



ROUTE 108 GATEWAY CORRIDOR STUDY

Infrastructure Improvement Strategies

Arnett Development Group
7 South State Street
Concord, New Hampshire 03301



Acknowledgements

The Arnett Development Group wishes to acknowledge the time, effort and curtesy extended to us by the following public officials and community leaders:

Selectboard Members:

Joe Lovejoy, David Canada Bruno Federico

Town Administrator Paul Deschaine

Town Planner Tavis Austin

We commend them for their commitment to Statham's better future.
Arnett Development Group, LLC Concord, New Hampshire

December, 2017

The Assignment

Develop strategic options to help determine potential outcomes with regard to *infrastructure improvements* within the Rte. 108 Gateway Corridor.



Reader Drive

Study Area

Route 101 Interchange



Project Approach

Draft three (3) long-term development strategies for infrastructure improvements in the Rt. 108 Gateway Corridor.

1. Low Effort Option
2. Medium Effort Option
3. High Effort Option

Options Defined

- Low Effort: *Create a Tax Incremental Financing District (TIF)* but do not make any immediate improvements to water and sewer within the Rt. 108 corridor.
- Medium Effort Option: Create a *TIF* and take *preliminary financial steps* to improve the infrastructure within the corridor.
- High Effort Option: Create a *TIF* and *install public water and sewer* to encourage reinvestment and development of higher-density, higher quality uses within the Rt. 108 corridor

Low Effort

- Adopt a *Tax Incremental Financing District (TIF)* with a Not-to-Exceed monetary cap.

Benefits:

- *Demonstrates Town's long-term commitment* to improving investment opportunities within the Rt. 108 corridor.
- *Does not require* an immediate expense and *allows time to resolve* remaining planning and engineering questions.
- Enables the Town to *begin collecting revenue* for future infrastructure improvements.

Medium Effort

- Adopt a *Tax Incremental Financing District (TIF)* with a Not-to-Exceed monetary cap.
- Secure bond authorization *conditional upon receiving commitments* from the private sector to share 20% - 40% of infrastructure development costs.

Benefits:

- Solidifies Town's *long-term commitment* to improving investment opportunities within the Rt. 108 corridor.
- Enables the Town to develop *accurate cost sharing* projections.
- Positions the Town to *act quickly* once private sector investment secured.

High Effort

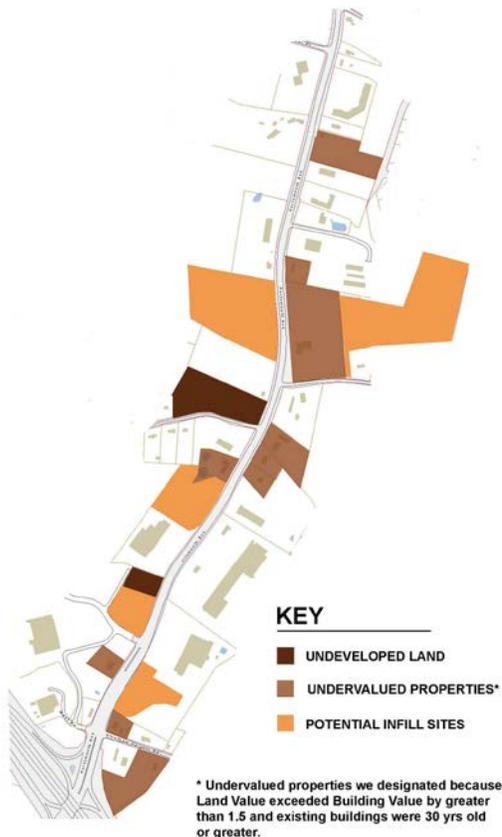
- Adopt a *Tax Incremental Financing District (TIF)* with a Not-to-Exceed monetary cap.
- *Secure bond authorization* for infrastructure development costs.
- *Initiate infrastructure improvements* in stages as warranted by development activity within the Rt. 108 corridor.

Benefits:

- Positions the Town to *immediately take advantage* of improving economic climate without commitments from private sector.
- *Stimulates* private sector investment by *providing essential services* for denser, high quality development.
- *Increases assessed value* of properties within corridor, thereby *increasing tax revenues*.

