

Merrimack Valley Planning Commission
**COMPREHENSIVE ECONOMIC
DEVELOPMENT STRATEGY**
2005



Prepared by

Merrimack Valley Planning Commission

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INTRODUCTION

THE MERRIMACK VALLEY COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY

According to the U.S. Economic Development Administration (EDA), a Comprehensive Economic Development Strategy (CEDS) establishes “a process that will help create jobs, foster more stable and diversified economies, and improve living conditions.” It does so by promoting economic development and opportunity, fostering effective transportation access, enhancing and protecting the environment, and balancing resources through sound management of development.

Every Economic Development District in the United States receiving economic planning funds from EDA submits a CEDS to the agency for review. Each CEDS is unique and reflects the challenges and opportunities facing its region. They contain four main elements: analysis, vision, action plan, and evaluation. The analysis assesses the state of the regional economy's strengths and weaknesses, and the opportunities and threats posed by external trends and forces, as well as the availability of partners and resources for economic development. The community's vision and goals, together with an appraisal of the region's competitive advantage, sets the strategic direction for the action plan. The action plan presents priority programs and projects for implementation. Finally, the CEDS describes the process for evaluation and periodic update.

EDA may approve a plan prepared under another federally supported program as a CEDS provided that its preparation and content are consistent with the CEDS guidelines. Similarly, the CEDS is viewed as an opportunity to coordinate federal, state, and local funding for economic development.

The Comprehensive Economic Development Strategy for Merrimack Valley was prepared by the Merrimack Valley Planning Commission (MVPC) using guidelines established by EDA. The Merrimack Valley CEDS assesses the region's economic needs and prescribes a program to strengthen the economic base of the region. The communities included in this assessment are: Amesbury, Andover, Boxford, Georgetown, Groveland, Haverhill, Lawrence, Merrimac, Methuen, Newbury, Newburyport, North Andover, Rowley, Salisbury, and West Newbury. The Merrimack Valley CEDS Document is intended to serve as a resource for elected officials, economic development planners, and private industry groups, among others.

UPDATES AND IMPROVEMENTS

The CEDS is updated every five years, and reviewed annually to ensure its usefulness as an economic planning tool that addresses the current "economic state of the region." Objectives for the 2005 CEDS were to:

1. assess current issues and needs, and update projects and accomplishments;
2. address CEDS guidelines and instructions as outlined by the Philadelphia Regional Office of EDA.
3. help promote the lower Merrimack Valley as a great place to live and work;
4. revitalize citizen involvement and local commitment to regional economic development projects;
and
5. improve the utility and content of the CEDS, particularly the listing of Merrimack Valley economic development projects.

In implementing changes for this year's report, MVPC relied on feedback from EDA, the CEDS Committee, MVPC's Board, and MVPC staff. All updates were in line with the EDA issued CEDS Guidelines (No. 0610-0093). Recent updates and/or improvements to the CEDS document include:

The listing of Merrimack Valley Economic Development Projects:

The CEDS Analysis of the Region;

Organization and Staffing for Economic Development;

Activities completed in 2004-2005 as they relate to 2004 CEDS performance measures;

The addition of the regional Community Development Plans and how it related to the goals of the CEDS document;

ORGANIZATION

The contents and organization of this CEDS Document follow the Economic Development Administration guidelines of November 2002. Readers will find that the document contains vital information about the Merrimack Valley region that is regularly used by planners, educators, and business interests. Additional economic information about the Valley is maintained on file at the Merrimack Valley Planning Commission. The major sections in this CEDS are as follows:

- Introduction
- Organization and Staffing for Economic Development
- Analysis of the Region
- Vision Statement (Vision, Goals, and Objectives)
- Action Plan (Strategies, Programs, and Schedule)
- Evaluation Process
- Documentation
- Appendices

SPONSORING FEDERAL AGENCY

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EDA INVOLVEMENT IN THE MERRIMACK VALLEY REGION

EDA has invested over \$20 million in the Merrimack Valley region to date. Local Public Works investments provided employment when unemployment in the region was at a record high of 14 percent in 1976. EDA-funded water lines in Georgetown, Methuen and Haverhill (\$6.3 million) helped facilitate industrial growth there. Funds to develop industrial parks in Haverhill and Newburyport (\$2.6 million) resulted in approximately 3,700 new jobs in the region. Land in the two parks that were developed is sold, and the park in Newburyport has been expanded. EDA business loans to companies in Haverhill and Andover also permitted expansions as well as job retention.

In 1996, the City of Lawrence successfully applied for a Planning Assistance Grant from EDA making it possible to hire an economic development director. EDA was also instrumental in the organization of the Lawrence Small Business Council now known as the Center for Entrepreneurship and Business Development (CEBD).

In 1997, MVPC was able to set up a revolving loan fund using EDA grant funds. The \$1 million fund provides gap financing to small business interests that have difficulty securing funding from traditional lending sources. The program, which began with EDA support and funding, has been successful and has now expanded with additional funding through the Life Initiative.

Most recently in 2001, EDA provided two \$10,000 technical assistance grants to Lawrence and Methuen to study flood mitigation strategies.

Obviously, EDA is playing a key role in the creation and retention of jobs in the Merrimack Valley. Nevertheless, there is still much to do, particularly in the existing economic climate. Project funds from EDA are still needed to stimulate further revitalization in the region.

Decisions regarding EDA funding of proposed economic development projects are framed by CEDS recommendations. While project funds may not always be available from one year to another, the Merrimack Valley Planning Commission will continue to help member communities plan regional and local economic development projects. MVPC is pleased to serve its communities by coordinating economic development planning in the Merrimack Valley region.

A. ORGANIZATION AND STAFFING FOR ECONOMIC DEVELOPMENT

The key to a good strategy is an ongoing, participatory planning process. For this purpose, MVPC has brought together experienced economic development professionals from across the region to participate in its CEDS Committee. The diverse make-up of this group and their knowledge of particular communities has, and will continue to, help MVPC stay on top of the important and changing economic conditions in the region.

A.1. The Comprehensive Economic Development Strategy Committee CEDS Evolution

The MVPC region has experienced some dramatic economic and demographic changes over the past six years. MVPC's CEDS Committee also experienced substantial changes of its own. For more than twenty years, MVPC's CEDS Committee had been served by the MVPC Commissioners. In 2001, however, MVPC reorganized its CEDS Committee, a framework that is used presently.

The first component of the CEDS evolution began with the *Regional Citizen Attitude Survey*. This survey solicited responses from over 400 randomly selected individuals from throughout the Merrimack Valley region, representing the many different social, economic and racial groups that live here. The *Survey* was instrumental in providing the CEDS Committee with valuable information regarding the broad needs and priorities of the population at-large. Because the survey was statistically valid, it truly reflects the interests of all subgroups.

The second component was the results of intensive *one-on-one interviews* with the economic and community development leaders in the region. This assisted the CEDS Committee focus on specific projects that were most likely to have the greatest impact on the region.

Thirdly, in response to the critical needs in downtown Lawrence and Haverhill, MVPC was the facilitator for numerous *community visioning sessions* for the two central cities. These lively sessions allowed private citizens to vocalize community needs and concerns about the region.

Fourth, the reestablishment of the *Economic Development Committee* also contributed to this CEDS report. This committee provided useful advice and recommendations to the CEDS Committee regarding ways to update and/or improve CEDS projects and priorities so they best fit the region's needs.

A fifth component of the on-going CEDS process was the contributions of *MVPC staff*. Staff members coordinate and support all CEDS activities, as well as offer their own professional perspective. They have the important responsibility of taking all of the divergent components of the CEDS process and putting them together to develop a clear and concise CEDS report.

Lastly, the *Merrimack Valley Industry Cluster Analysis*, completed in June 2002, has been the newest addition to our CEDS dialogue and will be a large part of the CEDS future. The CEDS Committee built strategies from the findings in the *Cluster Analysis*. Key findings from the report and subsequent strategies are presented in this CEDS Document. The CEDS Committee has also discussed ways in which it can expand its role by forming a cluster steering committee by adding new committee members. This is just one example of how the role of the CEDS is continually evolving.

Using these six components, the CEDS Committee devised a carefully planned economic and community development strategy that seeks to assist groups and individuals not benefiting from the regional economic expansion by focusing on assets and minimizing liabilities.

A.2. Working Relationships

For over 40 years now, MVPC has been successful in coordinating economic development activities among its 15 communities to ensure that each is optimizing its resources and not duplicating the efforts of others. This section describes the economic development activities and responsibilities of the many organizations working the Merrimack Valley as well as the CEDS role where relevant.

Local

The CEDS Committee continues to work directly with all of the communities in the region helping to coordinate economic and community development projects that benefit both specific towns or cities and the region as a whole. Each municipality dedicates resources to a governmental body that is responsible for development related activities. Several communities in the region have economic development offices or municipal personnel assigned full or part-time to economic development.

The City of Haverhill has an Office of Economic Development with a full-time Director. Haverhill also has a community development corporation, the Haverhill Economic Development Project, which is a partnership of the City of Haverhill and the Greater Haverhill Chamber of Commerce to promote sound development.

An EDA Planning Assistance Grant was awarded to the City of Lawrence, which has allowed the city to hire an economic development director. EDA also assisted in the creation of the Lawrence Small Business Council now known as the Center for Entrepreneurship and Business Development (CEBD).

In 2004, the City of Newburyport hired an Economic Development Director for a two-year term, after which the position will be re-evaluated. Furthermore, the Newburyport Area Industrial Development Corporation markets sites in that city's successful Lord Timothy Dexter Green Industrial Park.

In the communities of Methuen, Amesbury, Andover, and North Andover, economic development activities are apportioned to various municipal staff within the planning departments. Most of these communities also have standing or ad hoc committees of local residents to address local economic development issues.

Many of the region's communities also have very active chambers of commerce. Those include: Amesbury Alliance – the result of a merger between the Amesbury Chamber of Commerce and Amesbury Industrial Development Commission, Greater Haverhill, Merrimack Valley, Greater Newburyport, and Salisbury. MVPC is a member of the Greater Haverhill and Merrimack Valley Chambers of Commerce and sits on the Economic Development Subcommittee of the Merrimack Valley Chamber of Commerce, serving primarily the communities of Andover, Lawrence, Methuen and North Andover.

Regional

Many of the cities and towns in the Merrimack Valley work together to promote economic development in the region. For example, the Greater Haverhill, Merrimack Valley, and the Greater Newburyport Chambers of Commerce were all formed in the interest of encouraging a regional approach to development issues.

In 1998, the federal Workforce Investment Act established regional Workforce Investment Boards (WIBs) to coordinate and oversee all publicly funded education, employment and training programs designated by federal and state statutes. Its mission is "to provide a comprehensive array of services, which leads to employment opportunities for the unemployed, assists the poor to achieve economic self-sufficiency, decreases welfare dependency, remedies barriers encountered by linguistic minorities, prepares youth for entry into the labor market, provides local employers with a skilled labor pool and facilitates dislocated worker re-employment via the implementation of an efficient and cost-effective service delivery system." The same 15 communities of the Lower Merrimack Valley SDA (LMVSDA) are served by two Massachusetts Department of Employment and Training (DET) One Stop Career Centers, one in Lawrence and the other in Haverhill. Because of the immense importance of educational and skill training programs to the economic development potential of the Merrimack Valley region, particularly in this time of apparent economic restructuring, MVPC sits on the 60-member Regional Employment Board, and coordinates its economic development activities closely with the WIB.

MVPC created the Merrimack Valley Economic Development Corporation (MVED) in 1997, a non-profit subsidiary, to administer a revolving loan fund to support the growth and retention of jobs in the region. The \$1 million fund is capitalized by EDA and the Massachusetts Department of Housing and Community Development. It provides gap financing for small business, and industrial and commercial projects. Some eligible projects include the acquisition of land and buildings, construction and/or renovation, equipment and furnishing and working capital.

In 2000, a private entity, the Merrimack Valley Economic Development Council was formed and covers MVPC and the Northern Middlesex Council of Governments. MVPC works closely with the Council and sits on their Board of Directors. Likewise, the Council's President is a member of MVPC's CEDS Committee.

Very recently, the Massachusetts Office of Business Development and the Governor's Office created the Northeast Regional Economic Competitiveness Council of 45 communities. MVPC's Executive Director is a member of the Council.

State

Besides the employment and training services described above, the Massachusetts DET's Economic Research and Analysis Service collects and analyzes employment data and produces reports on employment, unemployment, wages and job markets within the state and its 15 SDAs. Many of the tables contained in the appendices of this report use this data.

In 2002, the State issued its economic development report entitled Massachusetts: Toward a New Prosperity. The CEDS Committee actively participated in this research and provided its CEDS document, participated in meetings and offered technical assistance to the researchers. The report places a great deal of focus on the state's regions and the particular strengths of their economies, including the "Northeast". The report is divided into three major sections for the state and its regions: 1) highlights key issues, such as industry support, entrepreneurship and innovation, and workforce development and education investment; 2) defines the economic landscape of the seven regions of the Commonwealth; and 3) outlines policy options that are designed to inform debate around the economic future of the state and its regions.

The Massachusetts Office of Business Development (MOBD) has five regional offices providing technical assistance to business and industry interests located within the borders of Massachusetts and those seeking to move to the Commonwealth. Some of its major services are:

1. One-Stop Business Center – provides unique resources and information such as availability of industrial sites, skilled workers, training/education and financing. Business Center staff also maintains close working relationships with local economic development groups as well as statewide agencies.
2. Financial Assistance – identifies and in many cases provides state and federal financial assistance to small business interests for multiple purposes.
3. One-Stop Permitting Program – offers assistance in identifying all required permits and helps to quickly move the application through the entire process.
4. Massachusetts Energy Advisor Service – assists companies identify energy efficient opportunities in facilities and manufacturing purposes.
5. Massachusetts Manufacturing Partnership – helps companies plan and implement a strategy for increased competitiveness, whether by adopting new production technologies and management techniques, finding new markets or training a workforce.

The Department of Housing and Community Development has the Community Capital Fund (formerly called the Economic Set-Aside Program) that provides below market-rate gap financing for business start-ups, expansions and turnarounds. This financing is available only to communities of less than 50,000, and the application must be submitted by the municipality on behalf of the business. The program loan range is \$100,000 - \$500,000, and can amount to one-third of the total project cost. One important program criterion - at least 51 percent of the jobs created or saved must benefit low or moderate-income persons. MVPC provides this information to eligible communities and assists with grant applications.

The Massachusetts Office of International Trade and Investment assists Massachusetts' businesses enter the export market initially or to increase their export sales. Their services include overseas marketing activities, corporate counseling, buying missions and strategic seminars. The Trade Development Unit of the Massachusetts Port Authority, or Massport, also provides export assistance to businesses in the New England area, including market analysis, product analysis, route cost analysis and contact with potential foreign partners. The two agencies maintain four overseas trade representatives in Jerusalem, Berlin, Guangzhou and Mexico City for the purpose of gathering market intelligence, providing introductions to local private and public sector representatives and identifying trade leads and foreign government procurement opportunities.

The Massachusetts State Office of Minority and Women Business Assistance provides minority and women-owned business enterprise (M/WBE) certification and pre-certification assistance for participation in state and federal procurement opportunities for M/WBEs. Their Minority Business Development Program provides assistance in the bidding process for state contracts.

The Massachusetts Technology Development Corporation is an independent state agency that can provide venture capital financing for small, emerging high-tech firms with potential to enhance employment growth in Massachusetts, or can assist such companies locate alternative funding sources. MVPC is currently working with this organization to conduct a study to determine the high-speed telecommunications access needs of our communities.

The Massachusetts Development Finance Agency (MDFA) is the affiliation of two agencies, the Massachusetts Industrial Finance Agency and the Massachusetts Government Land Bank. The two agencies were joined to provide a greater variety of programs, improved services and faster access to financing. The categories of programs include: bond programs, predevelopment assistance, project financing and loan and guarantee programs. Both tax-exempt and taxable Industrial Development Bonds are available for various kinds of industrial and commercial projects, and tax-exempt bonds can also be issued on behalf of 501(c)(3) non-profit organizations. MVPC attends meetings and workshops sponsored by the agency.

The Massachusetts Alliance for Economic Development (MAED), founded by state's utility companies in 1993, is a private, non-profit corporation whose goal is to foster economic growth within Massachusetts. Its mission is to provide timely and professional information services to businesses seeking to expand or relocate within Massachusetts. One primary service is the Alliance's Site Finder Service, which is designed to help companies match their industrial real estate needs with appropriate sites throughout the Commonwealth. The Alliance has assisted over 300 companies in their search for suitable locations. MVPC has an active working relationship with MAED serving as point of contact for companies looking for available locations to relocate their business. To that end, MVPC provides its CD-Rom to MAED for dissemination and offers demographic information about the region.

Federal

There are a great many federal agencies and activities related to economic development available to business and industry in the Merrimack Valley.

The U.S. Small Business Administration (SBA) maintains a Small Business Development Center for the North Shore region at Salem State College in Salem, Massachusetts just outside the region. It provides business counseling, management training and research services to small businesses (within SBA's size limits). Outreach services are provided the second Wednesday of each month at Northern Essex Community

College in Haverhill. The Service Corps of Retired Executives, or SCORE, are volunteers who provide training and one-to-one business counseling without charge; there is currently an outreach placement located at the Merrimack Valley Chamber of Commerce.

