Tax Base

A total of 162 parcels in Northwood are classified as commercial/industrial in Northwood’s assessing database. This is equivalent to about 5% of the total number of parcels. These parcels account for approximately 1,250 acres of land (7% of land area).

The total assessed value of commercial and industrial land and buildings in 2023 was \$106,035,500, which is 11% of the gross valuation.²⁵ This is similar to the average percent of the property tax base of municipalities in Rockingham County, which was 12% in 2023, and slightly less than that of municipalities in Strafford County, which was 14%.²⁶

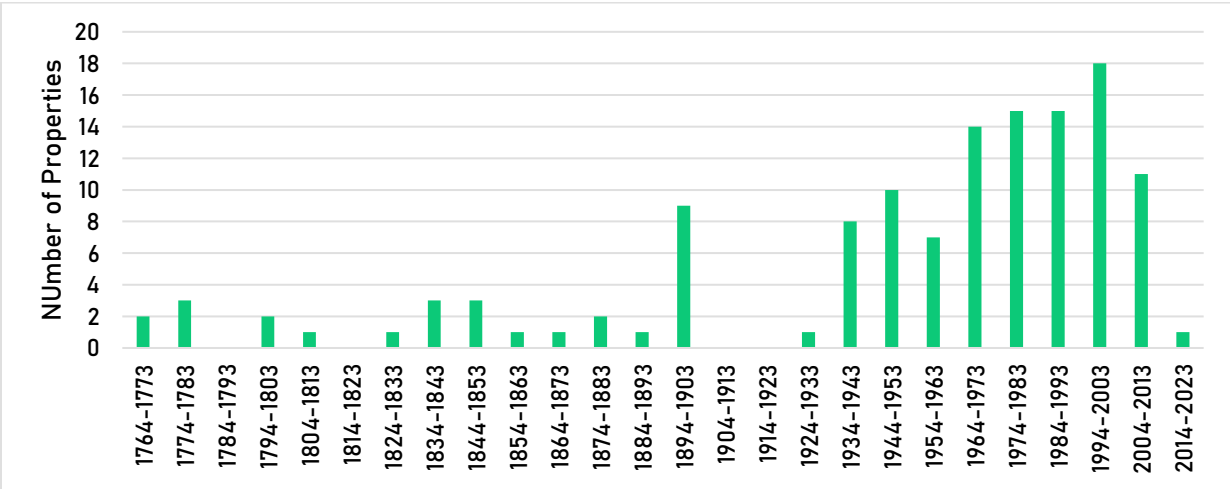


Figure 7. Year Built of commercial and industrial properties (Source: Northwood Assessing Department)

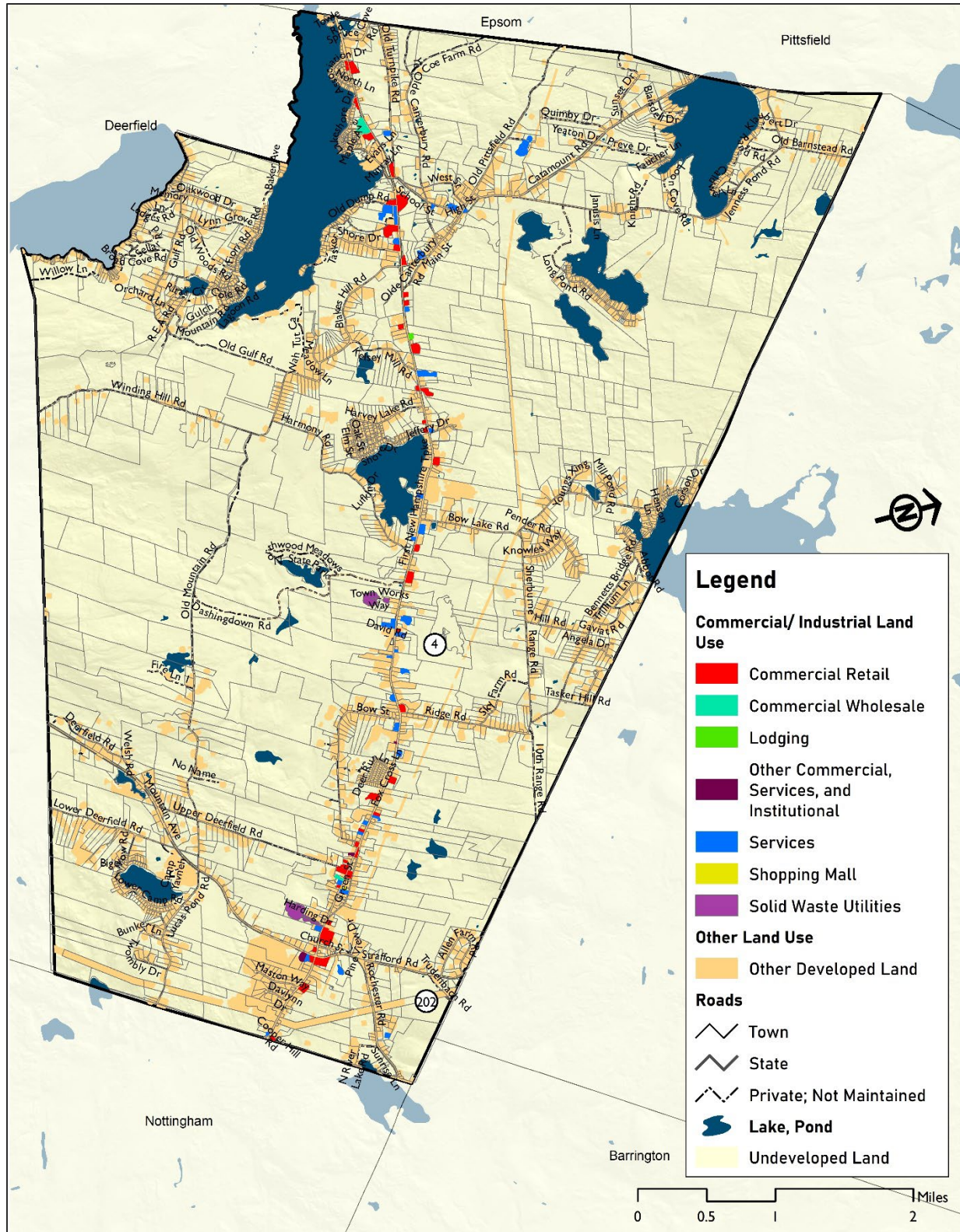


Figure 8. Land use derived from digitized aerial imagery (Source: NH Geodata Portal 2024 Land Use data) Note that there may be some inaccuracies associated with this data and that not all undeveloped land is developable. This is intended to provide a general picture of where non-residential development is located.