Findings

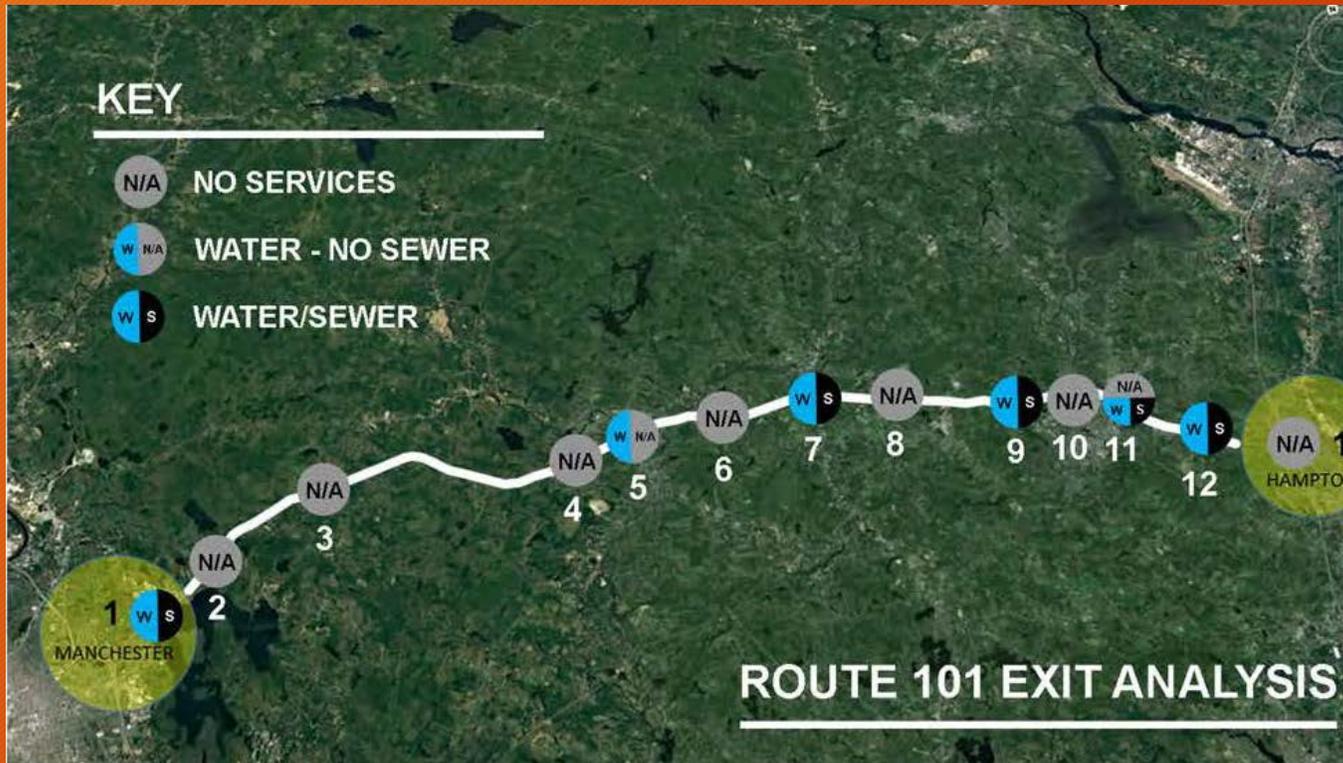
Development Opportunities



- Undeveloped Properties
- Underdeveloped Properties
- Potential Infill Sites

Findings

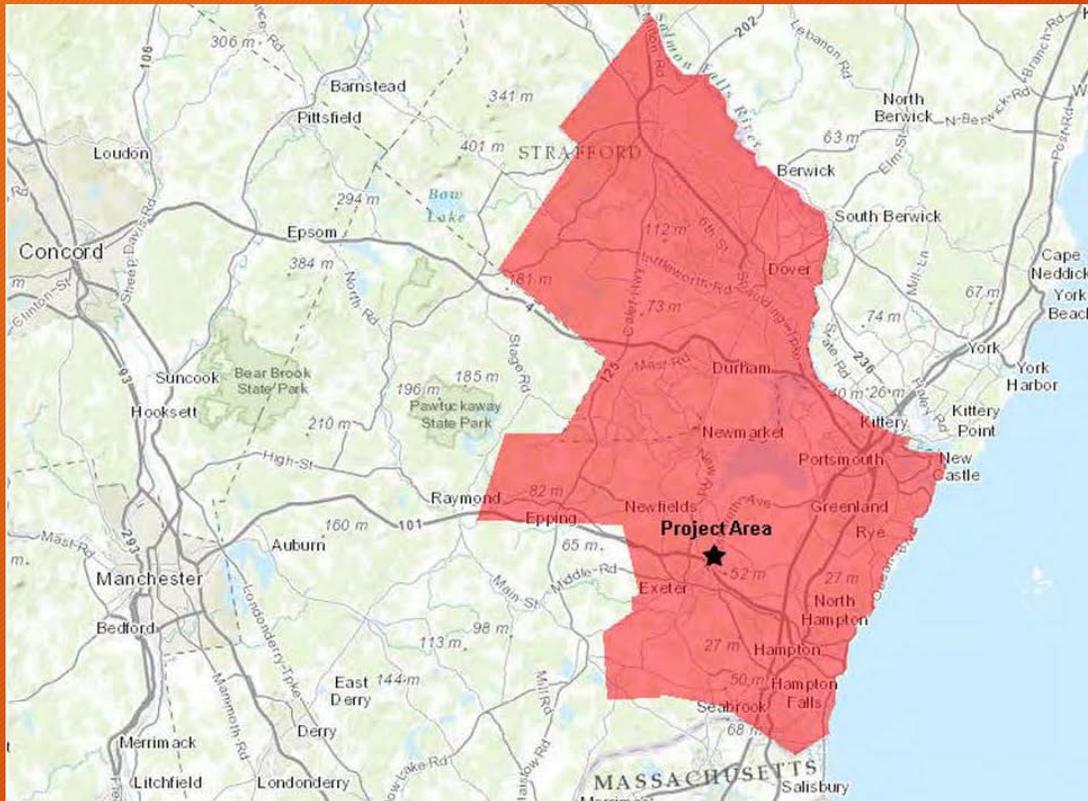
Competitive Environment



Exit #	Exit Name	Services Available
Exit 1	Auburn/Hooksett	Water/Sewer
Exit 2	Auburn/Chester	No Services
Exit 3	Candia/Deerfield	No Services
Exit 4	Old Manchester Road	No Services
Exit 5	Raymond/Freemont	Water/No Sewer
Exit 6	Depot Road/Beede Road	No Services
Exit 7	Epping/Kingston	Water/Sewer
Exit 8	North Road	No Services
Exit 9	Exeter	Water/Sewer
Exit 10	Exeter/Newfields	No Services
Exit 11	Stratham/Exeter	Exeter (Water/Sewer) Stratham (No Services)
Exit 12	Exeter/North Hampton	Water/Sewer
Exit 13	I-95 Portsmouth/Boston	No Services