Both the regional and the district offices of the Small Business Administration are located in Boston. They can assist small businesses secure capital for projects and expansions through a variety of loan and loan guarantee programs: Section 7(a) Small Business Loan Guarantee Program; Small General Contractor Loan Program; Seasonal Lines of Credit Guarantees and Revolving Lines of Credit; and the section 503 and 504 Certified Development Company Loan Program. Through these programs, financing is made available to SBA-approved local development organizations which can use the financing to assist small businesses with various acquisition, construction, conversion or expansion projects. There are no 504-certified development organizations currently operating in the Merrimack Valley.

In addition to the above, the Regional Office of the SBA provides specific services and programs that are targeted towards women and minority business owners, and businesses operating in areas of low income or high unemployment. Its Office of International Trade helps small businesses enter the export market.

The U.S. Economic Development Administration (EDA) has delegated a team of staff to work with communities and others on EDA's economic development programs, their availability and criteria and to assist applicants through the pre-application and application processes. EDA's programs are designed to support projects that will alleviate conditions of substantial and persistent unemployment and underemployment in economically distressed areas, as evidenced by exceptionally high levels of unemployment, extremely low income levels, concentrations of low-income families, low labor force participation rates, or sudden major layoffs or plant closures. EDA is particularly interested in projects that would help an area overcome a special development or infrastructure problem that is preventing real employment growth or economic development from taking place. EDA has certified MVPC as an Economic Development District to fully avail itself of EDA programs.

A.3. MVPC Staff Support/Technical Assistance for CEDS Program

MVPC employs a full-time economic development planner to conduct the day-to-day CEDS activities. The planner collects and analyzes information on the area's economy, identifies strategy options and prepares detailed implementation plans. MVPC also employs a revolving loan fund manager who administers the Commission's EDA supported loan fund. The manager is responsible for initiating deals and marketing the program to local banks. The economic development planner is a member of the loan fund committee and helps administer the program. In addition to the EDA funded position, MVPC has a qualified planning staff that works in many diverse areas including transportation, environmental planning, GIS, and of course economic development. MVPC staff members as of June 2005 are listed below:

Executive Director

Gaylord Burke, Executive Director

Duties: Directs all divisions within MVPC.

Started at MVPC: 1983

Economic and Community Development

Ted Semesnyei, Economic and Community Development Planner

Duties: Responsible for coordinating MVPC's Comprehensive Economic Development Strategy.

Started at MVPC: 2003

Eugene Amiss, Loan Fund Manager

Duties: Administers MVPC EDA funded Revolving Loan Fund.

Started at MVPC: 1996

Environment

Alan Macintosh, Environmental Program Manager

Duties: Responsible for directing and administering MVPC environmental program activities.

Started at MVPC: 1978

Peter Phippen, Coastal Resources Coordinator

Duties: Coordinate and provide technical assistance to the Eight Towns and the Bay Committee.

Started at MVPC: 1997

Transportation

Anthony Komornick, Transportation Program Manager

Duties: Oversee all MVPC related transportation projects.

Started at MVPC: 1983

Mary Kay Beninati, Senior Transportation Planner

Duties: Responsible for administration of Transportation Improvement Plan.

Started at MVPC: 1985

George Burnham, Senior Transportation Engineer

Duties: Administers transportation projects assigned by Transportation Program Manager.

Started at MVPC: 1998

James Terlizzi, Transportation Planner

Duties: Conducts traffic and other transportation related studies.

Started at MVPC: 2000

Daniel Ovalle, Field Services Manager

Duties: Conducts traffic counting and movement studies.

Started at MVPC: 2000

Jane Healy, Mass Transit Planner

Duties: Oversees Public Transportation Program Research & Activities.

Started at MVPC: 2004

Geographic Information Systems

Jerrard Whitten, GIS Manager

Duties: Manages the region's State designated GIS Service Center

Started at MVPC: 1995

Mathew Franz, GIS Specialist

Duties: Responsible for developing and maintaining geographic maps.

Started at MVPC: 2000

Administration

James Simmons, Communications Specialist

Duties: Prepares MVPC press releases and newsletters.

Started at MVPC: 1996

Jennifer Dunlap, Accountant

Duties: Maintains and prepares all financial records and reports.

Started at MVPC: 1996

Nancy Lavalley, Executive Assistant

Duties: Provides administrative support to MVPC staff.

Started at MVPC: 2002

The CEDS program also has been assisted by outside economic development specialists to further enhance its planning process including: The Economic Development Research Group (EDR); Regional Econometric Models, Inc. (REMI); and Professor Charles Tontar, Ph.D. Economics. Studies from EDR based on the REMI model include the 2000 and 2001 Economic Development Strategy. Professor Tontar helped prepare the *Merrimack Valley Cluster Analysis*. Information from studies such as these continue to bolster the regional economic development programming.

A.4. CEDS Related Committees and Strategies

MVPC carries out a work program related to the CEDS process. Each CEDS Committee member is given the responsibility of representing their interests and organization at CEDS meetings and participating to a level they are comfortable with. The CEDS Chairman monitors CEDS meetings, assigns each committee member to a subject area of specialty, and helps in setting appropriate agenda items. The Chairman also considers input from MVPC staff where appropriate. There are four sub-committees of the main CEDS Committee. They are the *CEDS Evaluation Committee*, the *CEDS Coordination Committee*, the *CEDS Revolving Loan Fund Committee*, and the *CEDS Brownfields Advisory Committee*. Each contributes to the CEDS process and supports the primary CEDS Committee. MVPC and the CEDS Committees have identified several priority tasks: EDA Public Works; Lucent Technologies; Regional Economic Development; and Small Business Development.

CEDS COORDINATION COMMITTEE

Task: In order to more adequately respond to the severe and sudden economic dislocation in the Merrimack Valley region, the Merrimack Valley Planning Commission (MVPC) has become part of an integrated regional economic development planning process called the Comprehensive Economic Development Strategy Coordination Committee, which is an extension of our existing CEDS Committee. The purpose of this Committee is to bring together local leaders from organizations that are expected to prepare planning documents in areas such as workforce development, job training, industrial/business development, and benevolence. It will also provide the main forum for creating an integrated approach to regional cluster development, a key planning area that MVPC and the CEDS Committee wish to develop.

CEDS EVALUATION COMMITTEE

Task: Although the evaluation process is covered in greater detail later in this report, the CEDS Chairman appointed a sub-committee that is responsible for evaluating the CEDS process to ensure that MVPC is administering a representative and inclusive CEDS Committee. Members come from a variety of backgrounds, which more accurately reflects the diversity of the region. The evaluation committee determines if MVPC is meeting the established performance goals.

CEDS REVOLVING LOAN FUND COMMITTEE

Task: This sub-committee reviews loan applications for MVPC's Revolving Loan Fund program. Updates on loan activity are reported to the primary CEDS Committee.

CEDS BROWNFIELDS ADVISORY COMMITTEE

Task: this sub-committee was formed in 2004 in response to MVPC's receipt of a \$400,000 EPA Brownfields Assessment Grant. The job of the sub-committee is to advise MVPC staff on the regional Brownfields site selection process.

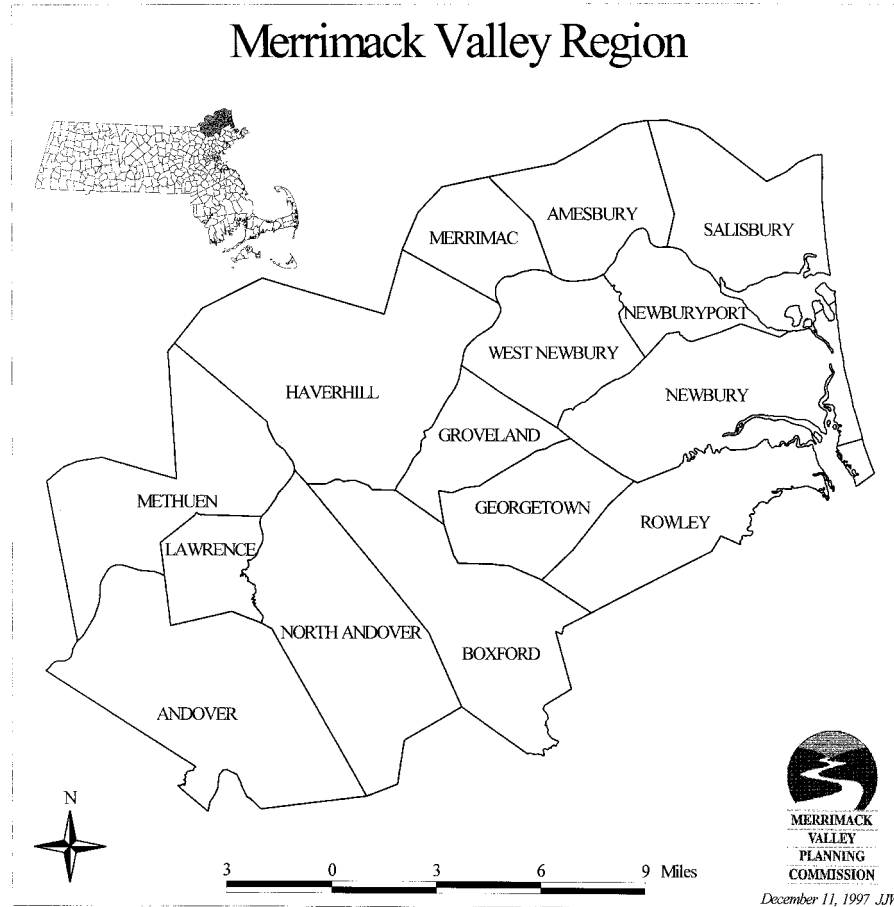
B. ANALYSIS OF THE REGION

B.1. Background Information

DESCRIPTION OF THE REGION

The Merrimack Valley Planning Commission's jurisdiction encompasses the fifteen communities of northern Essex County as shown in Figure 1. All actively participate in the MVPC's programs, and support its Comprehensive Economic Development Strategy (CEDS) and the designation of the region as an Economic Development District (EDD).

Figure 1



The region is located in the northeastern corner of Massachusetts, a prime market area close to Boston, New Hampshire and Maine. It consists of:

- 1) eight rural communities located east and south of Haverhill: Boxford, Georgetown, Groveland, Merrimac, Newbury, Rowley, Salisbury and West Newbury;
- 2) four suburban communities whose centers developed around formerly active mills in the region: Amesbury, Andover, Methuen and North Andover; and
- 3) the three central cities of Haverhill, Lawrence and Newburyport.

Every community in the region is within ½-1 hour driving time to Boston, 1-1½ hours driving time to the seacoast of Maine, 1½-2 hours to the White Mountains of New Hampshire and within 2 hours of Cape Cod. High-tech, industrial and rural economies coexist together here, joined by the Merrimack River basin that gives us a common identity.

Land Use and Zoning

The table below is summarized data from *Table 1* Appendix A. It shows that the Merrimack Valley planning region encompasses 177,463 acres of land area, slightly more than half of Essex County of which it is part. The region is predominantly coastal lowland and substantial portions of its eastern borders are tidal marsh, estuary and barrier beach. Some farm uses exist in the more rural communities of the region, principally dairy, horse and truck farming, but the overwhelming majority of land, 40 percent of the region's land area, remains forested. Another 26 percent is devoted to residential land uses.

LAND USE IN THE MVPC REGION: 1999

	Ind.	Com.	Res.	Farm	For.	Rec.	Wet.	Other	Water	Total
Acres	3742	2822	47291	13171	71865	3260	14646	13337	7328	177463
% of Total	2.1%	1.6%	26.5%	7.4%	40.3%	1.8%	8.2%	7.5%	4.6%	100%

Note: With reference to *Table 1* of Appendix A, Ind. = Industrial; Com. = Commercial; Res. = all Residential, Multi-Family, Dense, Medium and Sparse; Farm = Cropland, Pasture and Orchard; For. = Forest; Rec. = Water-Based, Active and Spectator Recreation Land; Wet. = Inland and Salt Wetland; Other = Transportation, Urban Open & Public Lands, Waste Disposal, Mining and Other Open Lands.

Source: *Table 1*, Appendix A.

Between 1991 and 1999, the most predominate land use change occurred for residential use with a 12 percent increase. In 1991, residential land use made up 23.7 percent of all land in the region, but in 1999, that figure rose to 26.5 percent. Industrial land use and recreational land use increased 10 and 11 percent, respectively. During that same time period, farm use decreased the most by 12 percent. There are also slight reductions in forested lands, which is due in part to increases in commercial and residential development. Commercial and residential land uses grew by 0.7 percent and 10.2 percent, respectively.

CHANGES IN LAND USE: 1991 TO 1999

	Ind.	Com.	Res.	Farm	For.	Rec.	Wet.	Other	Water	Total
1999 Acres	3742	2822	47291	13171	71865	3260	14646	13337	7328	177463
1991 Acres	3396	2829	42027	15074	75971	2925	14698	13392	7151	177463
Difference	346	-7	5264	-1903	-4106	335	-52	-55	177	0
%Change	10.19%	-0.25%	12.53%	-12.62%	-5.40%	11.45%	-0.35%	-0.41%	2.48%	-

Source: *Table 1*, Appendix A.

In 1989 MVPC produced the Industrial Zone Profile of the Merrimack Valley, (updated in 1999) using grant funds from EDA. The report inventories all of the industrially zoned land in the region and catalogues some 11,151 acres in industrial parks and zones, 6.5 percent of all land in the region's communities. The percent of total acreage zoned industrial ranges from a high of almost 18 percent in the City of Lawrence (1,074 acres) to less than a ½ percent in the rural community of West Newbury (39 acres). The Town of Andover, situated at the crossroads of Interstates 93 and 495, has the most land zoned industrial (2,139 acres) and five

communities - Amesbury, Andover, Haverhill, Lawrence and Methuen each have more than 1,000 acres industrially zoned.

Of the 11,151 estimated acreage of industrially zoned land, approximately 34 percent of it, or 3,742 acres, is developed. A survey, conducted by the EDA funded Center for Economic Development at the University of Massachusetts at Amherst, discovered that as much as 40 percent of industrially zoned land in the state was unsuitable for development due to environmental or other constraints, typically because communities only zone their "left-over land" for industrial uses. If this holds true for the 11,151 acres of industrial land in the Merrimack Valley region, and the 3,742 developed acres in the industrial zones all occurred on suitable land, there would still be about 2,950 acres of developable, industrial land remaining in the region. However, sewer industrial areas would be considerably less.

Housing

Housing has been a growing concern for planners throughout the Merrimack Valley region. Affordable housing is limited with housing costs continuing to rise. A map on the following page depicts the median value of owner-occupied housing units in the Merrimack Valley and gives some indication of the housing costs in each of the 15 communities. The high housing costs can be partially attributed to the Valley's close proximity to Boston and to a high demand of housing that is in short supply.

Between 1990 and 2000, there was a 7.8 percent increase in total housing units region wide to meet the expansion of the housing market. Rowley, West Newbury, and Boxford all increased their housing units by 24 percent or more, which indicates substantial growth. The three communities of Haverhill, North Andover, and Methuen accounted for 63 percent of this net increase, together adding over 5,500 units to the regional housing stock; Haverhill alone accounted for 2,416 units, more than 27 percent of the net increase. By 1990, the percentage of single-family units in the region had increased to 57 percent, versus 43 percent for multi-family units (31 percent in two-to-nine unit structures and 12 percent in structures of ten or more units). A further breakdown of dwelling units shows there are 74,003 owner-occupied units and 43,267 renter occupied units (see *Tables 3 & 4* Appendix A).