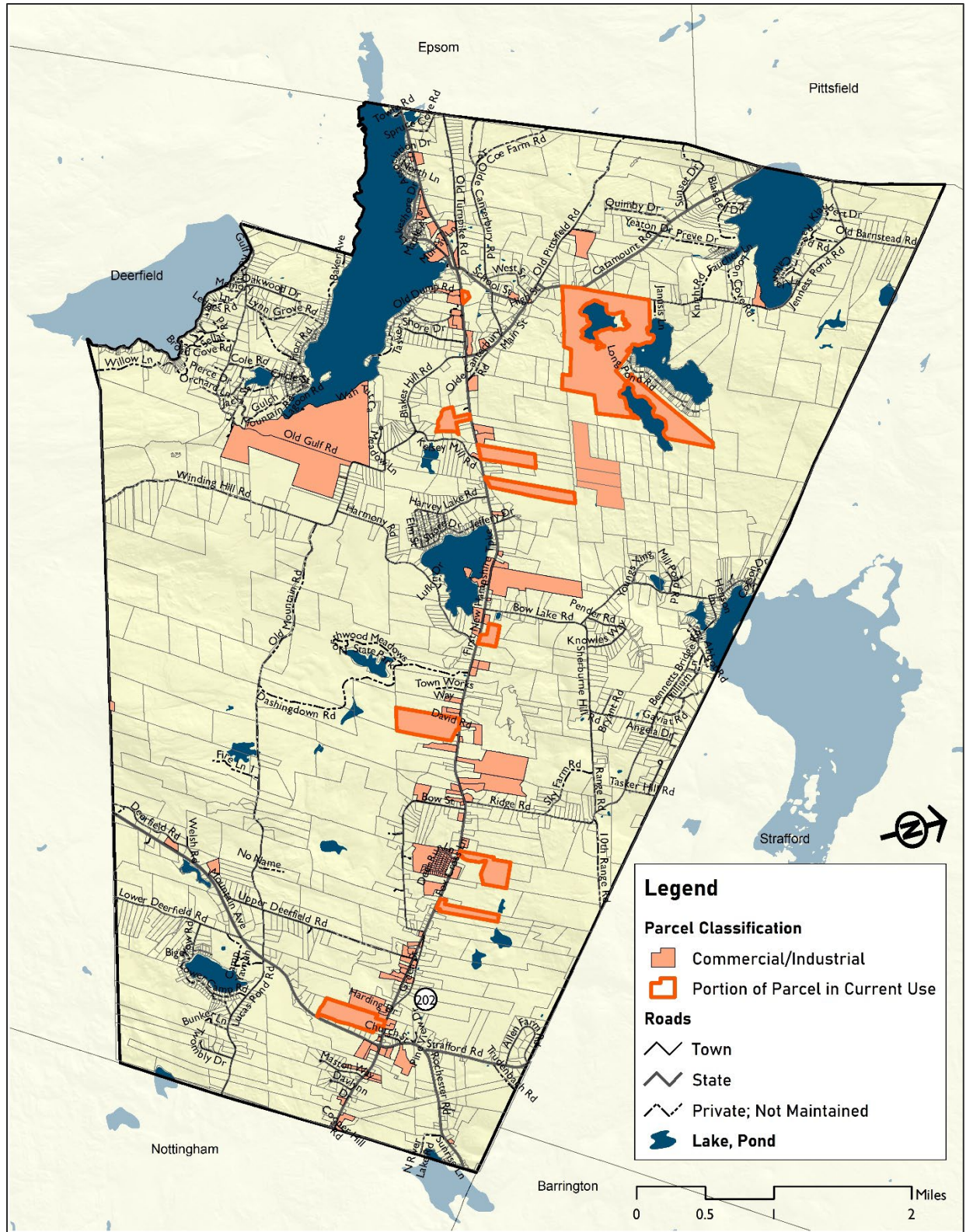


Figure 9. Parcels classified as commercial or industrial (Source: Town of Northwood 2024 Assessing database) Note: Assessing classification does not mean that the full parcel is built out with commercial development.

Permitted Uses & Dimensional Standards

Northwood has one zoning district, the General District. Several commercial and industrial uses are allowed in this district if performance and other criteria are met. These uses include retail, light manufacturing/manufacturing, restaurants, bed and breakfast, day care, excavations, service business, professional office, and others. Multiple non-residential uses are permitted on a lot. In certain situations, mixed residential and non-residents are also permitted on a lot.

Any new, altered, or converted use of a non-residential site or structure must seek approval from the Planning Board and meet the requirements of the Site Plan Review Regulations. The Planning Board has a minimal impact application process for a change of use or intensification in use of a building that does not involve expansion of the building or any improvements to the exterior. Proposals that qualify for minimal impact do not require site plan review, which can simplify and expedite the approval process as well as reduce costs to the applicant.

Home businesses are allowed in Northwood. Home businesses are reviewed by the Planning under an established set of criteria. Depending on the proposed business and impacts, a Site Plan Review, Home Business Permit, or Variance may be required.

Within the General District, the minimum lot size is two acres, and the minimum frontage is 150 ft. Larger lot sizes drive up property costs leading to higher leases and expenses for business. This can be a barrier to business attraction and retention, development, and redevelopment. Because the Town does not have municipal sewer and water, the septic system and protective well radii constrain the minimum lot size achievable in a specific location. Allowing these conditions rather than a standard two-acre lot requirement to limit development may provide more options for prospective property owners and businesses.

Recent Proposals to the Planning Board

Since 2019, the Planning Board approved 40 Site Plan Review and Minimal Impact Review applications and amendments (Table 4).