Findings

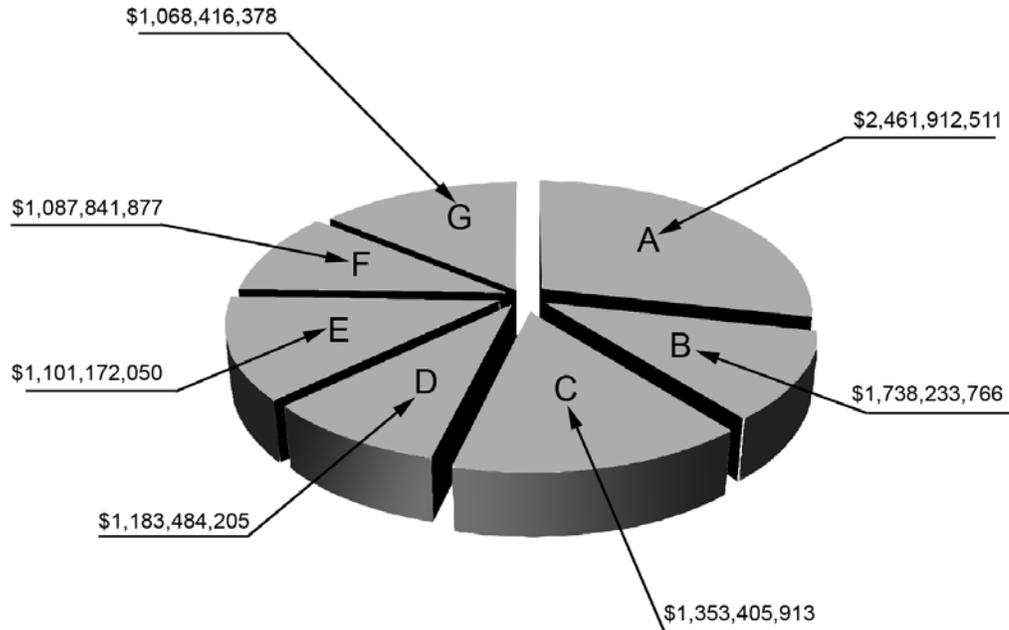
Regional Market Opportunities



Portsmouth 30 Mile Drive

Demand	Leakage	% Leakage	Total Demand
Finance and Insurance	\$1,694,487,295	68.8%	\$2,461,912,511
Health Care and Social Assistance	\$636,670,817	36.6%	\$1,738,233,766
Professional, Scientific, and Technical Services	\$873,949,420	64.6%	\$1,353,405,913
Retail Trade	\$545,452,800	46.1%	\$1,183,484,205
Information	\$738,205,987	67.0%	\$1,101,172,050
Real Estate and Rental and Leasing	\$615,499,048	56.6%	\$1,087,841,877
Wholesale Trade	\$846,637,409	79.2%	\$1,068,416,378
Construction	\$558,567,686	67.3%	\$830,164,803
Accommodation and Food Services	\$273,174,309	37.7%	\$725,326,784
Transportation and Warehousing	\$563,193,360	84.4%	\$667,032,504
Administrative and Support and Waste Management and Remediation Services	\$349,879,889	52.7%	\$663,585,506
Management of Companies and Enterprises	\$404,313,500	76.0%	\$531,792,601
Other Services (except Public Administration)	\$282,703,974	59.5%	\$475,102,344
Utilities	\$154,062,884	47.8%	\$322,049,436
Educational Services	\$207,326,839	77.4%	\$268,017,030
Arts, Entertainment, and Recreation	\$171,651,079	75.6%	\$227,182,215
Mining, Quarrying, and Oil and Gas Extraction	\$202,081,934	97.3%	\$207,699,049
Crop and Animal Production	\$144,216,398	93.4%	\$154,452,221

Portsmouth (30 Mile) Leakage



- A - Finance and Insurance
- B - Health Care and Social Assistance
- C - Professional, Scientific, and Technical Services
- D - Retail Trade
- E - Information
- F - Real Estate and Rental and Leasing
- G - Wholesale Trade

Findings

Regional Market Opportunities

Something about leakage

Findings

Regional Market Opportunities

Age Group	Total Population	Total Households	Ownership Tenure	Rental Tenure	% Own	% Rent
Under 15	30,912	-	-	-	-	-
15-24	19,763	1,364	241	1,123	17.7%	82.3%
25-34	17,305	7,170	3,270	3,900	45.6%	54.4%
35-44	25,399	13,165	9,844	3,321	74.8%	25.2%
45-54	33,131	18,649	15,062	3,587	80.8%	19.2%
55-64	25,396	14,918	12,532	2,386	84.0%	16.0%
65-74	14,414	8,916	7,484	1,432	83.9%	16.1%
75-84	8,537	5,557	4,393	1,164	79.1%	20.9%
85 & Older	3,526	2,188	1,407	781	64.3%	35.7%
Total	178,383	71,927	54,233	17,694	75.4%	24.6%