TOTAL HOUSING UNITS IN THE MVPC REGION: 1990 AND 2000

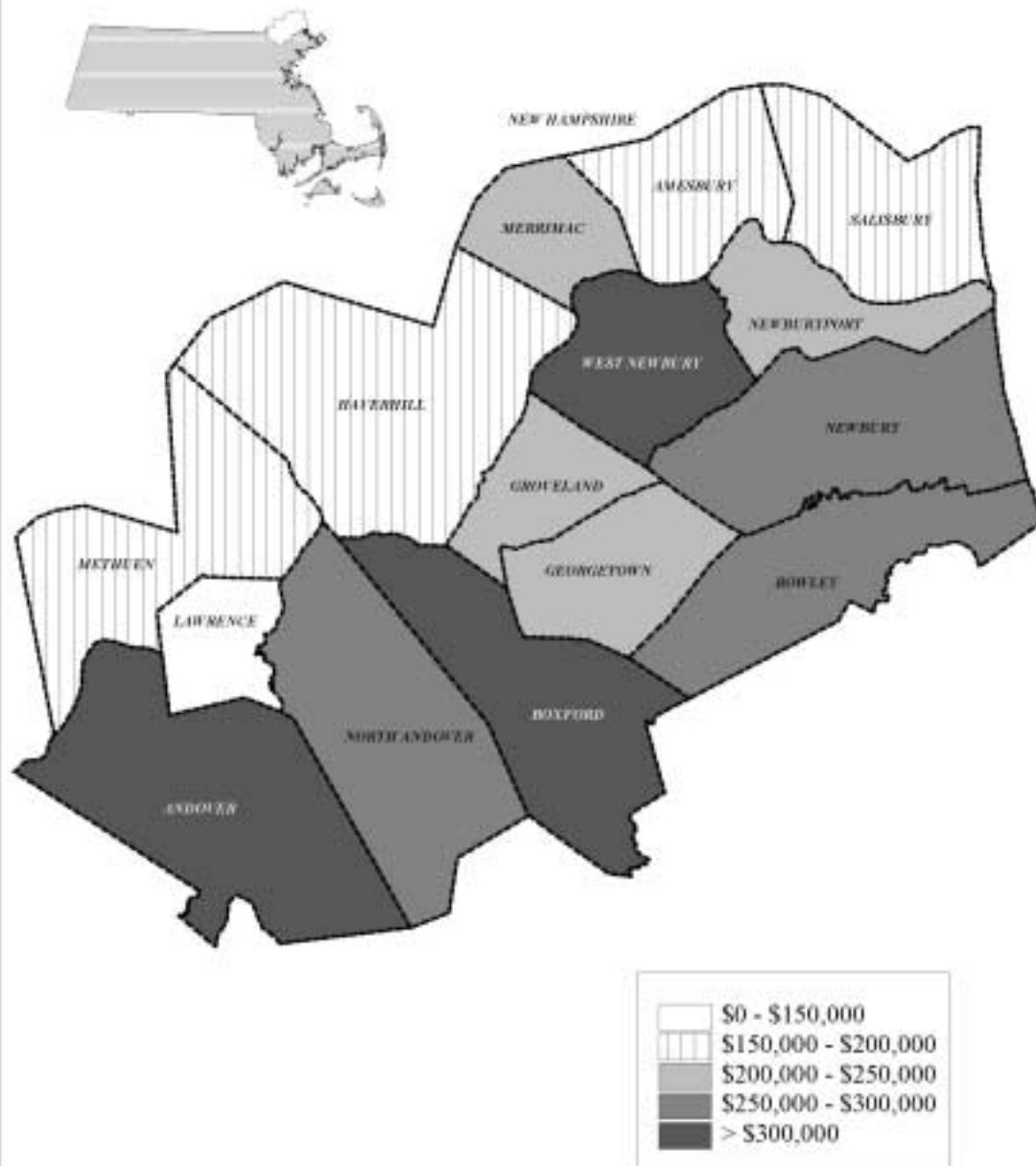
Occupied		Vacant		Total		Change in Occupied Units	
1990	2000	1990	2000	1990	2000	Number	Percent
104,156	117,270	9,338	5,022	113,494	122,292	8,798	7.8%

Source: Table 2, Appendix A.

Median Value of Owner Occupied Housing Units

Census 2000

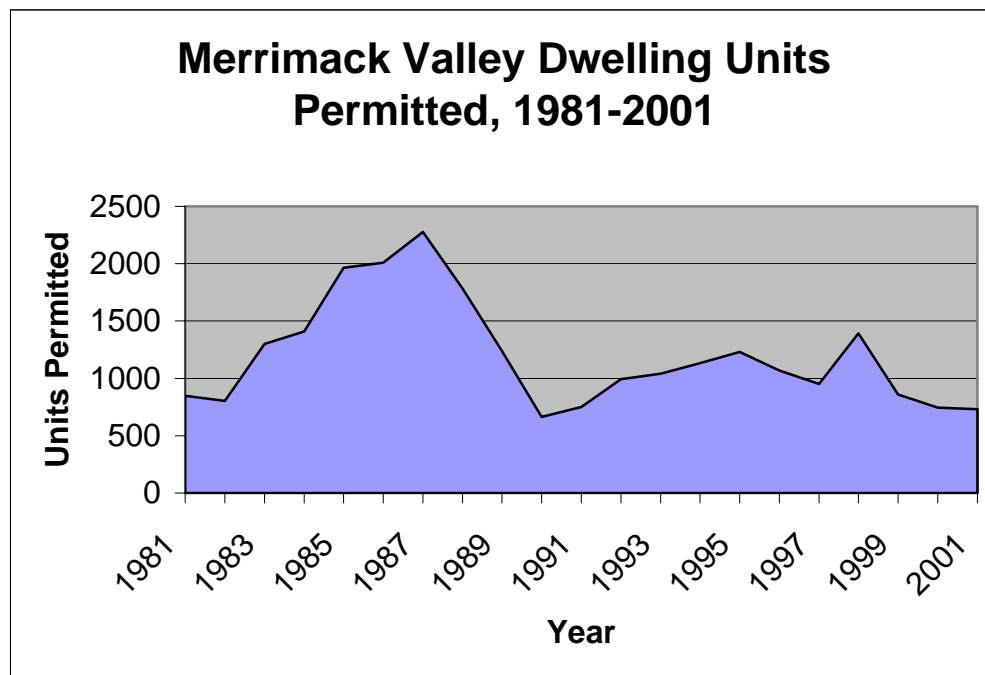
Merrimack Valley by Community



Prepared by Merrimack Valley Planning Commission, December 2002

Figure 2 below graphs the total number of dwelling units permitted in the MVPC region by year for the period 1981-2001. Housing permit activity showed a sharp increase during 1983-1987, and an even sharper decline after 1987 as the national and regional recession took hold. Development regained its strength during the mid-1990s, although with less fervor than the previous decade. A total of 2,275 dwelling units were permitted in the region in 1987, but this figure dropped to only 665 units in 1990. This figure then rose to a high of 1,392 in 1998. The last three years has again showed a reduction. Last year the number fell to 731, the lowest mark in a decade. Between 1981 and 2001, a total of 25,198 dwelling units were permitted, an average of 1,260 units per year.

Figure 2

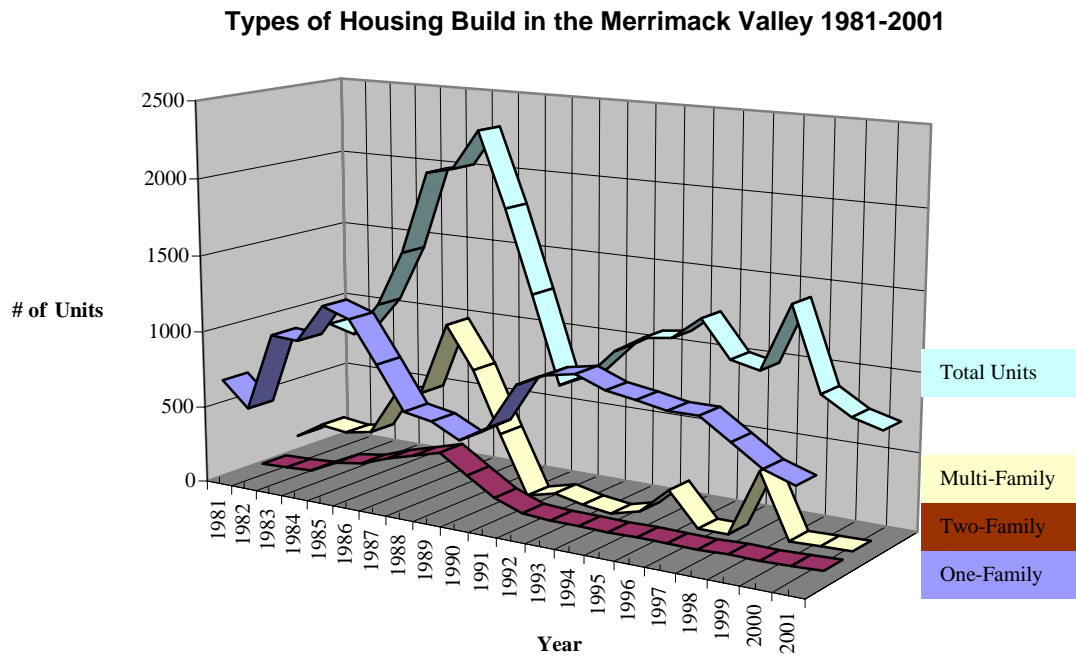


Source: Table 6 Appendix A.

There has been a major shift in the types of new development taking place in the Valley. As of 2001, multi-family development has diminished markedly. During the 1980s, the multi-family units accounted for between 16 percent and 46 percent of new development in any given year. Since 1992, multi-family units have accounted for less than 10 percent of the overall units being built. Although the rate of single family residential growth has fluctuated some in accordance with economic cycles, single-family development has generally been strong and consistent over the past 20 years. Single family residential development peaked in 1985 at 1,266 units, and then dropped to an annual low of 640 units in 1989. The market has since regained strength as evidence of recent growth. From 1992 to 2001, an average of 903 single family units have been built annually.

Among Merrimack Valley communities, Haverhill had the greatest total number of dwelling units permitted between 1981 and 1996 with 4,640. Haverhill was followed by Methuen, North Andover and Andover with 3,200, 2,487 and 2,289 respectively. During the same time frame, the four aforementioned communities issued the greatest number of both single-family and multi-family dwelling units permitted. The mix of single family dwelling versus multi-family dwelling coincides with the density of each community.

Of the 20,431 total units permitted in the region during 1981-1996, 70 percent (14,209 permits) were for single-family units and 22 percent (4,595 permits) were for multi-family dwellings. The City of Haverhill issued the most single dwelling permits during 1981-1996 with 2,373 permits. Haverhill also issued the most multi-family building permits at 1,536. Multi-family units had been increasing as a percentage of total permitted units until 1987, when the housing market slumped. Much of the multi-family housing constructed during that time was subsidized housing for lower income residents, yet there are still substantial waiting lists for subsidized housing. There was little activity until 1995 when 218 units were added in the communities of Haverhill, North Andover and Newburyport. (see *Tables 5 & 6*, Appendix A).



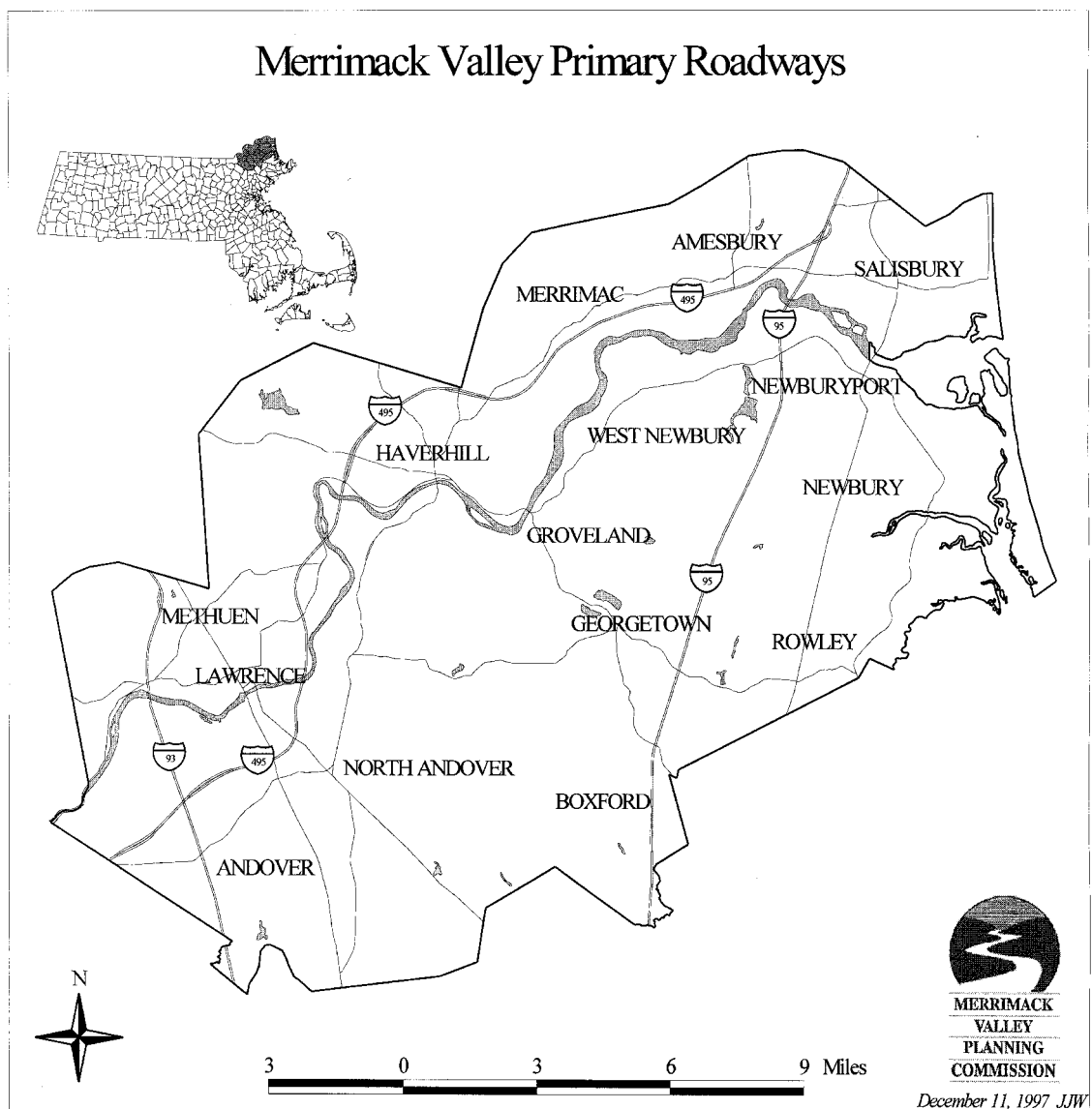
Source: Merrimack Valley Planning Commission, Locally-Supplied Data, and Census 2000.

Transportation

Roadway System

The region's 15 cities and towns are extremely well served by an excellent highway network with over 1,400 miles of roadway. Interstate highways 93, 95, and 495 traverse the region, providing vehicular access north, south and west. Both I-93 and I-95 link the region with Boston. I-93 extends north to Salem, Manchester and Concord, New Hampshire. I-495 is a circumferential roadway that crosses every major highway in eastern Massachusetts, including the Massachusetts Turnpike (I-90) running west to New York State and I-95 which passes through every major east coast city from Maine to Florida. At least one of these three interstates passes through 14 of the region's 15 communities. Figure 4 shows the primary routes within the region.

Figure 4



While the interstate highways serve the highest numbers of vehicles, state-numbered arterial routes are the most extensive. U.S. Route 1 and Routes 1A, 28, 97, 110, 113, 114, 125, 133, and 213 are of vital importance because they link the major activity centers of each community with other communities within the region. In addition, local roads, which make up approximately 82% of the region's highway network, are important to local communities because they serve as access to residences and businesses.

All roads in the Merrimack Valley region are administered by either the Massachusetts Department of Public Works or the local community in which the road is located. While individual communities may make minor improvements, virtually all major highway improvements are funded by the federal government or Massachusetts Highway Department.

Mass Transit and Public Transportation

The Merrimack Valley region receives a wide array of public transportation services from both public and private sources. These services include local and long distance bus routes, elderly and disabled services, taxi services and commuter rail services that link the region to Boston. All of these services are provided at the lowest possible cost to users to ensure basic mobility for Valley residents and to allow those who choose to leave their cars at home the ability to move about the region. The transportation services provided in the Merrimack Valley region are designed to alleviate traffic congestion and to provide access to transportation for those persons who would have no other means of traveling in the region.

Rail Lines

The Merrimack Valley is serviced by 34 miles of track, most of which was formerly Boston and Maine (B&M) Railroad and is now the property of the MBTA. Two major rail lines serve the region. The Western Route receives the most use, serving both as a commuter rail line to Boston and as a freight hauling line. The local portion of the line extends from the Wilmington/Andover town line north through Haverhill, to New Hampshire. The Manchester and Lawrence branch of this line connects Lawrence and Salem, New Hampshire via Methuen and carries a small amount of freight. This spur was studied by the MVPC in 1984 to determine if commuter rail expansion was feasible, however, it was determined that expansion would be too costly.

The MBTA also owns what is known as the Eastern Route that runs from Newburyport to the Rowley-Ipswich town line and then on to Boston. MVPC studied the potential for providing commuter rail service along this route in 1985 and served as a planning consultant in 1986. Based on the results of these studies and requests made by the MVRTA and the City of Newburyport, the MBTA agreed to re-institute commuter rail service to Boston from Newburyport and Rowley. Construction work began in the Spring of 1997 and the line began operation in October 1998.

Lastly, the Downeaster Line, operated by Amtrak, extends from Portland, Maine to Boston, MA. The route has gained significant interest for its stops along the scenic New England coast and for its convenient connection to vibrant communities in Massachusetts, New Hampshire, and Maine. One of the line's eight stops in between the two central cities of Portland and Boston is Haverhill, MA

Airports

Aviation services in the Merrimack Valley region are provided at the Lawrence Municipal Airport in North Andover and at two privately-owned airports in Methuen and Newburyport. The Lawrence airport, located on Sutton Street in North Andover, is the largest airport in the region, with 60 hangars, 145 tie-downs and has a capacity of 259 aircraft. There are currently 209 aircraft based at the airport, the majority of which are small, private planes. There are 104,000 takeoffs and landings annually, with the busiest times occurring during the summer months. The Methuen airport is a seaplane base and is located on the Merrimack River adjacent to Lowell Street. The Newburyport airport is located along the Plum Island Turnpike in the eastern section of the towns of Newburyport and Newbury. These airports are small facilities with eight month seasons and are used primarily by pleasure aircraft.