Table 4. Summary of Approved Site Plan Review and Minimal Impact Review cases (2019-2024)

	2019	2020	2021	2022	2023	2024	Total
Minimal Impact Review	3	2	3	1	1	2	12
Minor Site Plan	4		1	4	1	1	11
Major Site Plan			3	2	4	1	10
Site Plan			1				1
Site Plan & Subdivision			1				1
Site Plan Amendment			1		1		2
Major Site Plan and Subdivision Amendment					2		2
Minor Site Plan Amendment					1		1
Total	7	2	10	7	10	4	40

Source: Northwood Land Use Department

Note: Subdivision cases are not shown unless part of a site plan. Lot line adjustment cases are not shown. Site Plan data includes both commercial and multi-family projects.

WORKING AND OPERATING A BUSINESS IN NORTHWOOD

A survey on economic development was conducted in Northwood to, in part, solicit input from business owners on opening and operating a business in the town as well as input from employees.

Of the 164 people who responded, 155 were residents of Northwood. Approximately 30% of these residents work in Northwood and 39% work in another community. Forty survey respondents indicated that they have a home business. The location of their job did not contribute to why 50% of survey respondents chose to live in Northwood at all, while about 25% of respondents said that job location contributed a lot or a great deal.

A total of 28 survey respondents own a currently operating business in Northwood. These businesses range in size from self-employed sole proprietor (16 businesses), to small businesses between 5 and 25 employees (11 businesses), to one business with over 100 employees.

When asked about their concerns pertaining to business in Northwood, local permitting or regulations in Northwood, followed by property taxes in Northwood and high-speed internet ranked of highest concern by business owners (Figure 10).

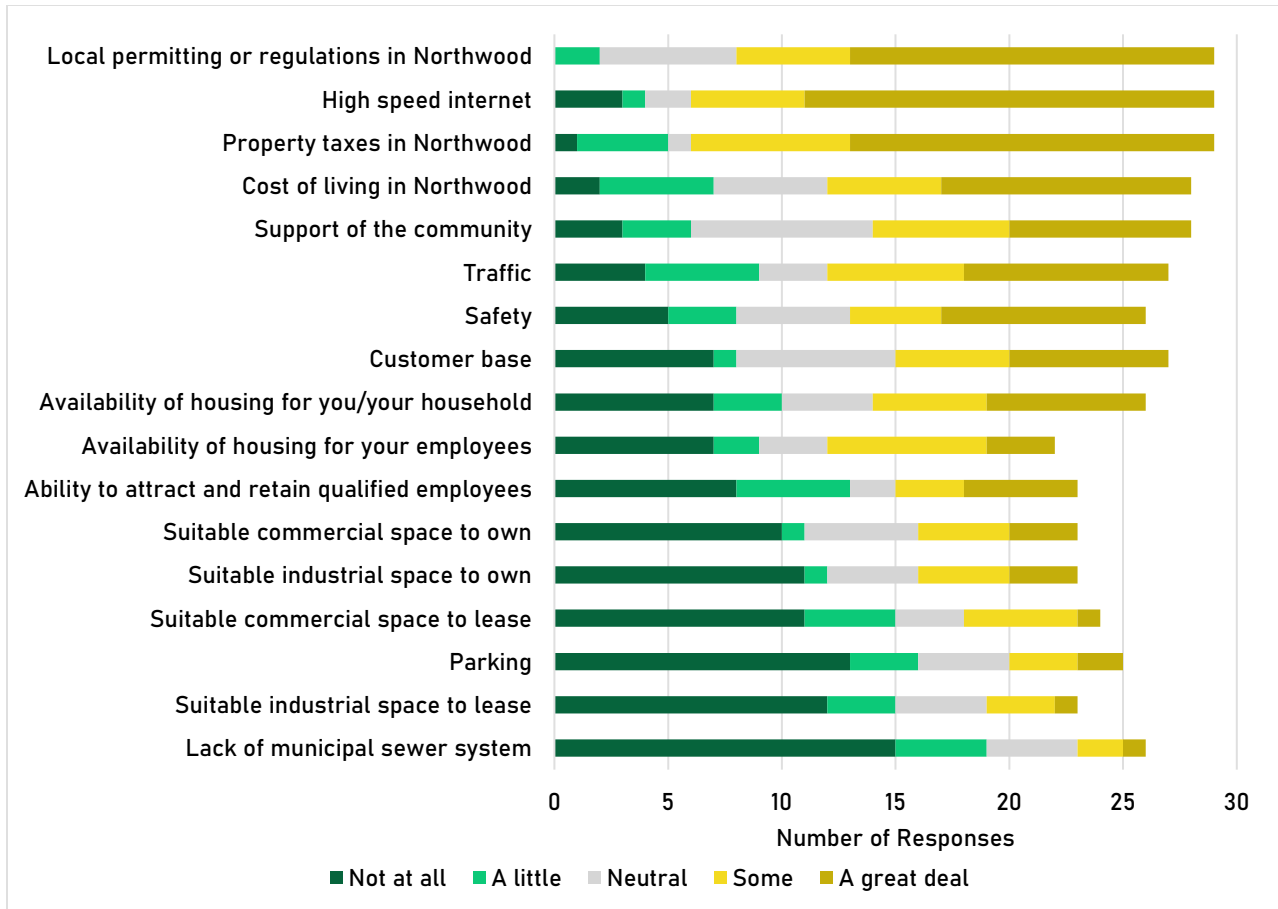


Figure 10. Responses to the survey question “Are you concerned about any of the following as it pertains to your business in Northwood?” (Source: Northwood Economic Development survey, responses from business owners (N=29))

Feedback on interacting with the Town of Northwood in order to open and operate a business in Northwood was mixed (Figure 11).

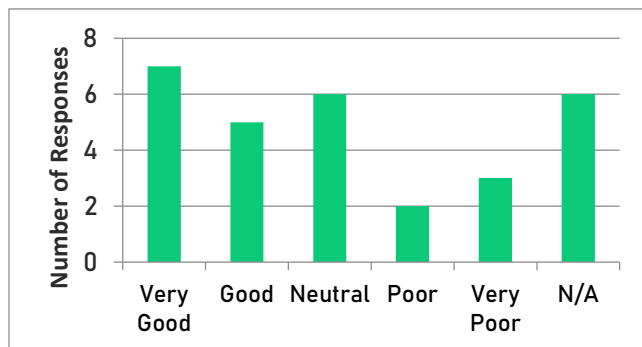


Figure 11. Responses to the survey question “How would you rate your experience interacting with the Town of Northwood in order to open and operate your business?” (Source: Northwood Economic Development survey, responses from business owners (N=29))

When asked if Northwood is a good place for their business, multiple individuals noted the town’s central location and traffic counts as a reason why the community is a good place for doing business.