Rising Demand for Rental Housing Within Desired Age Demographic

Projected Housing Demand 2020

Household Type (MAI = Median Area Income)	2010 Total (existing)	2020 Projected Demand	2010 % (existing)	2020 Projected Demand-
Homeowners				
Under 30% MAI	6,243	7,063	7.0%	7.4%
Under 50% MAI	14,526	16,435	16.2%	16.3%
Under 60% MAI	18,979	21,472	21.1%	21.4%
Under 80% MAI	27,917	31,584	31.1%	32.8%
Under 100% MAI	36,875	41,719	41.1%	45.1%
Under 120% MAI	45,618	51,611	50.9%	57.5%
All Homeowners	89,626	101,400	100.0%	100.0%
Renters				
Under 30% MAI	6,345	7,819	25.3%	21.7%
Under 50% MAI	10,790	13,297	43.0%	40.0%
Under 60% MAI	13,113	16,159	52.2%	48.8%
Under 80% MAI	17,019	20,972	67.8%	64.9%
Under 100% MAI	20,505	25,266	81.7%	76.0%
Under 120% MAI	21,956	27,055	87.4%	86.0%
All Renters	25,108	30,939	100.0%	100.0%
Total Households				
Under 30% MAI	12,588	14,882	10.7%	11.2%
Under 50% MAI	23,317	29,731	20.3%	22.5%
Under 60% MAI	32,092	37,630	27.9%	28.4%
Under 80% MAI	44,936	52,556	39.1%	39.7%
Under 100% MAI	57,381	66,967	50.0%	50.6%
Under 120% MAI	67,574	70,666	58.9%	59.4%
All Households	114,734	132,339	100.0%	100.0%

A

B

Rockingham Regional Planning Commission Regional Plan Chapter 6 Housing - Housing Needs Assessment

A

Workforce at 60% - 80% of MAI are seeking rental units versus homeownership

B

2020 projected rental demand is 9,860 units above existing rental supply for those workers making 100% - 120% of MAI