Port Facilities

The Newburyport/Salisbury Harbor, located at the mouth of the Merrimack River has been a center of activity since the first part of the 1600's. As the rest of the Merrimack River Valley has grown and changed, the ability to fish and use the Harbor has also undergone drastic change. Due to such problems as pollution and over fishing, the Harbor no longer yields a great deal of fish. The port, however, still processes a variety of fish products.

Groundfish, tuna and shellfish are the primary products of the port, but the lack of sufficient commercial support facilities hampers any growth. The commercial fleet of the Harbor contains approximately 50 boats with an annual catch of over 600 tons of seafood.

The most visible use of the Harbor is by pleasure craft. A number of marinas supply over 600 slips and 200 moorings to accommodate these boats. There are also two private yacht clubs that add to the number of slips and moorings. Currently, demand exceeds supply and the City of Newburyport has been studying the problem. Local marinas are attempting to acquire permits for additional slips and moorings but other groups fear that safe passage through the Harbor may become impossible. In addition to the problems at the Harbor, marinas and yacht clubs of other communities have continued to add slips and moorings, thus compounding the congestion as boats attempt to pass through the Harbor on their way to the open waters of the Atlantic.

NATURAL RESOURCES: THE MERRIMACK RIVER

Much of the region lies within the Merrimack River basin, and the Merrimack River is the region's most precious natural economic resource. The Merrimack and its major tributaries - the Artichoke, Little, Powwow, Shawsheen and Spickett Rivers, as well as Fish Brook - have played a key role in the region's economy, providing early river transportation, commercial fishing and shellfishing, water power for mills and water-based recreation. The Merrimack River is the only major interstate river in New England that serves as a significant source of drinking water. The region's eastern coastline, where the Merrimack empties into the Atlantic, contains a broad expanse of wetlands and barrier beaches that are enjoyed by bathers, fishermen and nature-lovers.

Despite its enormous significance today, the Merrimack River and its tributaries were almost completely neglected in the time following the Industrial Revolution. As recently as the late 1960s, the Merrimack had the dubious distinction of being one of the ten most polluted major rivers in the country. Fortunately, the river has improved dramatically as a result of intensive federal, state and local pollution abatement efforts. Its cleanup is considered to be one of the nation's most successful environmental restorations. Fish species long absent from the river, including Atlantic salmon and shad, have reappeared in increasing numbers, and the river is once again safe for swimming in most locations. Public interest in the river has rebounded, as evidenced by new marinas, chartered boat trips and riverside parks and trails. Riverfront property values have soared. While the monetary value associated with the river's rebirth has never been quantified, it is no doubt enormous.

Diversion of water from the Merrimack River was proposed during the early 1980s to satisfy the burgeoning water supply needs of metropolitan Boston. The proposal united the region's populace in opposition to the project, and focused renewed attention on the great importance of the river to the Merrimack Valley region. The diversion proposal was ultimately abandoned.

The region possesses no other natural resource of such economic stature or importance as the Merrimack River. Forest resources for logging are minimal, and most of the region's sand and gravel resources, left behind by Ice Age glaciers, have already been mined. Farmland - once prevalent and highly productive - has given way in large measure to residential development.

ENVIRONMENTAL ISSUES

One important environmental issue - one with uncertain but potentially significant public health implications - is that of municipal solid waste combustion (MSWC). Currently, there are nine MSWC facilities operating statewide, and three of these are located in close proximity to one another (in Haverhill, Lawrence and North Andover) in the heart of the Merrimack Valley region. This heavy concentration of trash-burning facilities in one location results in a disproportionately high release of air-borne pollutants, including mercury and other toxic substances, that are generated during the combustion process. On average, almost 1.9 million tons of mercury are emitted by the three Merrimack Valley facilities each year (based on 1991-1994 stack test data). This represents 62 percent of the total mercury emission for the state as a whole. The impact of these air pollutants on the health of the Valley's residents and environment are not well understood, and warrants further investigation.

Habitat loss and degradation is an important issue in the region. Many communities in the region, but especially those on the seacoast and along the main stems of the Merrimack and Parker Rivers, have environmentally sensitive habitats, some of which contain diverse species of rare or threatened plants and animals. Urban encroachment into these areas has destroyed or despoiled critical habitats. Adverse impacts from stormwater runoff and poorly designed and maintained culverts, in particular, are a problem. Information on rare species habitats is closely guarded by the agencies that collect this data, in order to avoid covert collection of protected species or wanton destruction of their habitats. Maps of the sites are generally unavailable to local public officials unless there is an imminent threat of development or destruction of these areas.

Another environmental issue affecting several of the region's former mill towns is that of improper hazardous waste management. Many of the abandoned mill sites along the region's larger rivers have been contaminated to varying degrees by toxic wastes that were carelessly stored or discarded before the advent of today's stricter federal and state hazardous waste regulations. The costs of reclaiming these sites can be prohibitively high, so the prospects for their reuse are somewhat uncertain.

Related to the issue of hazardous waste is that of groundwater protection. A number of the region's communities, including the rural communities of Groveland and Rowley, have suffered chemical contamination of their municipal drinking water supplies. In response to this problem, more than a third of the communities have adopted some sort of water supply or groundwater protection ordinance. A 1997 region-wide survey undertaken by MVPC to measure citizen attitude towards population growth and economic development, emphasized residents' concern over the safety of their drinking water. Seventy-six percent of those surveyed said that they would support a tax increase to purchase open land for water supply protection. MVPC is actively involved with this issue, providing "hands on" technical assistance to member communities, including detailed computer mapping of water supply resources. Through this involvement, environmental planning for watershed and wellhead protection is closely coordinated with MVPC's economic development planning.

Also of note is the region's growing interest and involvement in shellfish bed restoration and shellfish aquaculture. Working closely with state and local officials, MVPC has taken the lead in the last several years to identify bacterial pollution sources that are causing the continued closure of some of the region's richest shellfish beds, and to establish soft-shell clam aquaculture on tidal flats that have long been unproductive. A successful aquaculture demonstration project launched and recently completed by MVPC has already spawned a public shellfish stock enhancement initiative in one coastal community, and similar ventures are being planned for neighboring communities. This new approach to shellfish production and management - called "clam farming" - has the potential to produce significantly larger and more sustainable shellfish harvests, resulting in enhanced job opportunities for the region's underemployed shellfish and finfish industry workers.

POLITICAL GEOGRAPHY

The political geography of Merrimack Valley communities includes representation from two senators and two representatives at the federal level, and three state senators and ten state representatives. They are as follows:

Community	U.S. Senator	U.S. Representative	State Senator	State Representative
Amesbury	Edward M. Kennedy John F. Kerry	John Tierney	Steven Baddour	Michael A. Costello
Andover	Edward M. Kennedy John F. Kerry	Marty Meehan	Susan Tucker	Barry R. Finegold Barbara L'Italien
Boxford	Edward M. Kennedy John F. Kerry	John Tierney	Bruce E. Tarr	Bradford Hill Barbara L'Italien
Georgetown	Edward M. Kennedy John F. Kerry	John Tierney	Bruce E. Tarr	Barbara L'Italien Harriett L. Stanley
Groveland	Edward M. Kennedy John F. Kerry	John Tierney	Bruce E. Tarr	Harriett L. Stanley
Haverhill	Edward M. Kennedy John F. Kerry	Marty Meehan	Steven Baddour	Brian S. Dempsey Harriett L. Stanley Barbara L'Italien
Lawrence	Edward M. Kennedy John F. Kerry	Marty Meehan	Susan Tucker	David Torrisi Barry R. Finegold William Lantigua
Merrimac	Edward M. Kennedy John F. Kerry	John Tierney	Steven Baddour	Harriett L. Stanley
Methuen	Edward M. Kennedy John F. Kerry	Marty Meehan	Steven Baddour	Arthur J. Broadhurst Barbara L'Italien
Newbury	Edward M. Kennedy John F. Kerry	John Tierney	Bruce E. Tarr	Harriett L. Stanley
Newburyport	Edward M. Kennedy John F. Kerry	John Tierney	Steven Baddour	Michael A. Costello
North Andover	Edward M. Kennedy John F. Kerry	John Tierney	Steven Baddour Bruce E. Tarr	David Torrisi Barbara L'Italien.
Rowley	Edward M. Kennedy John F. Kerry	John Tierney	Bruce E. Tarr	Harriett L. Stanley
Salisbury	Edward M. Kennedy John F. Kerry	John Tierney	Steven Baddour	Michael A. Costello
West Newbury	Edward M. Kennedy John F. Kerry	John Tierney	Bruce E. Tarr	Harriett L. Stanley

The geographic region is also defined by the federal and state government in order to facilitate data gathering. At the federal level, 10 Merrimack Valley communities (includes Andover, Boxford, Georgetown, Groveland, Haverhill, Lawrence, Merrimac, Methuen, North Andover and West Newbury), along with 13 New Hampshire communities make up the Lawrence, MA-NH Primary Metropolitan Statistical Area (PMSA). The other five communities of Amesbury, Newbury, Newburyport, Rowley and Salisbury are included in the Boston, MA-NH PMSA. The current PMSA designation went into effect in 1993. Prior to 1993, the Lawrence, MA-NH PMSA (previously called Lawrence-Haverhill, MA-NH PMSA) included Amesbury, Newbury, Newburyport and Salisbury.

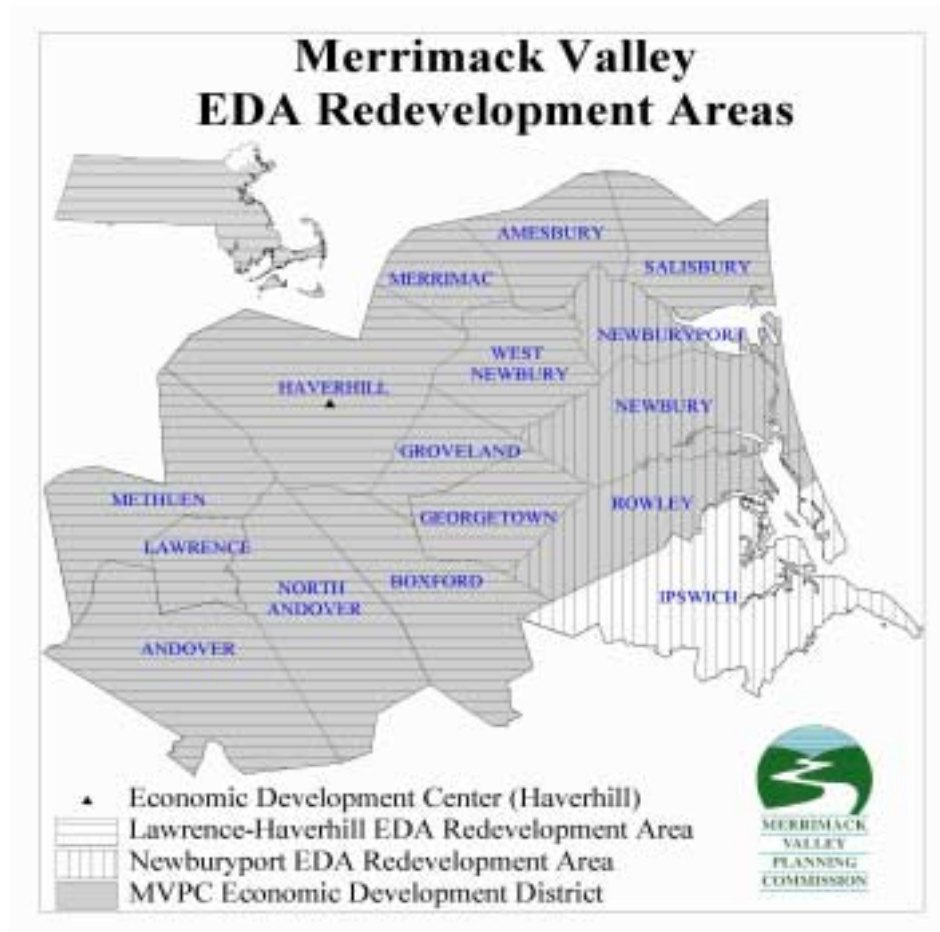
There is another geographic designation as defined by the state government. Under the provision of the 1983 Job Training Partnership Act, Massachusetts established 15 Service Delivery Areas (SDA) to tailor federal employment and training programs to the needs of local areas. The Lower Merrimack Valley SDA (LMVSDA) is congruent to the 15 communities served by the MVPC. The differing jurisdictional boundaries make it difficult to collect and compare economic data on a consistent basis. Some primary data sources record information for their service delivery areas, others for the primary metropolitan statistical area and still others for Essex County as a whole. MVPC attempts to reconcile these differences and maintain up-to-date statistical information on the various jurisdictions to meet the needs of government, industry and the general public.

REDEVELOPMENT AREAS

There are two redevelopment areas within the region defined by the federal Economic Development Administration, and these are both portrayed in Figure 5. The Lawrence-Haverhill Redevelopment Area includes Amesbury, Andover, Georgetown, Groveland, Haverhill, Lawrence, Merrimac, Methuen, North Andover, Salisbury and West Newbury. All are members of MVPC. The Newburyport Redevelopment Area includes Ipswich, Newbury, Newburyport and Rowley. Ipswich lies outside the MVPC's jurisdiction; the remaining three communities are members of MVPC. These redevelopment areas were designated under the Public Works and Economic Development Act of 1965, as amended, based on the following qualifications:

Lawrence-Haverhill Redevelopment Area - Unemployment that is substantial and above the national average
Newburyport Redevelopment Area - Unemployment that is substantial and persistent (Title IV, Sec. 1&8).

Figure 5



Economic Development Growth Center

The City of Haverhill was selected as the region's economic development growth center because of its size, central location relative to the redevelopment areas, amount of remaining developable land and its diversity of regional services.

POPULATION AND LABOR FORCE

Population

The region's residents are its most important resource. To understand the region one must understand its demographics. The following is only a brief summary. *Table 7* Appendix B contains statistical tables regarding the region's population demographics, by community; the tables contained in the following text summarize that data for the region.

Growth Trends and Migration

Table 7 of Appendix B shows population change in the region, by community, for the period 1960-2000; the table below summarizes that data for the region. Also see map on the following page for a graphical depiction of percent change in population for 1990 to 2000.

POPULATION IN THE MVPC REGION: 1960-2000

	% Ch.		% Ch.		% Ch.		% Ch.	
1960	60-70	1970	70-80	1980	80-90	1990	90-00	2000
220,849	12.2	247,891	5.2	260,893	10.5	288,280	10.5	318,556

Source: *Table 7, Appendix B.*

In the decade 1930-1940, the region lost population (-1.0%) while the state grew by 1.6 percent. From 1940 to 1950, the region began to grow slowly (+2.0%), but still lagged behind Massachusetts (+2.8%). The regional growth rate picked up to 2.9 percent in the following decade (1950-1960), but lagged further behind the state's overall growth rate of 9.8 percent. A loss of population in the cities of Lawrence (-9,603) and Haverhill (-934) was offset by the growth of their suburban neighbors - Andover (4,697), Methuen (3,637) and North Andover (2,423). Much of this growth was an out-migration of families from the cities.

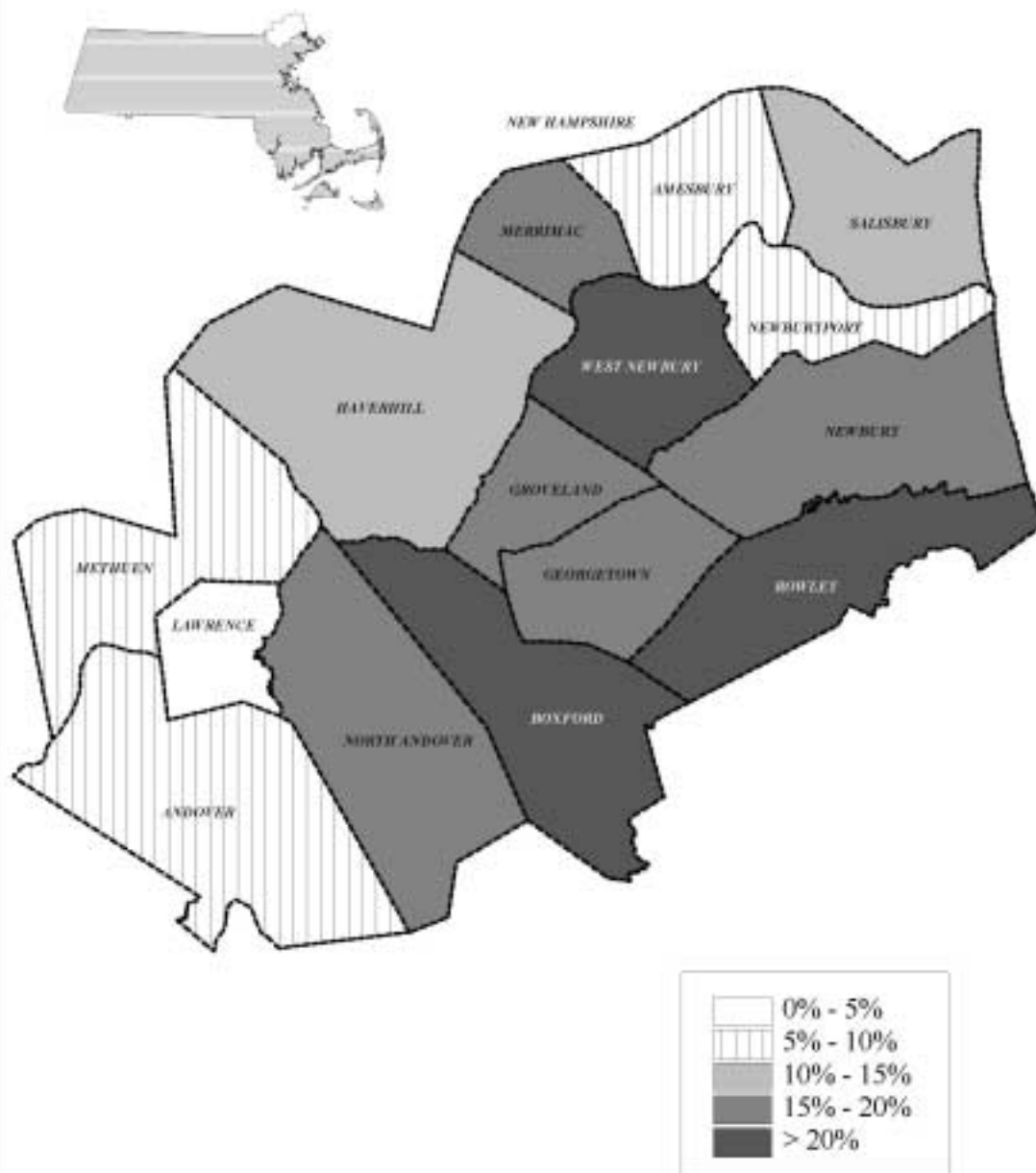
Between 1960 and 1970, the regional population began to grow at a faster rate than the state. An increase of more than 27,000 residents represented a growth rate of 12.2 percent, compared to a state growth rate of 10.5 percent.