DESIRED RETAIL & SERVICES

The survey also sought feedback from community members on desired non-residential uses. Community members who participated in survey for this master plan provided input on the types of retail and services they are interested in seeing in Northwood. Restaurants, including a greater variety and number, were the most common response (Table 5). Healthcare, followed by indoor and outdoor recreation and recreation-oriented businesses and cafes were also in demand.

Table 5. Response to the survey question “What types of retail and services would you like to see in Northwood?”

Types of Retail and Services ¹	Number of Respondents
Restaurants	59
Healthcare, medical offices, alternative health care, and urgent care	34
Indoor and/or outdoor recreation, sports facility, gym sporting goods	24
Coffee shop, café, bakery	16
No more, good as is	12
Clothing, shoes	11
Grocery store, healthy options, specialty	9
Pharmacy, drug store	7
Community center, senior center, place to gather	6
Carwash, auto parts, quick service shops	6
Laundromat, drycleaner	6
Home décor, home furnishing	5
Small, locally owned, no chains, no big box	5
Daycare, PreK, childcare	5
All listed as examples in the question, all of the above	5
Retail services, any commercial business, major retail	5

¹ Uses were aggregated and summarized to group similar responses together. A total of 130 people responded to the question. Respondents could list multiple types of retail and services. Refer to the public input document to review the complete survey responses. Source: 2024 Economic Development Survey

Community members favor retail and services along Route 4 and in East Northwood slightly more than other locations in the town, with the Narrows being the least favored location for commercial uses (Figure 12).

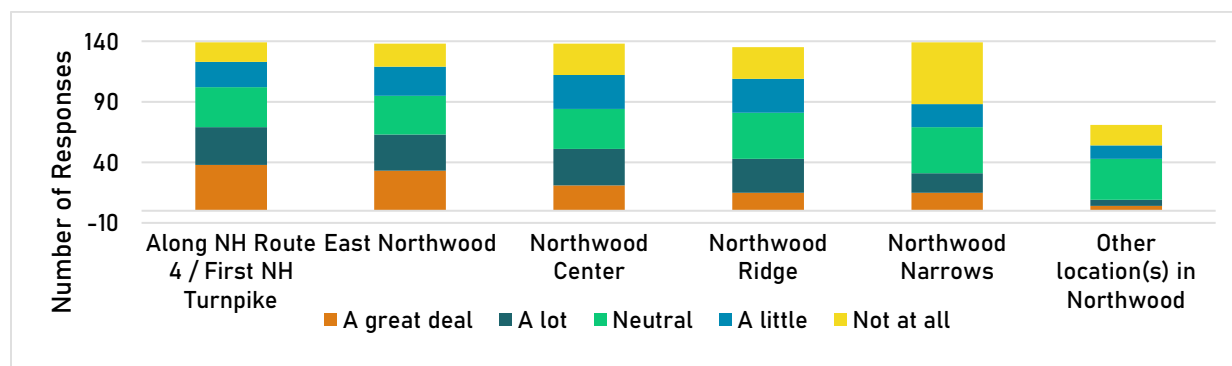


Figure 12. Response to the survey question “Would you like to see retail and services in these locations?”

OPPORTUNITIES

Table 6 highlight opportunities to enhance economic development. Additional information about these opportunities follows.

Table 6. Overview of opportunities to enhance economic development

Opportunity	Purpose/Benefit
Economic Development Committee	Identify and implement strategies to improve the economic well-being of a community.
Access & Infrastructure	
Route 4	Improve safety and access off Route 4 for businesses and patrons.
EV Infrastructure	Provide commuters and business patrons with a place to charge vehicles.
Broadband	Enhance and promote availability of high-speed internet access.
Land Use Planning	Amend procedures to identify zones where commercial and industrial development are desired. Streamline approval procedures for appropriate types of business development.
Branding, Identity, and Sense of Place	Build and promote a sense of identity and place to enhance residents' wellbeing, the ability of businesses to attract and retain employees, and capitalize on potential tourism and recreation opportunities.
Tools & Incentives	
Economic Revitalization Zone (ERZ) (RSA 162-N)	Stimulate economic development, expand the commercial and industrial base, create new jobs, reduce sprawl, and increase tax revenues within the state via a short-term business tax credit for projects that improve infrastructure and create jobs in designated areas of a municipality.
Tax Increment Finance (TIF) (RSA 162-K)	Promote economic development through capturing new property tax revenue created by proposed development and using it to offset the cost of the public improvements.
Commercial and Industrial Property Tax Exemption (RSA 72:81)	Incentivize businesses to build, rebuild, modernize, or enlarge within the municipality by providing a tax exemption.
Community Revitalization Tax Incentive (RSA 79-E)	Encourage investment in village centers through a tax incentive for the rehabilitation and active use of under-utilized older buildings.
Residential Property Revitalization Zones (RSA 79-E-B)	Improve housing quality in established neighborhoods through property tax relief on the increased value of repair and rehabilitation of unused or underused residential structures.

Economic Development Committee

Establishing a local EDC would strengthen relationships between current and prospective businesses and the Town. Survey respondents indicated that support with knowing the rules and regulations in Town would be helpful to prospective business owners. The EDC could play a role promoting networking among businesses and identifying and sharing information about resources that will benefit businesses.

An EDC could also help to identify and attract desired businesses, services, and industries while also serving as a resource for businesses that are navigating local and state regulations. An EDC may also bridge connections between local schools and colleges and employers to help fill jobs and develop training programs that build a strong local workforce.

Eight of the Economic Development Survey respondents said that they may be interested in serving on an Economic Development Committee (EDC), should it be reinstated.

According to the Municipal Land Use Regulation Annual Survey conducted by the NH Department of Business and Economic Affairs (BEA), 72 communities have an EDC and/or economic development staff.²⁷

The [UNH Extension Community Business Engagement](#) program assists communities develop, maintain and grow a thriving local economy by connecting with businesses to understand and address their needs, challenges and opportunities.