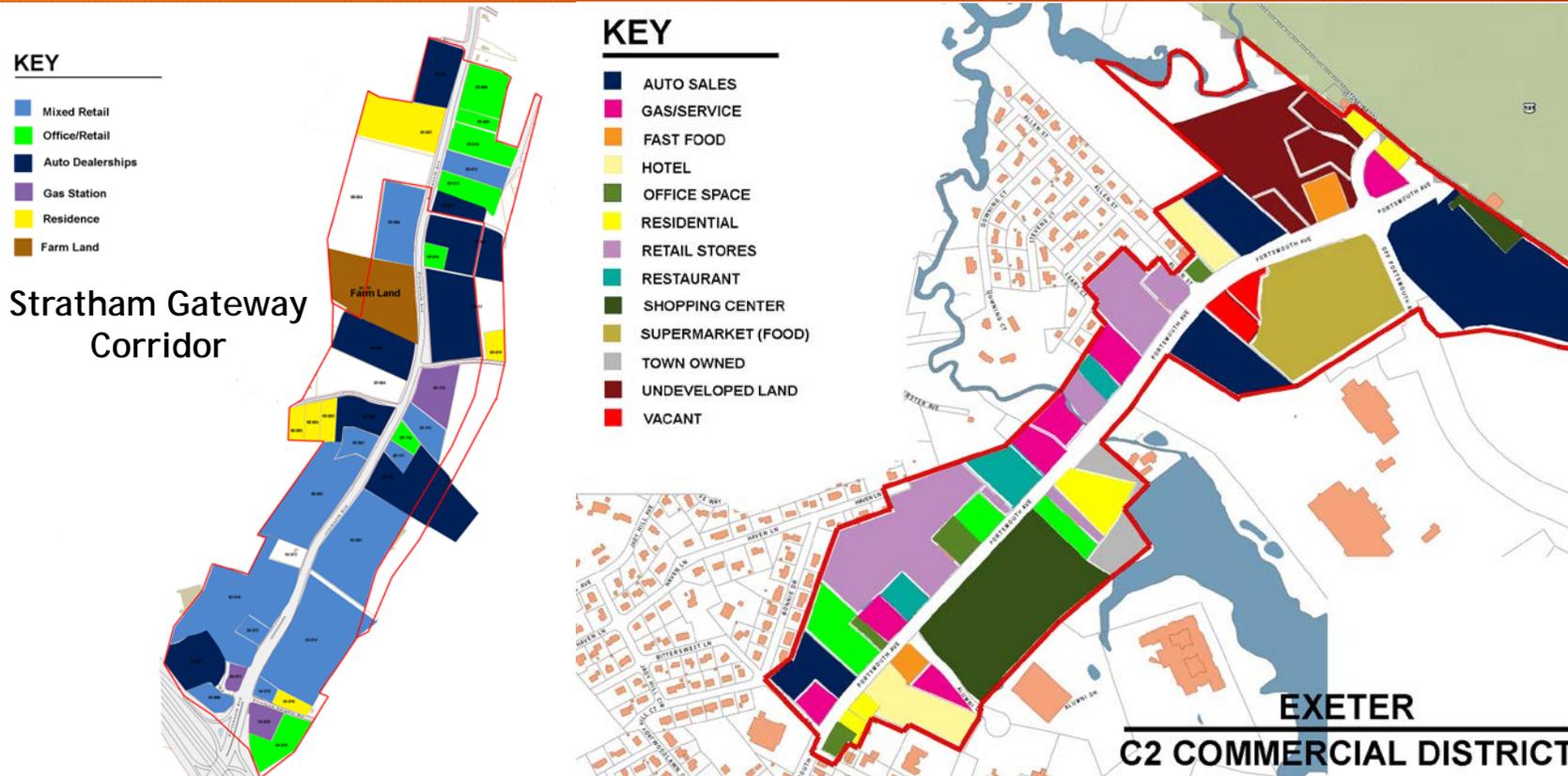
Findings

Regional Market Opportunities

Rising Demand for Rental Housing Within Desired Income Demographic

Findings

Infrastructure Matters



Benefits:

- Higher Land Values
- Greater Diversity
- Increased Density

STRATHAM

Stratham Route 108 Corridor

Length of Corridor =	1.28 miles
# of Properties =	77.0
Total Acreage =	435.50
Land Value =	\$41,921,563.00
Building Value =	\$35,592,000.00
Total Assessed Value	\$82,114,463.00

EXETER

Exeter Route 108 Corridor

by the numbers

Length of Corridor =	.84 miles
# of Properties =	82.0
Total Acreage =	107.00
Land Value =	\$28,406,600.00
Building Value =	\$40,153,000.00
Total Assessed Value	\$68,559,600.00

OBSERVATIONS:

- Stratham's corridor is 1.5 times longer than Exeter (1.28 mi/.84 mi approx.)
- Total acreage in Stratham's corridor is 4 times that of Exeter (435.5 ac/107 ac approx.)
- Average Land Value per acre in Exeter is 2.75 times greater than Stratham (\$265,482/\$96,260)
- Average Building Value per property in corridor is approximately the same (S= \$462,233; E=498,670)
- Average Total Assessed Value per property is 1.25 times greater in Stratham (\$1,066,421/prop; \$836,092/prop)
- Approximately six (6) types of businesses in Stratham compared to ten (10) in Exeter



Stratham 108 Corridor
not to scale

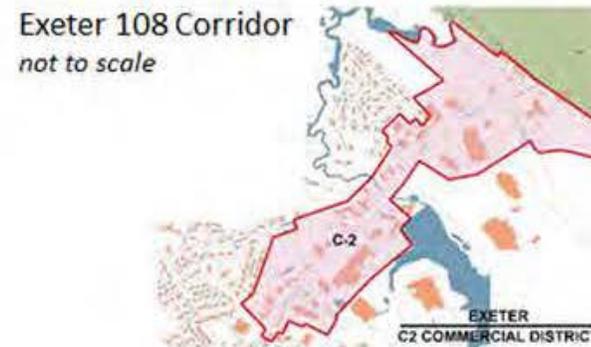


EXHIBIT I: STRATHAM - EXETER COMMERCIAL CORRIDOR COMPARISON

Recommendations

Low Effort

Adopt a Tax Incremental Financing District (TIF) with a Not-to-Exceed monetary cap to:

- Demonstrate Town's commitment to improving investment opportunities within the Rt. 108 corridor.
- Control financial risk
- Begin collecting revenue for future infrastructure improvements.

QUESTIONS ?

THANK YOU

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