The communities with the largest absolute growth were again the suburbs of Methuen (+7,342), Andover (+6,561) and North Andover (+5,376). The City of Lawrence continued to lose population (-4,018).

The region continued to grow at a slower pace (5.2%) between 1970 and 1980, but still much faster than the state (0.7%). The rate of population decrease in Lawrence remained 5.6 percent, as it was in the previous decade. The loss was again more than offset by growth in the surrounding communities of Andover (+2,675), Methuen (+1,245) and North Andover (+2,583).

The 1990 Census showed that the region's growth rate doubled from the previous decade, to 10.5 percent. Even Lawrence reversed its 50-year trend of population loss and grew by 11.1 percent, an absolute increase of more than 7,000 persons. Much of this increase is from a continuing in-migration of Hispanics to the city; Lawrence's Hispanic population almost trebled during the decade, increasing 18,941 persons to 29,237.

Percent Change in Population 1990 Census to 2000 Census Merrimack Valley by Community



Prepared by Merrimack Valley Planning Commission, December 2002

Haverhill's population broke the 50,000 benchmark, growing 9.7 percent to 51,418. Every community in the region but Groveland and Newburyport exceeded the state's overall growth rate of 4.9 percent.

The population total in the 2000 Census for the region was 318,556. A strong regional economy in the 1990's and continued migration allowed the Valley to grow by 10.5 percent, outpacing the state which grew by 5.5 percent. All but two communities, Lawrence and Newburyport, exceeded the state growth. Ten Merrimack Valley communities reached growth rates in the double digits.

Geographic Distribution

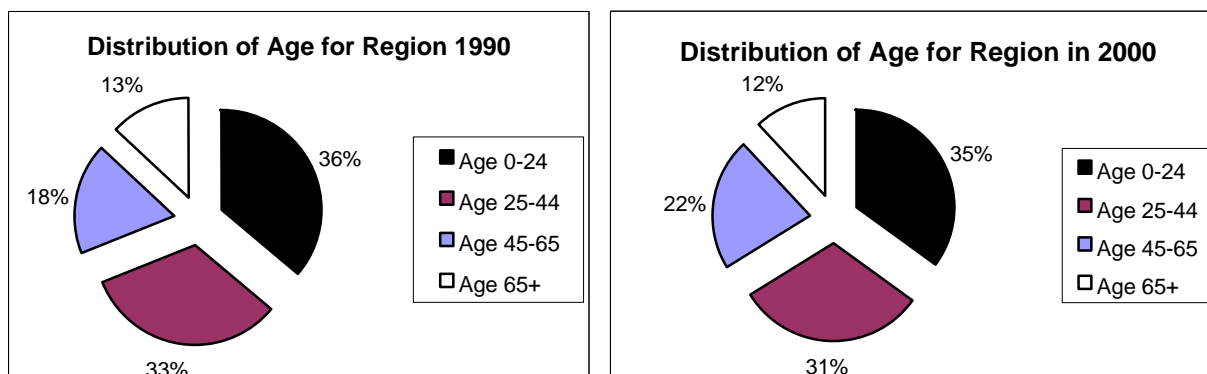
The 2000 Census reported that 318,556 people lived within the boundaries of the MVPC region. The City of Lawrence contained roughly 23 percent of that population. Lawrence together with its suburbs of Andover, Methuen and North Andover (the western end of the region) contained 55 percent of the region's population. The region's central section (Haverhill together with Boxford, Georgetown, Groveland and Merrimac), contained 27 percent of the region's population and the eastern communities (Amesbury, Newbury, Newburyport, Rowley, Salisbury and West Newbury) contained 18 percent.

Looked at another way, the three cities of Lawrence, Haverhill and Newburyport contained 47 percent of the District population, while the suburban communities of Andover, Methuen and North Andover contained 32 percent and the remaining 9 rural communities contained 21 percent.

Age

The chart below summarizes the age distribution of the region's population for the years 1990 and 2000. In 2000, the region's population was composed of 35 percent children and students aged 0-24, 31 percent primary workers aged 25-44, 22 percent mature workers aged 45-64 and 12 percent retired and elderly aged 65 and over. In 2000, the number of children and students decreased slightly as a percentage of the total population to 35 percent. The number of primary workers (25-44) increased by 2,500 but decreased as a percent of the population, while mature workers (45-64) increased by 20,7000 and stood at 22 percent of the total population. Lastly, retired workers (65+) increased by 1,268 but decreased as a percentage of total population to 12.9 percent. In summary, the population within each age group rose from 1990 to 2000, while the age distribution showed little change with the exception of the a jump in the 45-64 category.

Comparing Population by Age in the MVPC Region: 1990 and 2000



Source: Tables 8 & 9, Appendix B.

Past trends had shown a migration of young people out of the region to attend school and find work. The Massachusetts boom economy of 1983-1987 and then again throughout the mid-1990's helped reverse that trend, as indicated by the steady strength in the primary worker category (years 25-44).

Sex

Table 10 of Appendix B shows the regional population by sex. In 2000, males represented 48 percent and females represented 52 percent of the total population. This proportion was unchanged from the 1990 Census figures.

Racial and Ethnic Composition

The table below shows the distribution of the region's population by race and ethnic origins for 1990 and 2000, and summarizes information from *Tables 11a. and 11b.* of Appendix B.

**PERCENT DISTRIBUTION OF POPULATION BY RACE AND ETHNIC ORIGINS
IN MASSACHUSETTS AND THE MVPC REGION: 1990 AND 2000**

	Total Pop. 1990 & 2000	White Race		Black Race		All Other Race		Hispanic, Any Race	
		1990	2000	1990	2000	1990	2000	1990	2000
MVPC	100.0	88.8	83.1	2.3	2.0	8.9	14.9	12.2	17.0
MASS.	100.0	89.8	84.5	5.0	5.4	5.2	10.1	4.8	6.8

Source: *Tables 11a & 11b.*, Appendix B.

The region remains predominantly Caucasian, but the percentage of white population has decreased from 98.3 percent in 1970 to 83.1 percent in 2000. The non-white population continues to be concentrated in the central cities of Haverhill and Lawrence, however, rather than diffuse into the region. While there are non-whites in every community in the region, nine of the 15 communities are 97 percent white or more. (In 1970, 13 of 15 communities were 99 percent white.) The region's black population has decreased from 2.3 percent in 1990 to 2.0 percent in 2000 and continues to be concentrated in Lawrence. Hispanics (17 percent of the total regional population) and Asians (2.2 percent of the total population) are the two fastest growing minority groups in the region.

Family & Household Composition

Tables 12 and 12b. of Appendix B describe various aspects of family composition in the region. In 1970, female-headed households comprised 11.6 percent of all families in the region and 10 percent of the families in the state. Female-headed households in the region increased from 7,000 to 11,000 by 1980, and constituted 16.8 percent of all families. In 1990, 19 percent of families were considered female-headed. The rising trend continued in the Census 2000 where 19.5 percent of families were female-headed. Female-headed families were 21 percent of all families in Haverhill in 2000, and in Lawrence they have increased from 34.5 percent in 1990 to an astonishing 37 percent of all families in the city in 2000. The region continues to outpace Massachusetts and the United States in this area.

The number of persons per household increased as reported in the 2000 Census and now stands at 3.19 for the region, up from 2.71 in 1990. The Census indicated that the MVPC region is also slightly higher than Massachusetts and the United States.

The 2000 Census showed that husband/wife (married) families have decreased over the past three decades as a percentage of all families from 79.6 percent to 76.0 percent to the current mark of 75.0 percent. Single male-headed families have increased from 5.1 percent to 5.8 percent.

FAMILY HOUSEHOLDS IN THE MVPC REGION BY TYPE: 1990 AND 2000

Total Family Households		Married Couple		Other Family			
				Male-Headed Household		Female-Headed Household	
1990	2000	1990	2000	1990	2000	1990	2000
No.	No.	Percent	Percent	Percent	Percent	Percent	Percent
74,900	81,498	76.0	75.0	5.1	5.8	19.0	19.5

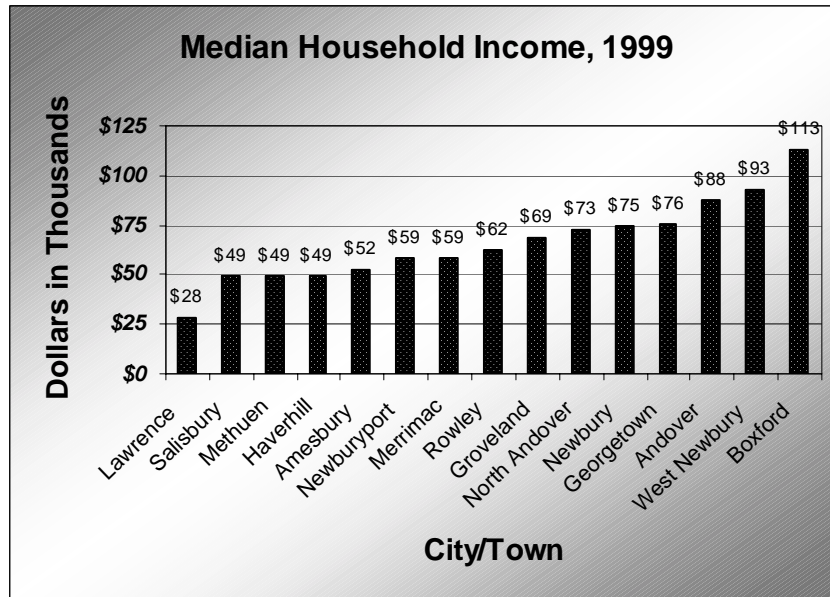
Source: Table 12, Appendix B.

Income

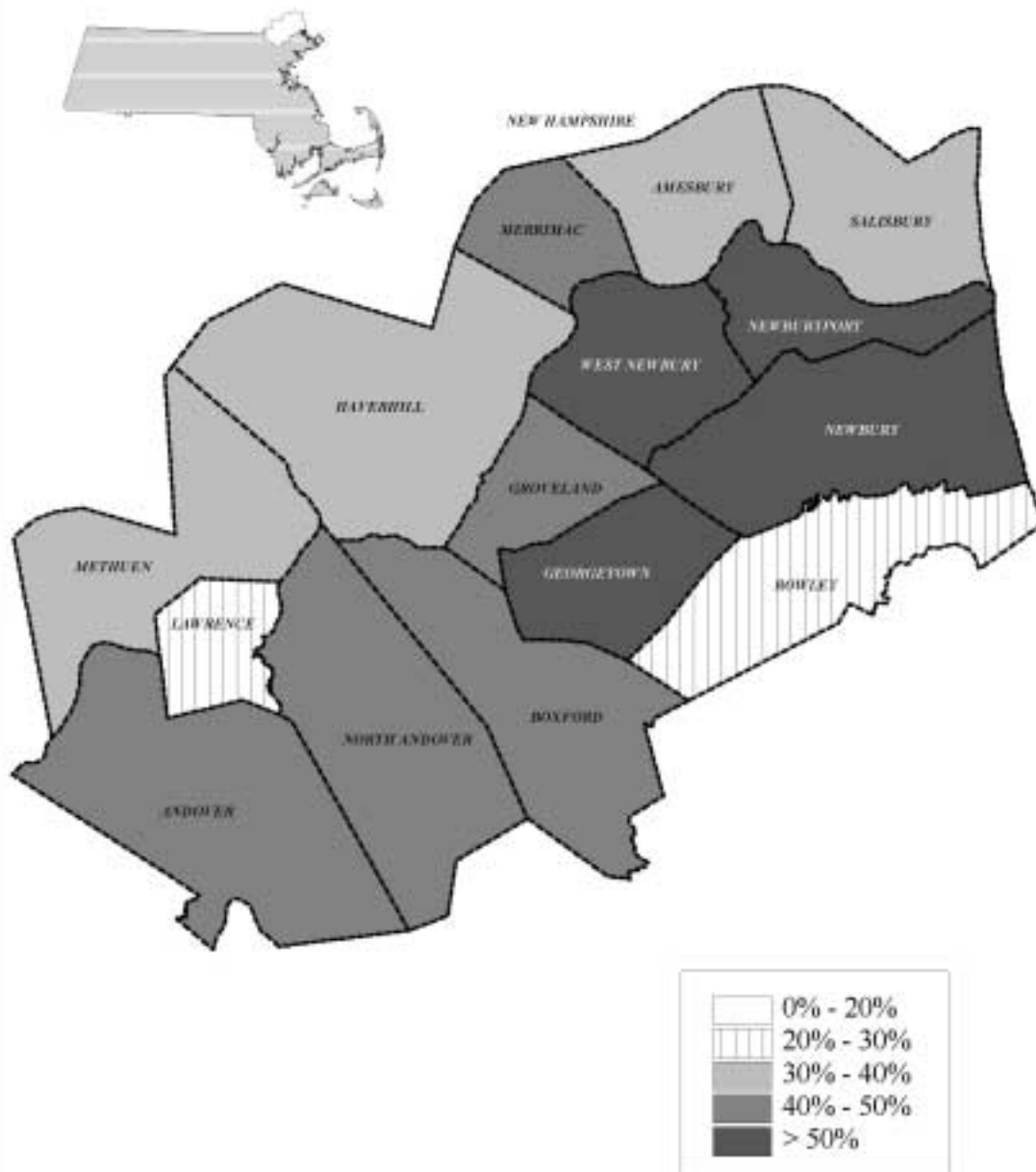
Income data for the region's communities is presented in *Tables 13a.-13d.* of Appendix B. This data is collected by the Census Bureau, which recognizes political subdivisions such as cities, towns and counties, but not planning regions or economic development districts; thus there isn't any entry in the table for the MVPC Region.

Median household income in 1999 for Essex County was \$51,576, which was slightly more than Massachusetts' \$50,502 (See Figure 6 below and *Table 13a. & 13b.* Appendix B). Massachusetts' median household income was \$8,500 more than the median for the United States as a whole (\$41,994). Median household income among the region's 15 communities ranged from 56 percent of the state median (\$28,000 in the city of Lawrence) to more than twice the state median (\$113,212 in Boxford). Eleven of the 15 communities exceeded the state median household income in 1999, two less than in 1989. Also see map on the following page for a graphical depiction of changes in household income from 1989 to 1999.

Figure 6



Change in Median Household Income 1990 Census to 2000 Census Merrimack Valley by Community



Prepared by Merrimack Valley Planning Commission, December 2002

Median family income in 1999 in Essex County was \$63,746. Massachusetts was slightly lower \$61,664, but exceeded the U.S. median family income (\$50,046) by \$11,618. In the region, median family income ranged from a low of \$31,809 in Lawrence to a high of \$119,491 in Boxford. Eleven of the region's 15 communities exceeded the state median family income. In 1989 twelve of the region's communities equaled or exceeded the state (See *Table 13c. & 13d.* Appendix B). Per capita income in Essex County was \$26,358 in 1999, \$25,952 in Massachusetts, and \$21,587 for the U.S. Eight MVPC communities exceeded the state mark.