Nearby communities with an EDC and/or Economic Development staff include Barrington and Epsom.

-NH BEA Municipal Land Use Regulation Annual Survey

Online Resources for Businesses

SBA New Hampshire District Office: www.sba.gov/nh

NH Division of Economic Development: www.nheconomy.com

Regional Economic Development Center: <https://www.redc.com/>

NH Small Business Development Center: www.nhsbdc.org

SBA Women's Business Center: <https://www.sba.gov/local-assistance/resource-partners/womens-business-centers>

Access & Infrastructure

Route 4

While Route 4 provides businesses along the corridor with high visibility and easy access to the Seacoast, Concord, and other areas of the state, it remains a safety concern for residents and businesses alike. Traffic and high speeds make egress from

business parking lots difficult and are a deterrent to patrons of local businesses. The Town should work with the NH Department of Transportation and Strafford Regional Planning Commission to explore opportunities to improve the safety of the Route 4 corridor such as through traffic calming measures, left turn lanes, and other measures. The Planning Board could consider locations where frontage roads and internal connections to reduce access points on NH Route 4 would be advantageous.

EV Infrastructure

Electric vehicle (EV) charging stations can play a role in economic development in New Hampshire. Charging infrastructure provides both commuters and business patrons with a place to charge vehicles. The availability of charging stations factors in the routes and destinations chosen by EV owners. Research has shown that EV drivers may combine refueling stops with other activities, like visits to local stores.²⁸ The Rochester Hannaford is but one example.

In 2014, Walmart and Target contracted with an EV charging company to encourage the installation of EV fast chargers (a full charge in 20 minutes) in front of their stores nationwide, as the retail giants astutely recognized that the chargers would bring EV owners into the stores while the cars charged. Were Northwood to encourage the installation of commercial EV chargers along the Route 4 corridor, that could help draw out-of-town motorists to local businesses.

Broadband

Broadband is critical for the viability of businesses, including home businesses. From an economic development perspective, the benefits of broadband include:

- Connectivity enables local communities to attract and retain top talent for their businesses.
- Job expansion opportunities become numerous when businesses can be more productive and profitable.
- The playing field between large and small businesses can be further leveled when they can compete across local, national, and global markets.
- Employers that allow a remote workforce can attract the best talent no matter where they live.²⁹

While fiber optic internet is available town-wide, some survey respondents indicated that high speed internet was a concern. Outreach about the availability of fiber optic may be needed.

Land Use Planning

To align land use regulations with development objectives, the Planning Board could consider establishing zoning districts that identify appropriate locations for non-residential development. This would help to direct economic activity to specific areas of the community while reducing potential negative impacts to nearby residents in locations of the community where commercial uses are not desired. As part of this process, the Board could consider whether the minimum lot size and frontage requirements, which can raise property costs, pose too great a barrier for small businesses seeking affordable property to purchase or lease. Land use regulations should align with the town's vision of retaining rural character.

The Town may consider reviewing its permitting and approval process to make it more streamlined for home business, conversion of commercial uses, agritourism and agriculture-oriented businesses, and other types of development that blend with the existing character of the community and have minimal impact on neighbors.

Planned unit development (PUD) is a method of land use regulation where the allowed mix of land uses, building types, densities, site design, and infrastructure are specified in detail for a single parcel or small collection of parcels.

-NH Housing Toolbox

The Planning Board could consider developing planned unit development regulations, which allow more flexibility than conventional zoning and subdivision regulations and therefore could support creative opportunities for both housing and non-residential development.

The Town may also look at opportunities to update the sign regulations to ensure that businesses can sufficiently – but safely – advertise their presence, particularly in situations where there is more than one business located on a lot.

Care should be taken to protect natural resources and water resources from future development and redevelopment through stormwater management and enforcement of buffers from sensitive resources.

Branding, Identity & Sense of Place

Honing a community's sense of place, or relationship of people to place, is important for residents and businesses alike, and may be particularly important in towns like Northwood that lack a well-defined town center or community hub. Sense of place can contribute to residents' wellbeing and the ability of businesses to attract and retain employees.

In addition to attracting businesses and creating parks and destinations that foster a sense of place and community, the town can take steps to enhance signage and branding that reinforces that *this is Northwood*. For example, signage, flags, planters, community art, and other physical features could be installed at gateways into town and key locations to help build a sense of recognition of place.

Playing up the community's Antique Alley identity or identifying ways to rebrand the community as a destination for outdoor recreation are other opportunities for Northwood to explore. With its abundant lakes, conservation lands, and the State Park, Northwood is primed for outdoor recreation. Exploring opportunities for eco-tourism and marketing outdoor recreation in Northwood may create revenue generating activities while protecting natural resources and water resources.

Northwood could also work to enhance and build its recognition as a good location for people who work from home. For example, attracting tech support, legal services, co-working spaces, and facilities to rent for larger functions.

Principles of Placemaking

1. The Community is the Expert
2. Create a Place, Not a Design
3. You Can't Do it Alone
4. You Can See a Lot Just by Observing
5. Have a Vision
6. Start with the Petunias
7. Triangulate
8. They Always Say, "It Can't be Done"
9. Form Supports Function
10. Money is Not the Issue
11. You Are Never Finished

Learn more about [Tourism, Outdoor Recreation & Nature Economy](#) and [Agritourism Development and Education](#) from UNH Extension.



10 Components of Vibrant Communities

#1: Economic Vitality

A vibrant community includes access to a variety of environmentally friendly businesses, industries, and institutions that provide reasonable wages and benefits to workers, engage in family-friendly policies, provide workers with opportunities to develop marketable skills, and contribute to the overall well-being of the community.

Statements to consider:

We have a diverse economic base. A variety of businesses, industries, and institutions make up the economic base of the community and the region. No one sector or one employer is dominant.

Local government works well with the local businesses to enhance the economic vitality of the community.

Business and commercial areas are known and supported. **Local businesses are patronized by community members and are highly valued.**

There are locally available **educational opportunities** to provide residents with skills that match the needs of local businesses.

There are many types of **jobs available** to residents in terms of security, wage levels, skill levels, and benefits.

Local wages allow the majority of the population to enjoy a reasonable lifestyle.

The community's **zoning ordinance and planning regulations** are updated regularly and reflect a broad spectrum of residents' vision of the community in 5, 10, and 20 years.

There are opportunities and support for **beginning entrepreneurs**, such as a business incubator space or program at a local community college.

There is an adequate **built environment and structures** to support economic development such as commercial space, industrial parks, food hubs and locations for production, distribution and warehousing.

-Excerpt from 10 Components of Vibrant Communities, UNH Cooperative Extension, 2024, modified

Tools & Incentives

Four out of the eight survey respondents who have a have a businesses in another community than Northwood indicated that the presence of economic incentives for businesses would impact the likelihood that they would move or expand their business in Northwood “A great deal” or “A lot”. Municipalities have access to a variety of tools that can help attract business and reinvestment in desired locations of the community. A summary of enabling legislation that communities can adopt follows.

Economic Revitalization Zone (ERZ) (RSA 162-N)

The Economic Revitalization Zone (ERZ) tax credit program offers a short-term business tax credit for projects that improve infrastructure and create jobs in designated areas of a municipality. The purpose of an ERZ is to stimulate economic development, expand the commercial and industrial base, create new jobs, reduce sprawl, and increase tax revenues within the state.³⁰ State law requires that in order to be designated as an ERZ, the zones must be continuous areas with:

- (a) Unused or underutilized industrial parks and/or
- (b) Vacant land or structures previously used for industrial, commercial, or retail purposes but currently not so used due to demolition, relocation of the former occupant’s operations, age, obsolescence, deterioration, brownfields, or cessation of operation resulting from unfavorable economic conditions either generally or in a specific economic sector.

A total of \$825,000 is available per year, statewide, for ERZ tax credits. At the end of 2023, there were [227 ERZs](#) located in 77 municipalities in the state.

Tax Increment Finance (TIF) (RSA 162-K)

Tax Increment Finance (TIF) is a tool for financing public improvements that are needed to spur economic development. TIFs work by capturing the new property tax revenue created by the proposed development and using it to offset the cost of the public improvements.

In 2017, the Town voted to establish the Northwood West Tax Increment Finance District, create an advisory board, and adopt a Development and Finance Plan.³¹ These fundamental steps created the opportunity for tax increment financing in a designated area of the town, but without investment in public improvements or private development in the district, the TIF was not effective. Refer to Appendix A for information about the TIF district.

In 2023, businesses in 18 municipalities submitted a total of 27 tax credit applications.

Source: Bridgett Beckwith, NHBEA

Tax Increment Financing (TIF) is a public financing tool use to promote economic development.

Learn more about TIFs and read case studies from Bow, Concord, and Exeter in the [NH Housing Toolbox](#).

Commercial and Industrial Property Tax Exemption (RSA 72:81)

RSA 72:81 enables communities to provide a tax exemption either town-wide or for a group of parcels in order to incentivize businesses to build, rebuild, modernize, or enlarge within the municipality. The exemption applies only to municipal and local school property taxes assessed by the municipality. The exemption may be up to 50% per year of the increase in assessed value attributed to construction of new structures, and additions, renovations, or improvements to existing structures for a maximum of 10 years. The exemption is determined on a case-by-case basis depending on the public benefit. Northwood previously had four designated zones under RSA 72:81 that were discontinued in 2021.

Community Revitalization Tax Incentive (RSA 79-E)

RSA 79-E encourages investment in downtowns and village centers through a tax incentive for the rehabilitation and active use of under-utilized older buildings.³² Municipalities must adopt 79-E through majority vote of the legislative body. Property owners in designated areas of the community can then apply to the Town for relief from increased property taxes associated with the reinvestment for up to 13 years. To qualify, applicants must demonstrate that:

- The building is located in the community’s downtown district or its equivalent (municipality may establish additional and stricter criteria for identifying qualifying structures); and
- The rehabilitation costs at least 15% of the building’s pre-rehab assessed value, or \$75,000, whichever is less (municipality may establish higher thresholds); and
- The rehabilitation is consistent with the municipality’s master plan or development regulations.

In exchange for relief from increased taxes, the property owners grant a covenant to the community ensuring the property’s continued maintenance and use. As of July 2024, 65 communities have adopted 79-E.³³

Factsheets

[ERZ FAQs for municipalities](#)

[79-E Factsheet](#)

More information is available through the NH Housing Finance Authority’s [79-E Report](#).

Residential Property Revitalization Zones (RSA 79-E-B)

Improving nearby residential structures can also be beneficial to businesses. Residential Property Revitalization Zones (RPRZ) are a revitalization tool specifically intended to improve housing quality in established neighborhoods by offering property tax relief on the increased value of repair and rehabilitation of unused or underused residential structures. Qualifying structures must be existing residential structures in a designated RPRZ, at least 40 years old, and either a single-family or two-family dwelling or a multi-family dwelling with no more than four units. Eligible projects must significantly improve the quality, condition and/or use of the structure, and provide at least one of the following public benefits:

DRAFT [2.24.25]

- Enhances the economic vitality of the downtown
- Enhances and improves a culturally or historically significant structure
- Promotes the preservation and reuse of existing building stock
- Promotes development in municipal centers
- Increases residential housing in urban or town centers.^{34,35}

RECOMMENDATIONS

Policy & Initiatives (P)

- P1 Reinststate the Town's Economic Development Committee.
- P2 Develop gateway signage for the Town boundaries on major roads.
- P3 Work with NHDOT to improve safety of NH Route 4.
- P4 Work with NHDOT to evaluate opportunities for frontage roads to reduce the number of curb cuts on NH Route 4.
- P5 Invite staff from the Regional Economic Development Center (REDC) and the Strafford Regional Planning Commission to share information about economic development opportunities at least once per year.
- P6 Identify projects to list in the Regional Economic Development Center (REDC)'s Comprehensive Economic Development Strategy (CEDs).
- P7 Investigate opportunities to develop branding and recognition such as through promoting recreational opportunities and ecotourism in Northwood.
- P8 Create a guide for citizens and prospective businesses to help applicants navigate local permitting and approval procedures.
- P9 Create a database of existing businesses in Northwood.
- P10 Develop wayfinding and branding signage to build recognition of Northwood.
- P11 Consider ways to use social media to increase community awareness and engagement.