Per Capita Income by Community: 1989 - 1999

Area Name	1989			1999		
	Population	Per Capita Income (dollars)	% of State	Population	Per Capita Income (dollars)	% of State
Massachusetts	6,016,425	\$17,224	100%	6,349,097	\$25,952	100%
Essex County	670,080	\$17,586	102%	723,419	\$26,358	101.6%
Amesbury	15,101	\$15,423	90%	16,450	\$24,103	92.9%
Andover	29,151	\$26,327	153%	31,247	\$41,133	158.5%
Boxford	6,266	\$30,634	178%	7,921	\$48,846	188.2%
Georgetown	6,384	\$17,571	102%	7,377	\$28,846	111.2%
Groveland	5,223	\$20,038	116%	6,038	\$25,430	98.0%
Haverhill	51,418	\$15,464	90%	58,969	\$23,280	89.7%
Lawrence	70,207	\$9,686	56%	72,043	\$13,360	51.5%
Merrimac	5,166	\$16,327	95%	6,138	\$24,869	95.8%
Methuen	39,990	\$15,598	91%	43,789	\$22,305	85.9%
Newbury	5,623	\$19,917	116%	6,717	\$34,640	133.5%
Newburyport	16,351	\$19,008	110%	17,189	\$34,187	131.7%
North Andover	22,792	\$22,957	133%	27,202	\$34,335	132.3%
Rowley	4,452	\$18,130	105%	5,500	\$27,413	105.6%
Salisbury	6,744	\$14,455	84%	7,827	\$21,608	83.3%
West Newbury	3,412	\$20,450	119%	4,149	\$35,323	136.1%

Source: Merrimack Valley Planning Commission and Census 2000.

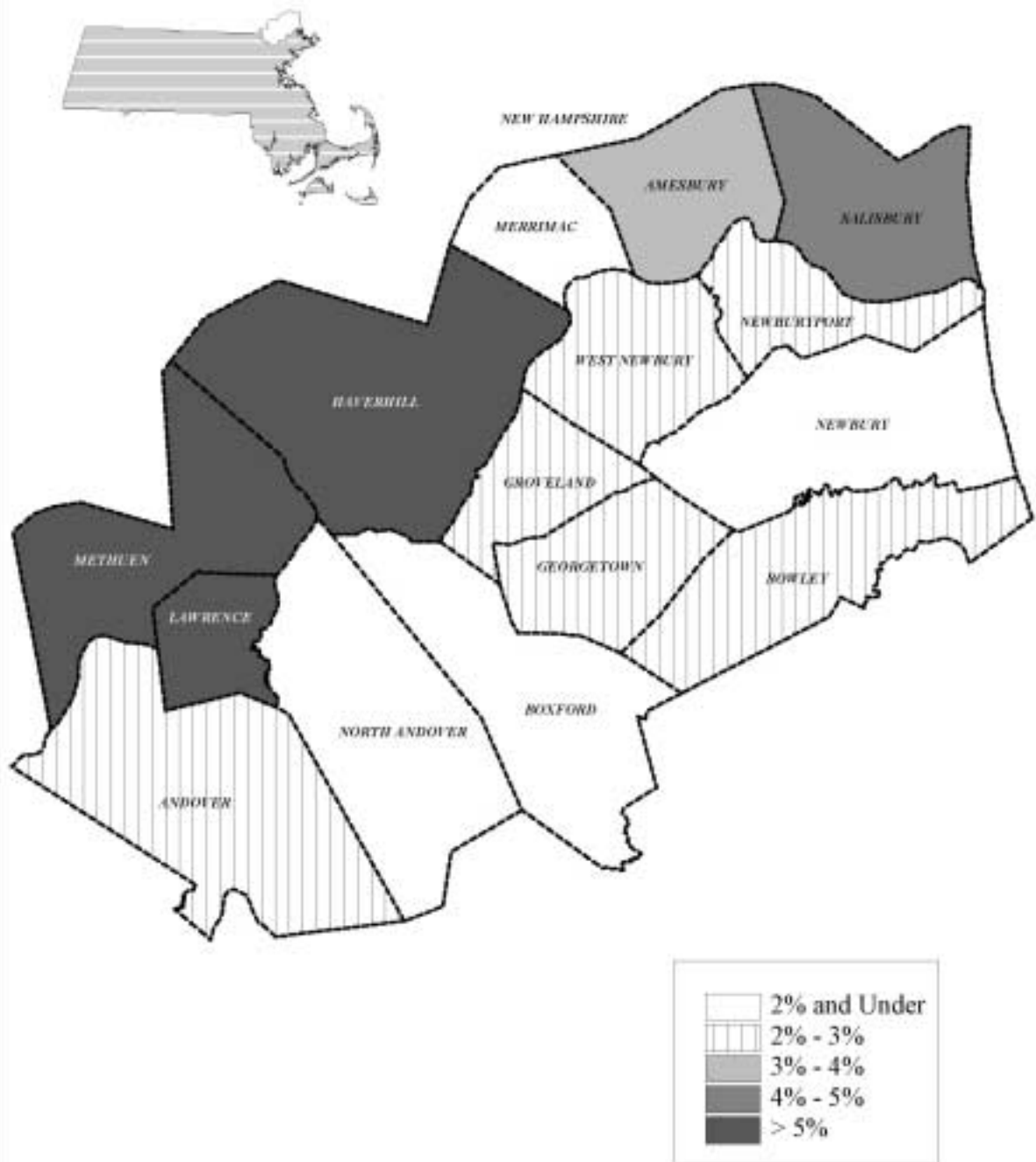
Poverty

Closely tied to income is the issue of poverty. In 2000, the Merrimack Valley had a poverty rate of 7.7 % compared to the county's 6.6% and the state's 6.7%. The highest poverty rates continued to be in Lawrence (21.2%), Haverhill (7%), and Methuen (5.8%), although each was lower than its 1990 mark. Six of the communities had slight increases in poverty rates including the following: West Newbury; North Andover; Andover; Groveland; Boxford; and Rowley. A map on the following page show's the region's low, medium, and high poverty areas.

Percentage of Families Within the Poverty Level

Census 2000

Merrimack Valley by Community



Prepared by Merrimack Valley Planning Commission, December 2002

Education

The past decade saw an increase in educational attainment for both the region and the state. According to the 2000 Census, the percentage of the population not completing high school fell over three percentage points since 1990. This was a positive sign. The percentage of the population attending college, gaining bachelor degrees, and pursuing graduate diplomas rose considerably indicative of the need for higher education to meet the demands of a competitive, ever changing labor market. The Merrimack Valley stayed within two percentage points of the state for population receiving four-year and graduate degrees. This well-educated population which feeds the regional labor force has been praised as one of the great strengths that the Valley has to offer to new business and industry.

EDUCATIONAL ATTAINMENT BY PERSONS 25 YEARS AND OLDER: 1990 AND 2000

	Percent Did Not Complete High School		Percent Completed:					
			High School Only		1-3 Years College		4 or More Years College	
	'90	'00	'90	'00	'90	'00	'90	'00
MVPC	22.8	18.0	28.5	27.0	23.4	25.0	25.3	31.0
MASS	20.0	15.0	29.7	27.0	23.0	24.0	27.2	33.0

Source: Merrimack Valley Planning Commission and Census 2000.

The Merrimack Valley continues to offer a number of different educational avenues for its residents. Merrimack College (North Andover) and Northern Essex Community College (Lawrence and Haverhill) are shaping programs to respond to today's workforce needs. These institutions of higher learning play a key role in the region's economic development activities.

Nine of the 15 MVPC communities have their own school districts. The others are served by regional school systems. West Newbury, Groveland, and Merrimack are part of the Pentucket Regional School District, and Salisbury, Newbury, and Rowley make up the Triton Regional School District. The Valley also offers two regional vocational schools, Greater Lawrence and Whittier of Haverhill. Five prestigious private high schools continue to thrive in the Valley: Governor Dummer; Brooks Academy; Phillips Academy; Central Catholic; and the Presentation of Mary.

The diverse educational opportunities reflect the value placed on preparing our next generation with the skill needed to succeed in today's workforce. Educational attainment over the past decade has improved for each of the 15 communities in the Merrimack Valley region (See Table on Next Page). According the 2000 Census fifty percent of Andover, Boxford, North Andover, and West Newbury residents 25 and older hold either a bachelor's or graduate degree and all but two of the communities were above 20%. Four communities continued to demonstrate relatively lower educational attainment rates than the rest of the region, particularly in the rate of those without a high school degree: Lawrence (41%); Haverhill (16%); Methuen (18%); Salisbury (16%), though all have made tremendous strides over the past decade. The region's pattern of improvement will continue to help these communities narrow the gap with the rest of the Merrimack Valley.

**EDUCATIONAL ATTAINMENT 25 YEARS AND OLDER BY COMMUNITY:
In Percent – Year 2000**

Area name	No H.S. Degree	High school graduate	Some college	Associate	Bachelor's	Graduate or professional
Massachusetts	15.2%	27.3%	17.1%	7.2%	19.5%	13.7%
Essex County	15.4%	28.1%	17.7%	7.6%	19.5%	11.7%
MVPC Region	17.6%	26.9%	17.1%	7.4%	19.0%	12.0%
Amesbury	12.4%	31.9%	20.3%	9.1%	17.1%	9.3%
Andover	4.5%	14.0%	13.0%	6.1%	32.7%	29.9%
Boxford	0.8%	13.1%	15.7%	7.7%	34.4%	28.5%
Georgetown	9.7%	25.2%	19.5%	7.2%	28.0%	10.4%
Groveland	7.7%	24.2%	24.1%	9.9%	26.7%	7.4%
Haverhill	16.4%	31.1%	20.2%	9.0%	16.1%	7.3%
Lawrence	41.8%	29.6%	14.4%	4.3%	5.8%	4.1%
Merrimac	9.8%	30.1%	21.4%	7.9%	19.5%	11.3%
Methuen	18.2%	33.2%	16.7%	8.9%	15.7%	7.3%
Newbury	4.4%	24.7%	18.4%	8.7%	27.6%	16.2%
Newburyport	9.7%	21.0%	18.5%	8.6%	25.1%	17.1%
North Andover	6.9%	19.8%	16.4%	6.5%	29.5%	20.9%
Rowley	10.3%	26.1%	17.9%	9.6%	23.7%	12.4%
Salisbury	16.0%	39.5%	18.4%	9.0%	12.0%	5.2%
West Newbury	3.4%	16.9%	14.1%	8.4%	33.7%	23.6%

Source: Merrimack Valley Planning Commission and Census 2000.

Labor Force

The region's labor force, its attributes and characteristics, dictate in many ways the kind of economy that is possible. Knowledge of the region's labor force is requisite to understanding its economy. Appendix C contains statistical information describing the region's labor force; this information is summarized below.

Size

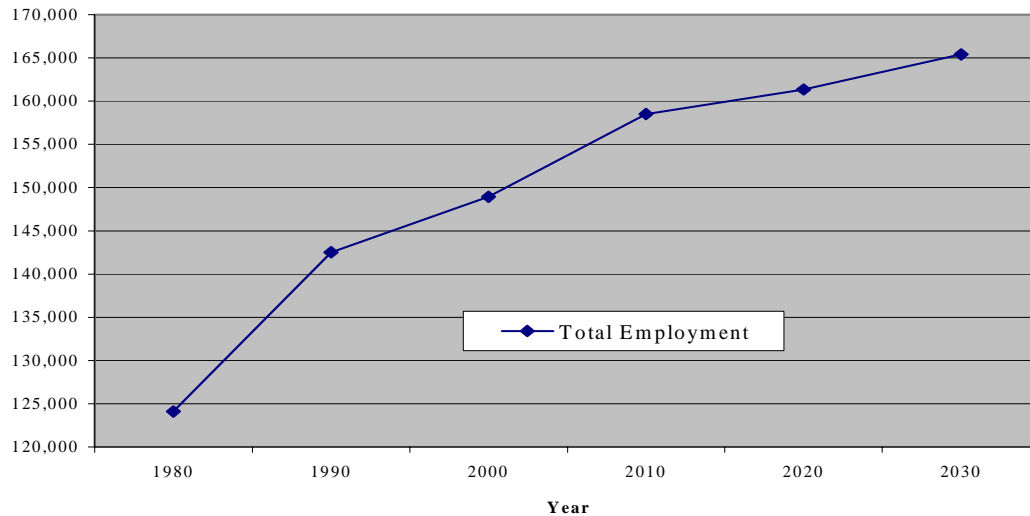
The labor force is the population of legal working age that is either employed or unemployed in the region. It does not include those persons who may be looking for work but who are not covered by unemployment insurance. To provide some historical context, the region's labor force in 1985, reached an annual average of 148,500. According the Department of Employment and Training (DET), that figure dropped in 1990 to 136,640, but grew to 158,474 in 2001. Of those in the labor force in 2001, 150,499 were employed and 7,975 were unemployed. (Also See *Table 14*, Appendix C for 2000 Census data).

REMI Employment Forecast

MVPC utilizes an econometric model built specifically for the Merrimack Valley region. The model, Regional Economic Models, Inc. (REMI), allows MVPC to forecast and simulate policy changes in the regional economy. It also has the capability to generate an occupational forecast which provides an outlook of various occupations and industries increasing or decreasing in strength and numbers. The graph below shows changes in total employment between 1980 and 2030. During that 50 year period, total number of employment is expected to grow by 33 percent.

Figure 7

REGIONAL EMPLOYMENT FORECAST: YEARS 2010, 2020, 2030



Source: REMI

Note: 1980, 1990, and 2000 are historical values. The model forecasts out 30 years based on multiple inputs.

Labor Force Participation

Labor force participation rates represent the proportion of the population of working age (16 years and older) that is in the labor force. In the MVPC region, the participation rate was approximately 65 percent for 2000 (using Census data). This is calculated by taking the number in the labor force (156,046) divided by the population 16 years and older (239,986). The labor force participation rate in Lawrence was considerably lower at 54 percent, while Methuen (64 percent) and North Andover (64.9 percent) were slightly lower than the state rate (66.2 percent) (See *Table 14*, Appendix C).

Sources of Employment

The table below is a condensed occupation list from the 2000 Census shows which shows sources of employment for residents of the region by six economic sectors, *regardless* of where employed (i.e., whether they were employed *inside* or *outside* the region). For the 2000 Census, the Census Bureau reclassified occupation types to better meet the NAICS and SOC coding systems. Therefore, any attempt to compare with previous decades is complicated (Also See *Table 14a*, Appendix C).

**Percentage Of Employed Persons By Occupation In The MVPC Region,
By Community Of Residence: 2000**

Area Name	Employed civilian population 16 years and over						
	Total	Management & Professional	Service	Sales and Office	Farming, Fishing & Forestry	Construction, Extraction & Maintenance	Production, Transportation, and Material Moving
Massachusetts	100%	41.1%	14.1%	25.9%	0.2%	7.5%	11.3%
Essex County	100%	39.4%	13.6%	27.0%	0.3%	7.3%	12.4%
MVPC	100%	39.8%	13.0%	25.3%	0.2%	7.3%	14.4%
Amesbury	100%	39.6%	12.5%	25.1%	0.4%	8.9%	13.4%
Andover	100%	64.0%	6.2%	22.2%	0.0%	3.3%	4.2%
Boxford	100%	61.9%	5.9%	25.8%	0.0%	3.5%	3.0%
Georgetown	100%	44.7%	14.5%	24.0%	0.0%	9.0%	7.8%
Groveland	100%	40.4%	15.5%	22.2%	0.3%	10.0%	11.6%
Haverhill	100%	34.3%	14.0%	26.6%	0.0%	8.1%	17.0%
Lawrence	100%	20.7%	19.4%	24.2%	0.4%	7.5%	27.9%
Merrimac	100%	37.3%	14.3%	25.4%	0.2%	10.9%	11.9%
Methuen	100%	36.0%	12.8%	27.1%	0.1%	8.5%	15.4%
Newbury	100%	47.7%	9.8%	24.3%	0.5%	9.3%	8.3%
Newburyport	100%	50.4%	11.3%	23.2%	0.2%	6.2%	8.7%
North Andover	100%	51.8%	10.3%	27.4%	0.2%	4.6%	5.7%
Rowley	100%	44.4%	10.1%	23.5%	1.1%	9.1%	11.8%
Salisbury	100%	24.8%	14.9%	26.1%	0.5%	12.4%	21.2%
West Newbury	100%	51.9%	9.9%	27.2%	0.4%	4.1%	6.6%

Sources: The Merrimack Valley Planning Commission and the 2000 U.S. Census.

The Massachusetts Department of Employment and Training collects data on the number of jobs in each community provided by establishments subject to unemployment compensation laws. This is not a count of all jobs available in the region, since the self-employed and establishments not subject to unemployment compensation laws are not considered, but it is a very good indicator of the strength of the various sectors of the region's economy.

This next table is gathered from the Department of Employment and Training and it depicts employment by nine economic sectors, *regardless of where workers live*. The table indicates that manufacturing employment has decreased to 28.7 percent of total regional employment in 2000 from 32.2 percent in 1990. Manufacturing is no longer the major employer of our residents: the service sector has increased its share of total employment from 23.4 percent in 1990 to 29.3 percent in 2000. In this regard the region has become more congruent with the state employment trends. Wholesale and retail trade and government, two other significant employers, were 17.5 and 11.7 percent, respectively. The finance, insurance, and real estate sector had the highest average annual wage at \$63,372. Construction, transportation, and manufacturing all provided average annual wages over \$40,000 (Also See Tables 15 & 15a. Appendix C for Employment of Merrimack Valley Residents by the Place of Employment).

EMPLOYMENT IN 9 MAJOR SECTORS: DET 2000

Sector	Average Employment	% of Tot. Employment	Average Wage
Govt.	16,434	11.7 %	\$ 36,138
Agr, Fish, For.	992	.7 %	\$ 24,285
Mining	13	.0 %	\$ 28,694
Cons.	5,616	4.0 %	\$ 45,307
Trans.	5,151	3.7 %	\$ 46,972
Trade	24,602	17.5 %	\$ 30,104
FIRE	6,175	4.4 %	\$ 63,372
Services	41,083	29.3 %	\$ 39,942
Manufacturing	40,246	28.7 %	\$ 49,492

Sources: The Merrimack Valley Planning Commission and MA DET, 2002.

Note: Due to different data collection methods the DET above differs from the REMI table below.

The following table looks at the composition of various industries and how that composition shifts over time based on REMI's economic forecast. Two industries that stand out the most are the manufacturing sector and the service sector. As previously stated, employment in the Merrimack Valley was dominated by the manufacturing industry. However, that industry, which in 1980 provided about 34 percent of all jobs in the region, is expected to drop to 12 percent in 2030. On the other hand, the service sector, which made up 21 percent of job in 1980, is expected to provide nearly half the jobs in the region by the year 2030.

COMPOSITION OF MAJOR INDUSTRIES: 1980 TO 2030

	Agr.	Mining	Const.	Manu.	Trans.	Trade	FIRE	Service	Govt.
1980	0.7	0.0	3.1	33.9	4.1	17.8	6.4	21.1	12.9
1990	1.0	0.0	4.6	27.2	3.4	18.9	5.5	27.8	11.5
2000	1.2	0.1	4.2	21.2	3.6	19.3	4.7	35.4	10.4
2010	1.2	0.0	4.31	17.5	3.6	18.0	4.4	40.7	10.3
2020	1.3	0.0	4.5	14.6	3.1	17.0	4.2	44.9	10.4
2030	1.4	0.0	4.7	12.1	2.7	15.9	4.0	48.5	10.7

Source: REMI

Note: Due to different data collection methods the REMI table differs from the DET table also located on this page.

The next table denotes shifts in industries from one decade to the next. Between 1980 and 2030, service and construction sectors demonstrated tremendous growth at 206 percent and 105 percent. This trend reflects the broader economy which has seen increasing emphasis in these sectors. Trade and government sectors, despite some periods of decline, are expected to show a growth of 19 percent and 10 percent respectively. The agricultural and mining sector, despite their positive growth, never make up more than 1.42 percent of jobs in the region. The manufacturing sector will be half the level in 2030 that it was in 1980. The transportation and FIRE industries will also have declined by 13 percent and 16 percent respectively during the same period.

SHIFTS IN MAJOR INDUSTRIES: 1980 TO 2030

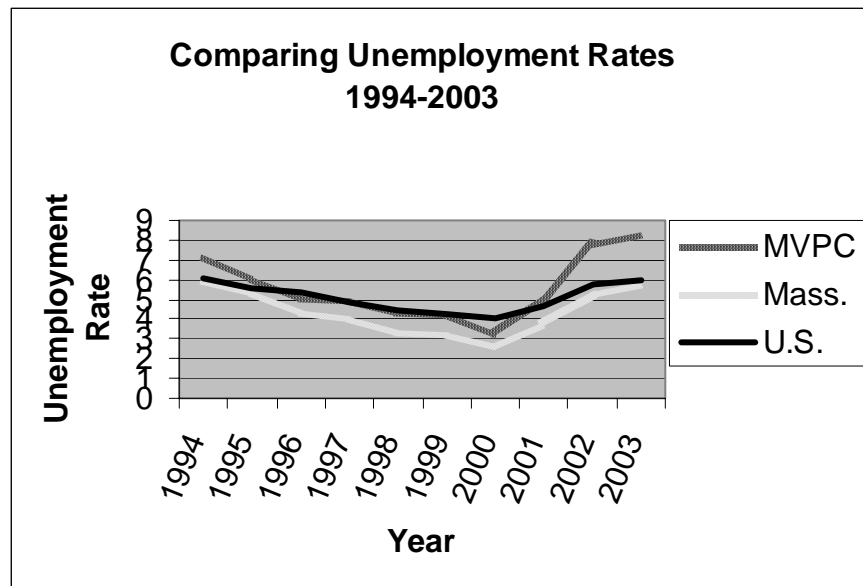
	Agr.	Mining	Const.	Manu.	Trans.	Trade	FIRE	Service	Govt.
1980-90	71.12%	12.00%	74.17%	-7.86%	-3.27%	21.86%	-0.49%	51.15%	1.66%
1990-00	23.97%	28.57%	-4.83%	-18.65%	10.12%	6.89%	-11.27%	32.80%	-5.18%
2001-10	8.87%	-5.56%	8.95%	-12.17%	6.81%	-0.90%	-0.34%	22.39%	5.22%
2010-20	9.83%	-13.24%	5.26%	-14.95%	-12.22%	-4.02%	-2.84%	12.40%	3.09%
2020-30	10.05%	-13.56%	7.85%	-15.35%	-13.00%	-3.86%	-2.06%	10.78%	5.61%
1980-2030	179.13 %	2.00%	105.00 %	-52.60%	-13.13%	19.11%	-16.27%	205.91 %	10.42%

Source: REMI

Unemployment

Figure 8 compares unemployment rates for the region, state, and nation for the past decade. In 1994, the Merrimack Valley region's unemployment rate was noticeably higher than that of the state and the nation; however, by 1996, the region achieved par with the nation and remained around the national average until 1999. In 2000—at the crest of the last economic boom—the region's performance excelled, as the unemployment rate reached at astonishingly low 3.2%, compared to the nation's 4.0% average. During this time, Massachusetts performed even more impressively, hitting a low of 2.6% in 2000. However, the good times ended in the last quarter of 2000, as the country fell into recession and subsequently into one of the toughest job markets in decades. By 2003, the national unemployment rate climbed to an average of 6.0%, while the state hit 5.8% and the Merrimack Valley region shot up to 8.3%. Even though the recession officially ended in 2001, the job market has been especially slow to recover, particularly in the State of Massachusetts. Today, the job market is showing signs of turning the corner, but is struggling to generate enough jobs to match the expanding labor pool.

Figure 8



Merrimack Valley Unemployment Rates by City and Town, 1993 – 2003

Year	Amesbury	Andover	Boxford	Georgetown	Groveland	Haverhill	Lawrence	Merrimac	Methuen
1993	7.1	4.9	4.1	4.9	6.4	8.2	13.4	6.5	9.4
1994	5.2	4.7	3.7	4.9	5.9	7.3	12.4	6.0	8.6
1995	4.7	3.7	2.9	4.2	5.0	6.0	10.1	5.4	7.1
1996	4.1	3.0	2.0	3.0	4.2	4.7	9.3	3.9	6.0
1997	4.0	3.1	1.9	3.1	3.6	5.1	8.9	4.0	5.7
1998	3.3	2.4	1.6	2.6	2.9	4.3	8.6	3.3	4.9
1999	3.1	2.5	1.7	2.3	2.7	3.9	8.2	2.9	4.7
2000	2.1	2.0	1.4	2.1	2.2	3.1	6.4	2.3	3.5
2001	3.6	3.2	2.3	3.0	3.3	4.9	10.1	3.7	5.2
2002	5.6	5.8	4.2	4.6	5.0	7.7	14.1	6.4	8.4
2003	6.3	5.8	4.3	5.3	5.4	8.2	14.8	6.3	9.1

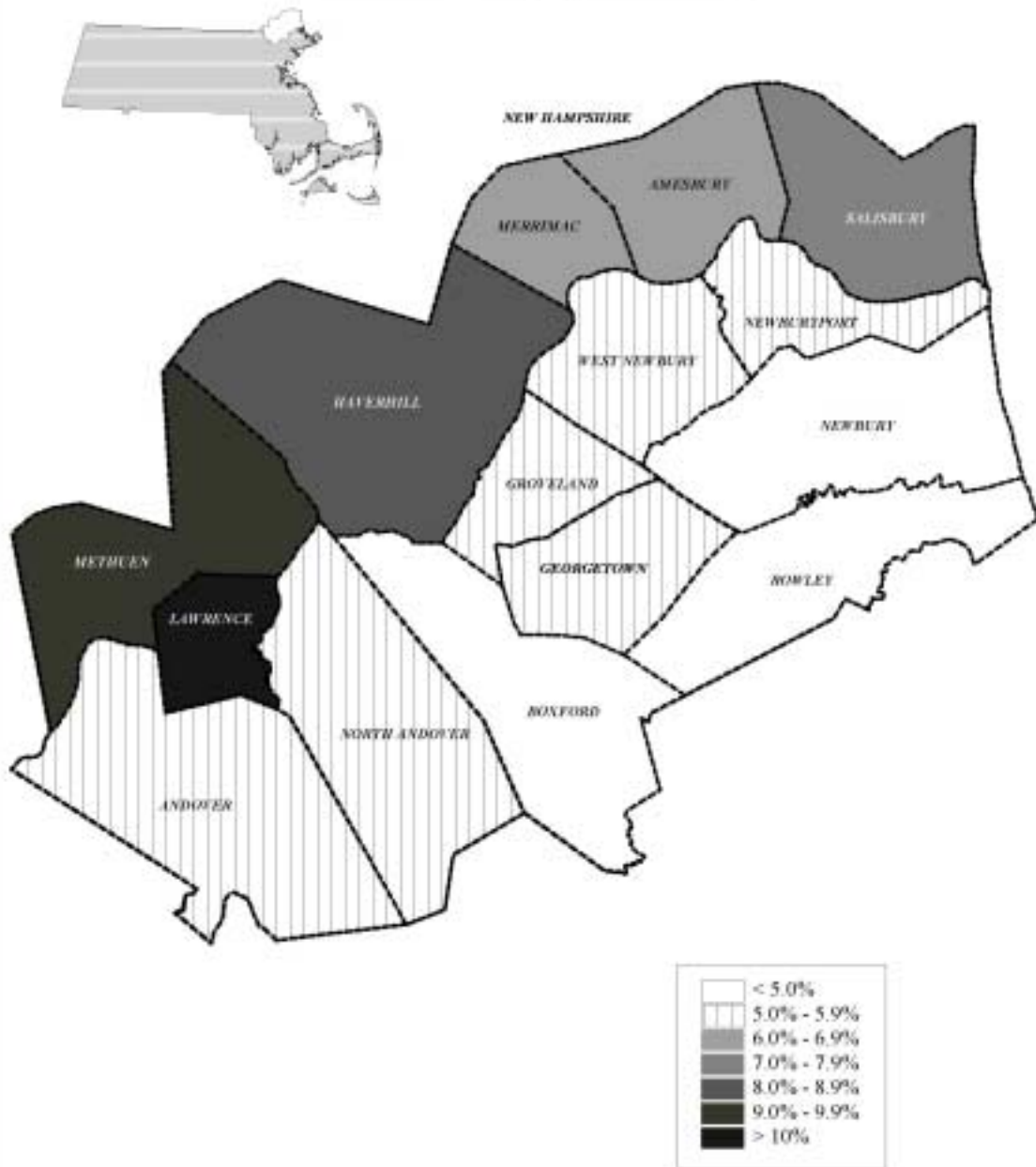
Continued

Year	Newbury	Newburyport	N. Andover	Rowley	Salisbury	W. Newbury	MVPC	MA	US
1993	5.4	5.9	5.6	4.2	8.7	4.1	8.0	6.9	6.9
1994	4.8	4.9	5.1	4.0	7.0	4.0	7.2	6.0	6.1
1995	4.0	4.5	4.6	3.6	6.2	3.9	6.1	5.4	5.6
1996	3.0	3.5	3.6	3.3	4.7	2.8	5.1	4.3	5.4
1997	3.0	3.1	3.8	3.3	4.4	2.6	5.0	4.0	4.9
1998	2.9	2.5	2.7	2.4	4.4	2.2	4.3	3.3	4.5
1999	2.6	2.6	2.8	2.0	4.2	2.4	4.2	3.2	4.2
2000	2.1	2.0	2.2	1.5	3.3	2.0	3.2	2.6	4.0
2001	3.1	3.2	3.4	2.5	5.1	2.6	5.1	3.7	4.7
2002	4.2	5.1	5.6	4.7	6.9	3.6	7.8	5.3	5.8
2003	4.9	5.4	5.9	4.8	7.4	5.1	8.3	5.8	6.0

Source: Merrimack Valley Planning Commission and the Bureau of Labor Statistics.

Unemployment Rate Aggregate 2003

Merrimack Valley by Community



Note: Massachusetts rate = 5.0%; U.S. rate = 6.0%
Prepared by Merrimack Valley Planning Commission, July 2004

B.2. Regional Economic Issues

THE REGIONAL ECONOMY

Brief History

The Merrimack Valley region has a long history of adoption to structural changes in the economy that impact employment and development patterns. In general, the region has experienced three such changes. Before the industrial revolution, the City of Newburyport was famous among maritime nations as a shipbuilding port, and Amesbury was an early manufacturer of horse-drawn carriages. Yet these were exceptions to the region's predominantly agrarian economy.

At the beginning of the 19th century, however, the Merrimack Valley rapidly developed into one of New England's earliest and most important industrial regions. By the end of the century, the cities of Lawrence and Haverhill had become world centers of the woolen worsted and footwear industries. Several of the region's smaller communities developed satellite industries, serving as suppliers of textile machinery or ancillary leather products to the major producers.

The postwar demise of the New England textile and footwear industries is well documented. Between 1947 and 1956, the Merrimack Valley experienced a net loss of nearly 18,000 manufacturing jobs and a 17% reduction in total employment. From 1940 to 1960, Lawrence alone lost nearly 25,000 jobs in the textile industry. The region's leather and footwear industries, which still employed 12,000 workers in 1950, shrunk to less than 4,200 by 1975.

During the economic boom period of the 1960s and early 1970s, the region experienced employment growth in high tech industries supported largely by defense procurement. But sharp reductions in military spending during the mid-70s and the national recession of 1974-1975 combined to produce regional unemployment rates approaching 16% during the spring and summer of 1975. Recovery from that recession was led by a renewed expansion of the high technology industries located along the Greater Boston, Route 128 beltway, fueled by the growth of nondefense-related markets for high tech applications. The town of Andover, situated at the crossroads of Interstates 495 and 93, became a prime new location for high tech research and development facilities. Numerous parcels of land along the region's major highways sprouted industrial parks.

Regional employment expanded at a relatively constant rate in 1980 and 1981, with major expansions by a few large companies accounting for most increases. But regional employment declined by 2,500 workers in 1982, and the unemployment rate increased 0.4% to stand at 8.6% by year's end. Nevertheless, the region recorded a significant recovery in 1983 when employment increased by nearly 8,000 workers. Unemployment decreased from 11,584 in December 1982 to 8,534 in December 1983. At the end of 1983, the unemployment rate for the region was 6.1%, fully 2.5% lower than that recorded at the end of 1982. The region had recovered, reducing its unemployment rate to near the statewide figure of 5.8%.

By 1985, the region was benefiting from the Massachusetts economy boom, partly due to its proximity to Boston. As the state unemployment rate dropped to 3.6%, regional unemployment fell to 4.0%. The Lawrence-Haverhill PMSA was the only one in the state to have a simultaneous increase in its labor force and a decrease in its unemployment rate.

For two more years, rapid employment growth and low unemployment rates helped wage and income levels in the state and region to rise more rapidly than in the nation as a whole. High technology, defense industries, and financial services propelled the region's growth. The strong performance of these sectors produced parallel growth in real estate investment and construction.

During the latter half of the 1980s, construction was the fastest growing industry in New England, as it responded to the growing demand for housing and modern office space. When mini-computer manufacturing peaked in 1985, the construction industry and its financial servicing carried the economy for several more years.

In the early 1990s, the state and region pulled out of another economic downturn. This recession hit Massachusetts earlier and harder than the rest of the nation. In January 1991, the region's unemployment rate was 10.7%, compared to the state's 9.0%, with seven of the region's 15 communities having rates greater than 10.0%. However, by January 1992, the region's employment had increased by almost 3%, and the unemployment rate dropped to 9.4%, one point higher than the state's unemployment rate of 8.4% for that month. This economic growth continued for the rest of the decade. From 1991 to 2000, employment in the Merrimack Valley grew from 133,931 to 154,482—an increase of over 20,000 jobs.

In summary, the Merrimack Valley region has experienced the rise and fall of three different economic cycles, each strongly influenced by particular market sectors or industries: shoe manufacturing and textiles, defense-related industries, and nondefense-related high technology. During the 1980s, the region sought to diversify its economic base to alleviate the impact of single-sector business declines, such as occurred with the reduction in military spending in the mid-70s.

The State and Regional Economies Now

Today, the region faces a number of economic challenges. The boom days of the last decade are long gone, as the state and region struggle to find ways to generate a steady supply of new jobs to replace the ones that have been lost in the past three years. To accomplish this, the region will have to tackle a number of structural issues.

The region's major economic concerns focus on the following areas:

- 1) Difficulty in assimilating unemployed and underemployed minority groups and recent immigrants into the region's high skilled growth industries.
- 2) The incidence of excess manufacturing and commercial space in the region's central business districts, particularly old mill space and the difficulty in marketing such space for new economic activity.
- 3) The stabilization and retention of the region's declining non high-tech manufacturing base.
- 4) The continued need for public investment in aging and new infrastructure to support economic growth.
- 5) The short supply of affordable housing for the regional labor force.
- 6) An uneven pattern of growth and development about the region.
- 7) The competitive disadvantage of Massachusetts border communities in attracting new businesses and industry, vis-a-vis New Hampshire, because of the unsubstantiated perception of the high cost of conducting business in Massachusetts.
- 8) Significant layoffs in the telecommunications sector.