Regulatory (R)

- R1 Amend the Zoning Ordinance to allow community septic, which may provide more opportunities for clustered commercial development.
- R2 Clarify and simplify the Home Business regulations.
- R3 Establish zoning districts that identify specific non-residential uses that should be permitted in different locations of the community.
- R4 Consider reducing minimum lot size and frontage requirements in areas where non-residential uses are desired, which may reduce property costs and allow development to be more concentrated in limited areas of the community while leaving other locations more rural.
- R5 Ensure that Site Plan Review Regulations contain sufficient design standards to promote high quality development that blends well with the existing character of the community.

Tools & Incentives (TI)

- T11 Consider adopting enabling legislation RSA 72:81 to encourage commercial and industrial development and redevelopment in specific areas of the town via temporary tax incentives.
- T12 Consider adopting RSA 162-N to establish an economic revitalization zone(s) so that businesses are eligible to apply for business tax exemptions.
- T13 Consider adopting RSA 78-E and RSA 79-E-A to encourage improvements to commercial and residential structures via temporary tax incentives to support reuse and revitalization as well as the aesthetics of the community.
- T14 Re-evaluate the Northwood West TIF District.

IMPLEMENTATION

Implementation Table

Key

Recommendation # Category

P	Policy & Initiatives
R	Regulatory
TI	Tools & Incentives

Cost

Minimal	<\$5,000 or in kind/volunteer hours
Low	>\$5,000-\$10,000
Medium	>\$10,000-\$50,000
High	>\$50,000

Responsible Party

BC	Budget Committee
BHC	Building, Health, and Code Enforcement
CC	Conservation Commission
EDC	Economic Development Committee (not yet established)
LUD	Land Use Department
PB	Planning Board
PW	Public Works
RC	Recreation Committee
RD	Recreation Department
SB	Selectboard

Priority

Low, Medium, High ranking is based on the Master Plan Subcommittee and Planning Board's determination of which projects are most important to complete at the time this chapter was prepared. Ease of implementation was considered during the prioritization.

Potential Partners

NCSC	Northwood Crankpullers Snowmobile Club
NEMBA	New England Mountain Bike Association
NHBEA	NH Dept. of Business & Economic Affairs
NHDES	NH Dept. Of Environmental Services
NHDNCR	NH Dept. of Natural & Cultural Resources
NHDRA	NH Dept. of Revenue Administration
NHFG	NH Fish & Game
NHMA	NH Municipal Association
NHSBA	NH Small Business Association
REDC	Regional Economic Development Center
SRPC	Strafford Regional Planning Commission
UNH CE	University of NH Cooperative Extension

#	Recommendation	Responsible Party(ies)	Target Date	Priority	Cost	Potential Partners
P1	Reinstate the Town’s Economic Development Committee.	SB	2025	High	Minimal	PB, LUD
P2	Develop gateway signage for the Town boundaries on major roads.	SB, EDC	2026	Medium	Low	
P3	Work with NHDOT to improve safety of NH Route 4.	SB, PW	2025, ongoing	High	Minimal	SRPC
P4	Work with NHDOT to evaluate opportunities for frontage roads to reduce the number of curb cuts on NH Route 4.	SB, PW	2025, ongoing	High	Minimal	SRPC, PB
P5	Invite staff from the Regional Economic Development Center (REDC) and the Strafford Regional Planning Commission to share information about economic development opportunities at least once per year.	SB, EDC	2025, ongoing	High	Minimal	SRPC, REDC
P6	Identify projects to list in the Regional Economic Development Center (REDC)’s Comprehensive Economic Development Strategy (CEDs).	SB, PB, PW	2025, ongoing	High	Minimal	SRPC, REDC
P7	Investigate opportunities to develop branding and recognition such as through promoting recreational opportunities and ecotourism in Northwood.	SB, RD, RC, CC	2027	Medium	Minimal	SRPC, NCSC, NEMBA, NHFG, NHDCR, UNHCE
P8	Create a guide for citizens and prospective businesses to help applicants navigate local permitting and approval procedures.	EDC	2026	High	Minimal	UNH CE, PB, LUD, BHC, NHBEA, NHSBA
P9	Create a database of existing businesses in Northwood.	EDC	2025	High	Minimal	PB, LUD, BHC
P10	Develop wayfinding and branding signage to build recognition of Northwood.	EDC, SB	2027	Medium	Low-Medium	SPRC, UNH CE
P11	Consider ways to use social media to increase community awareness and engagement.	All Depts.	2025	Medium	Minimal	All Boards
R1	Amend the Zoning Ordinance to allow community septic, which may provide more opportunities for clustered commercial development.	PB	2027	Medium	Minimal	LUD, NHDES

#	Recommendation	Responsible Party(ies)	Target Date	Priority	Cost	Potential Partners
R2	Clarify and simplify the Home Business regulations.	PB	2026	High	Minimal	LUD, BHC
R3	Establish zoning districts that identify specific non-residential uses that should be permitted in different locations of the community.	PB	2026	High	Medium	LUD, SRPC, Consultant
R4	Consider reducing minimum lot size and frontage requirements in areas where non-residential uses are desired, which may reduce property costs and allow development to be more concentrated in limited areas of the community while leaving other locations more rural.	PB	2026	High	Medium	LUD, SRPC, Consultant
R5	Ensure that Site Plan Review Regulations contain sufficient design standards to promote high quality development that blends well with the existing character of the community.	PB	2027	High	Low	LUD, SRPC, Consultant
I1	Consider adopting enabling legislation RSA 72:81 to encourage commercial and industrial development and redevelopment in specific areas of the town via temporary tax incentives.	SB	2027	Medium	Minimal	NHBEA, NHDRA, NHMA, BC
TI2	Consider adopting RSA 162-N to establish an economic revitalization zone(s) so that businesses are eligible to apply for business tax exemptions.	SB	2026	High	Minimal	NHBEA, NHDRA, NHMA
TI3	Consider adopting RSA 78-E and RSA 79-E-A to encourage improvements to commercial and residential structures via temporary tax incentives to support reuse and revitalization as well as the aesthetics of the community.	SB	2027	Medium	Minimal	NHBEA, NHDRA, NHMA, BC
TI4	Re-evaluate the Northwood West TIF District.	SB	2026	Medium	Minimal	PB, BC

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- ¹ Piscataqua Bridge, Frank Griggs, Jr., Structure Magazine, April 2013.
 - ² NHES Economic and Labor Market Information Bureau. NH Community Profiles, Northwood, NH. <https://www2.nhes.nh.gov/GraniteStats/SessionServlet?page=Community.jsp&SID=1&city=000827&cityName=Northwood>.
 - ³ ACS 2018-2022 5-Year Estimates.
 - ⁴ ACS 2008-2012, 2013-2017, and 2018-2022 5-Year Estimates.
 - ⁵ ACS 2008-2012, 2013-2017, and 2018-2022 5-Year Estimates.
 - ⁶ ACS 2008-2012, 2013-2017, and 2018-2022 5-Year Estimates.
 - ⁷ NHES Economic and Labor Market Information Bureau. Long-term Industry Projections 2020 to 2030 <https://www.nhes.nh.gov/elmi/products/proj.htm>
 - ⁸ ACS 2018-2022 5-Year Estimates.
 - ⁹ ACS 2008-2012 and 2018-2022 5-Year Estimates.
 - ¹⁰ ACS 2018-2022 5-Year Estimates.
 - ¹¹ ACS 2018-2022 5-Year Estimates.
 - ¹² Journey to Work and Place of Work, US Census Bureau. Available from NHES Economic and Labor Market Information Bureau. <https://www2.nhes.nh.gov/GraniteStats/SessionServlet?page=Commute.jsp&SID=4&city=000827&cityName=Northwood>
 - ¹³ US Census Bureau. Longitudinal Employer-Household Dynamics. Data. <https://lehd.ces.census.gov/data/>
 - ¹⁴ ACS 2018-2022 5-Year Estimates
 - ¹⁵ ACS 2018-2022 5-Year Estimates
 - ¹⁶ NH Employment Security. Vital Signs 2024, Economic & Social Indicators for New Hampshire. 2018-2022. <https://www.nhes.nh.gov/elmi/products/documents/vs-2024.pdf>
 - ¹⁷ NH Employment Security. Vital Signs 2024, Economic & Social Indicators for New Hampshire. 2018-2022. <https://www.nhes.nh.gov/elmi/products/documents/vs-2024.pdf>
 - ¹⁸ NH Employment Security. Vital Signs 2024, Economic & Social Indicators for New Hampshire. 2018-2022. <https://www.nhes.nh.gov/elmi/products/documents/vs-2024.pdf>
 - ¹⁹ NH Employment Security. Vital Signs 2024, Economic & Social Indicators for New Hampshire. 2018-2022. <https://www.nhes.nh.gov/elmi/products/documents/vs-2024.pdf>
 - ²⁰ NH Employment Security. Vital Signs 2024, Economic & Social Indicators for New Hampshire. 2018-2022. <https://www.nhes.nh.gov/elmi/products/documents/vs-2024.pdf>
 - ²¹ NH Employment Security. Vital Signs 2024, Economic & Social Indicators for New Hampshire. 2018-2022. <https://www.nhes.nh.gov/elmi/products/documents/vs-2024.pdf>
 - ²² NH Employment Security. Vital Signs 2024, Economic & Social Indicators for New Hampshire. 2018-2022. <https://www.nhes.nh.gov/elmi/products/documents/vs-2024.pdf>
 - ²³ NH Employment Security. Vital Signs 2024, Economic & Social Indicators for New Hampshire. 2018-2022. <https://www.nhes.nh.gov/elmi/products/documents/vs-2024.pdf>
 - ²⁴ NH Geodata Portal. 2024 Land Use Layer.
 - ²⁵ NH Department of Revenue Administration. Equalization Report. Tables by County. Rockingham County 2023. <https://www.revenue.nh.gov/about-dra/municipal-and-property-division/property-bureau/equalization/2023-equalization-reports>
 - ²⁶ NH Department of Revenue Administration. Equalization Report. Tables by County. Rockingham County 2023. <https://www.revenue.nh.gov/about-dra/municipal-and-property-division/property-bureau/equalization/2023-equalization-reports>
 - ²⁷ NH Department of Business and Economic Affairs. Municipal Land Use Regulation Annual Survey (2023/2024). <https://www.nheconomy.com/office-of-planning-and-development/what-we-do/municipal-and-regional-planning-assistance/municipal-land-use-regulation-annual-survey>
 - ²⁸ NHDOT Benefits to Communities, Economic Development. <https://www.transportation.gov/rural/ev/toolkit/ev-benefits-and-challenges/community-benefits>
 - ²⁹ NH Department of Business and Economic Affairs. What is Broadband. <https://www.nheconomy.com/office-of-broadband-initiatives/about-us/broadband-101>
 - ³⁰ NH Department of Business and Economic Affairs. Economic Revitalization Zone. FAQs for

Municipalities. <https://www.nheconomy.com/getmedia/cf1d52f4-9e7f-4aa0-af19-618f66ec471e/ERZ-Community-FAQ-2023-Branded.pdf>

³¹ Town of Northwood. TIF Objectives TIF Development Plan. TIF Finance Plan. Town Vote 2017. https://www.northwoodnh.org/assets/municipal/7/Development_and_Finance_plan.pdf

³² NH Preservation Alliance. RSA 79-E: Community Revitalization Tax Incentive. <https://www.nhpreservation.org/blog/rsa-79-e-community-revitalization-tax-incentive>

³³ NH Preservation Alliance. RSA 79-E: Community Revitalization Tax Incentive. <https://www.nhpreservation.org/blog/rsa-79-e-community-revitalization-tax-incentive>

³⁴ NH RSA Chapter 79-E Community Revitalization Tax Relief Incentive. <https://www.gencourt.state.nh.us/rsa/html/v/79-e/79-e-mrg.htm>

³⁵ NH Housing. A Municipal Guide to RSA 79-E Community Revitalization Tax Relief Incentive. <https://www.nhhfa.org/wp-content/uploads/2024/10/RSA-79-E-Final-Report-with-Appendix-1.pdf>