To help tackle these structural issues, MVPC continues to involve itself in a number of important projects, several of which are described below.

CLUSTER ANALYSIS

Key Existing and Emerging Industries in the Region: 2002 Industry Cluster Analysis

What are the industries that drive the regional economy? The *Merrimack Valley 2002 Industry Cluster Analysis* answers this question. The report was prepared by MVPC, with technical assistance from Professor Charles Tontar, Ph.D. Economics. The full report can be downloaded at www.mvpc.org. Cluster analysis is a means of identifying the sectors of a regional economy that constitute the area's base industries, i.e. the industries that are export oriented. MVPC's report follows the methodology used by the Institute of Public Affairs, University of Minnesota in *Understanding Your Industries* and that found in *Cluster-Based Community Development Strategies: A Guide for Integrating Communities with Regional Industry Cluster Strategies* prepared by the Carnegie Mellon Center for Economic Development. The report relies on Massachusetts Department of Employment and Training ES-202 data.

Based upon our Industry Analysis, we have identified **five export clusters** in the Merrimack Valley Planning Commission region. The prime determinants in selecting these industries as constituting export industries were their high share of regional employment, high growth in employment, high quality of jobs (average wage), and high location quotients (Location Quotients are calculated by determining the share of total employment in a given sector and dividing that ratio by the share of total employment in the same sector nationally. Therefore, a location quotient above one indicates that the study region has a higher ratio of employment in the sector than the national ratio. As a point of departure, one can assume that sectors with Location Quotients greater than one constitute export sectors).

In addition, a comparison of the Merrimack Valley clusters with both the Massachusetts Technological Collaborative (MTC) and Massachusetts Benchmarks (MB) statewide clusters indicates that the Merrimack Valley's key industry groups are viewed by these entities as constituting important export industries for the state. The following MVPC industries are grouped into five MVPC clusters (Items A-E). These represent existing industry clusters.

A. Computers and Communications Hardware and Defense

This cluster includes **two** industries: Communications Equipment (SIC 366) and Electronic Components and Accessories (SIC 377), with total MVPC employment in 2000 of **12,723 (9.25%** of total MVPC employment).

Dun and Bradstreet data available at the 4-digit level indicates that there are **seven** 4-digit industries in this cluster, with **48** firms. They are: Telephone and Telegraph Apparatus (SIC 3661), Radio and Television Broadcasting and Communications Equipment (SIC 3663), Communications Equipment, NEC (SIC 3669), Printed Circuit Boards (SIC 3672), Semiconductors And Related Devices (SIC 3674), Electronic Connectors (SIC 3678), and Electronic Components, NEC (SIC 3679).

Products manufactured in this cluster include:

- wire telephone and telegraph equipment, including modems and other telephone and telegraph communications interface equipment
- television broadcasting and communications equipment, including closed-circuit and cable television equipment, studio equipment, light communications equipment, transmitters, transceivers and receivers (except household and automotive), cellular radio telephones, communication antennas, receivers, RF power amplifiers, and fixed and mobile radio systems
- intercommunication equipment, traffic signaling equipment, and fire and burglar alarm apparatus
- printed circuit boards
- semiconductor diodes and stacks, including rectifiers, integrated microcircuits (semiconductor networks), transistors, solar cells, and light sensing and emitting semi-conductor (solid-state) devices
- electronic connectors
- receiving antennas, switches, and waveguides

The basis for this cluster in the MVPC region is the historic existence of two major anchor firms in the area: the Raytheon Corporation and Lucent Technologies. (The research and data used for this analysis was done before the recent large-scale downsizing of the Lucent plant in North Andover. The figures are not known at this time, but it is safe to assume that the strength and importance of this cluster in the region has decreased as a result of Lucent's demise.) Both have created a strong set of vertical relationships in a supply chain. As a result, the area possesses a large cohort of skilled electrical workers. Perhaps surprisingly, at least at the 2-digit level, wages for these workers are below the national average, providing a potential competitive advantage. In addition, proximity to the large number of research universities located in the Boston area provides a source of engineering and scientific human resources, as well as research results.

B. Diversified Industrial Support and Defense

This cluster includes **two** industries: Miscellaneous Plastics Products (SIC 308) and Industrial Machinery (SIC 359), employing **2,191** people (**1.59%** of total MVPC employment).

Dun and Bradstreet data available at the 4-digit level indicates that there are **six** 4-digit industries in this cluster, with **36** firms. They are: Unsupported Plastics Film and Sheet (SIC 3081), Unsupported Plastics Profile Shapes (SIC 3082), Laminated Plastics Plate, Sheet, and Profile Shapes (SIC 3083), Plastics Foam Products (SIC 3086), Plastics Products, NEC (SIC 3089), and Industrial and Commercial Machinery and Equipment, NEC (SIC 3599).

Products manufactured in this cluster include:

- plastics film and sheet, from purchased resins or from resins produced in the same plant
- unsupported plastics profiles, rods, tubes, and other shapes
- laminated plastics plate, sheet, profiles, rods, and tubes products
- plastics products, NEC
- amusement park equipment and flexible metal hose and tubing, machinery repair on a contract basis

These two sectors, although somewhat different, are classified together because they provide intermediate goods for similar end products. This cluster may be based in part upon the very strong plastics engineering department at the University of Massachusetts, Lowell, as well as proximity to the Boston research universities. The average earnings of the Plastics component of this cluster is over 20% higher than the national average, while average earnings in the Industrial Machinery Component is only slightly higher than the national average. The region's excellent transportation network is a huge asset for this regional cluster, given the importance of shipping to these industries.

C. Healthcare Technology and Instruments

This cluster includes **two** industries: Laboratory Apparatus and Analytical Instruments, and Optical Instruments (SIC 382) and Surgical, Medical, and Dental Instruments (SIC 384), employing **4,405** people (**3.2%** of total MVPC employment).

Dun and Bradstreet data available at the 4-digit level indicates that there are **nine** 4-digit industries in this cluster, with **20** firms. They are: Surgical and Medical Instruments and Apparatus (SIC 3841), Orthopedic, Prosthetic, and Surgical Appliances and Supplies (SIC 3842), Dental Equipment and Supplies (SIC 3843), Laboratory Apparatus and Furniture (SIC 3821), Automatic Controls for Regulating Residential and Commercial (SIC 3822), Industrial Instruments for Measurement, Display, and Control of Process Variables and Related Products (SIC 3823), Instruments for Measuring and Testing of Electricity and Electrical (SIC 3825), Laboratory Analytical Instruments (SIC 3826), and Measuring and Controlling Devices, NEC (SIC 3829).

Products manufactured in this cluster include:

- laboratory balances and scales, laboratory furnaces and ovens, laboratory centrifuges, and various components, parts, and accessories for laboratory apparatus
- temperature and related controls for heating and air-conditioning installations and refrigeration applications, which are electrically, electronically, or pneumatically actuated, and which measure and control variables such as temperature and humidity; and automatic regulators used as components of household appliances

- industrial instruments and related products for measuring, displaying (indicating and/or recording), transmitting, and controlling process variables in manufacturing, energy conversion, and public service utilities. These instruments operate mechanically, pneumatically, electronically, or electrically to measure process variables such as temperature, humidity, pressure, vacuum, combustion, flow, level, viscosity, density, acidity, alkalinity, specific gravity, gas and liquid concentration, sequence, time interval, mechanical motion, and rotation
- instruments for measuring the characteristics of electricity and electrical signals such as voltmeters, ammeters, wattmeters, watt-hour meters, demand meters, and equipment for testing the electrical characteristics of electrical, radio, and communication circuits and of internal combustion engines
- medical, surgical, ophthalmic, and veterinary instruments and apparatus
- orthopedic, prosthetic, and surgical appliances and supplies, arch supports and other foot appliances; fracture appliances, elastic hosiery, abdominal supporters, braces, and trusses; bandages; surgical gauze and dressings; sutures; adhesive tapes and medicated plasters; and personal safety appliances and equipment
- artificial teeth, dental metals, alloys, and amalgams, and a wide variety of equipment, instruments, and supplies used by dentists, dental laboratories, and dental colleges

This cluster's strength stems from its proximity to the large number of major research hospitals and medical schools in the Boston area, which provides the cluster not only with a large market for its products, but also an excellent source of assistance in the development of those products.

D. Software and Communications Services

This cluster includes **one** industry: Computer Programming and Data Processing (SIC 737), employing **3,785** people (**2.75%** of total MVPC employment).

Dun and Bradstreet data available at the 4-digit level indicates that there are **four** 4-digit industries in this cluster, with **49** firms. They are: Computer Programming Services (SIC 7371), Prepackaged Software (SIC 7372), Computer and Integrated Systems Design (SIC 7373), and Computer Processing and Data Preparation and Processing Services (SIC 7374).

Products manufactured in this cluster include:

- computer software design and analysis, modifications of custom software, and training in the use of custom software
- design, development, and production of prepackaged computer software. Important products of this industry include operating, utility, and applications programs, preparation of software documentation for the user-installation of software for the user, and training the user in the use of the software
- developing or modifying computer software and packaging or bundling the software with purchased computer hardware (computers and computer peripheral equipment) to create and market an integrated system for specific application. Establishments in this industry must provide each of the following services: (1) the development or modification of the computer software; (2) the marketing of purchased computer hardware; and (3) involvement in all phases of systems development from design through installation
- providing computer processing and data preparation services. The service may consist of complete processing and preparation of reports from data supplied by the customer or a specialized service such as data entry or making data processing equipment available on an hourly or time-sharing basis
- maintenance and repair of computers and computer peripheral equipment

This cluster has its historic roots in this area from the emergence of the minicomputer industry in the 1980s. In addition, the proximity to Boston research universities is important. The area's excellent cable and internet service is another important factor. A highly skilled labor force contributes to this cluster's strength as well.

E. Knowledge Creation

This cluster includes **two** industries: Commercial Printing (SIC 275) and Research, Development, and Testing Services (SIC 873) employing **1,361** people (.99% of total MVPC employment).

Dun and Bradstreet data available at the 4-digit level indicate that there are **seven** 4-digit industries in this cluster, with **27** firms. They are: Commercial Physical and Biological Research (SIC 8731), Commercial Economic, Sociological, and Educational Research (SIC 8732), Noncommercial Research Organizations (SIC 8733), Testing Laboratories (SIC 8734), Commercial Printing (SIC 2752), Commercial Printing, Gravure (SIC 2754) and Commercial Printing, NEC (SIC 2759).

Products manufactured in this cluster include:

- commercial physical and biological research and development on a contract or fee basis
- performing commercial business, marketing, opinion, and other economic, sociological, and educational research on a contract or fee basis
- performing noncommercial research into and dissemination of, information for public health, education, or general welfare. Establishments included here operate primarily on funds from endowments, contributions, and grants.
- testing services
- printing by the lithographic process
- gravure printing
- establishments primarily engaged in commercial or job printing, not elsewhere classified. This industry includes general printing shops, not elsewhere classified, as well as shops specializing in printing newspapers and periodicals for others

Besides the *existing clusters* mentioned above (sections A through E), the Merrimack Valley has several *emerging industry clusters* that have showed high growth in share of regional employment from 1997 to 2000. A list is provided below.

Emerging Industries

Industry	Change in Employment Share
<i>Miscellaneous Manufacturing Industries (SIC 39)</i>	47.04%
<i>Food and Kindred Products (SIC 20)</i>	41.37%
<i>Stone, Clay, and Glass Products (SIC 32)</i>	38.06%
<i>Furniture and Fixtures (SIC 25)</i>	21.35%

In order to develop strategies to support our existing and emerging industry clusters, MVPC formed a CEDS Coordination Committee in September 2002. The Committee has been charged with developing workforce development, education, and economic development strategies around the region's significant clusters. The base-strategy centers around preparing a workforce with the basic skills needed to contribute in a given sector. This involves identifying skill gaps in the workforce that may be inhibiting economic development growth. The Committee believes that this proactive approach to labor force development will be a marketing tool for attracting the types of industries that fit into our cluster scheme. Also, MVPC and its CEDS Committee members have started using the *2002 Merrimack Valley Cluster Analysis* in the selection of potential public works projects. This report will continue to be an invaluable tool to help guide the region's economic

development planning. Additional cluster-building strategies are organized within the framework of our *Vision Statement and Action Plan Sections*.

URBAN DEVELOPMENT INITIATIVE

The Rebirth of Older Industrial Cities: Exciting Opportunities for Private Sector Investment

In April 2004, a report—co-sponsored by the Merrimack Valley Planning Commission—entitled, “The Rebirth of Older Industrial Cities: Exciting Opportunities for Private Sector Investment”, was released to the public. The report, prepared by David Soule, Joan Fitzgerald, and Barry Bluestone from the Center for Urban and Regional Policy at Northeastern University, investigates new approaches that municipal officials and regional and state agencies can employ to attract new development for the rebirth of inner cities. The City of Lawrence was one of five “pilot” cities providing information on development sites for the study. In addition to MVPC, the project was also sponsored by: the Pioneer Valley Planning Commission, NSTAR, and the National Association of Industrial and Office Properties. Below is the Executive Summary from the report. The full report can be downloaded from either MVPC’s website, or the Center for Urban and Regional Policy’s website at <http://www.curp.neu.edu/publications/reports.htm>.

Executive Summary

In a unique undertaking, the National Association of Industrial and Office Properties (NAIOP) and the Center for Urban and Regional Policy at Northeastern University (CURP) have collaborated to investigate new approaches municipal officials and state agencies can employ to help attract new development to inner city communities. This research benefited from financial and technical support from NSTAR, the Pioneer Valley Planning Commission, and the Merrimack Valley Planning Commission.

Our goal in this project was to identify the key “deal breakers” that act as barriers to urban development and to identify potential public and private sector strategies aimed specifically at overcoming these obstacles to inner city corporate investment. We expected confirmation of the prevailing perception that older inner cities pose greater public safety problems and contain more environmentally polluted sites than “greenfields” in suburban locations. We also expected to hear that poor inner city schools and a poorly trained labor force made inner city locations less desirable places for investment. These concerns were voiced by a number of the developers, business leaders, and location experts we interviewed.

But, over and over again, we heard something more. These barriers are real, but they can be overcome if city leaders take a proactive, aggressive stance to meeting the complex needs of firms looking to start up operations, relocate, or add new facilities. Firms are willing to consider older industrial sites and abandoned “greyfield” commercial districts if municipal leaders and state agency personnel can work with them as a team to expeditiously solve problems related to zoning regulations, brownfield remediation, permitting, and an array of related factors that can be barriers to investment in a fast-changing globally competitive economy. Indeed, we discovered a number of emerging urban entrepreneurs who are choosing inner-city locations as cost effective places to do business. Providing a forum for their experiences to be shared broadly within the business community could encourage other firms to consider older industrial cities for their start-up or expansion purposes.

The research focused on sites identified by officials in Boston, Chelsea, Holyoke, Lawrence, and New Bedford, and on six key industrial sectors, all identified as strategic by the state government: health care/life sciences; biotechnology; information technology; financial services; traditional manufacturing, and travel and tourism. More than 50 business leaders and commercial real estate professionals were interviewed in order to determine the factors most important in location decisions. We focused in particular on firms that had an existing or recently established urban presence in one of the study cities to determine what factors contributed to the decision to locate, expand, or remain in these urban locations.

From this research, we identified a series of barriers or “deal breakers” that must be overcome if older industrial cities are to compete successfully for private sector investment and economic development. In order to address these critical issues, we have developed a series of “deal makers” or action steps that we recommend to enhance the capacity of urban development officials to compete successfully for business investment. The most important of these deal makers are included after each deal breaker.

Deal Breaker # 1

Due to rapidly changing market conditions in the global economy, municipal leaders in older industrial cities often lack complete, up-to-date information regarding the specific location needs of particular industries and the recruitment efforts of competing locations. As a result, they are not always fully prepared to assist firms in a timely and effective manner, helping to overcome obstacles to inner city investment.

While most municipal leaders are aware of the difficulties involved in attracting business investment to their communities, they continually need new information about market conditions and the particular needs of specific industries to attract economic development. Continuously assessing their own strengths and weaknesses, especially with respect to competing locations, is critical to success.

Key Deal Makers/Action Steps

- Create a powerful self-assessment tool for cities to better clarify their economic development goals and identify their competitive strengths and weaknesses relative to other urban locations. Cities should work with a team of private sector developers to undertake an internal review of all aspects of the development process using the assessment tool.
- Provide ongoing economic development training for municipal leaders and managers that focuses on how to tailor responses to opportunities in different sectors.

Deal Breaker # 2

Business decision makers have well-defined “cognitive maps” – perceptions or expectations— about the attributes of and opportunities in older industrial cities that can adversely affect the way they think about locating in these urban locations.

Attitudes and opinions about individual cities—particularly those with a higher proportion of low-income households—change slowly, often lagging behind reality. As a result, firms, developers, and location specialists may overlook business opportunities in urban areas. Businesses seeking new locations for their operations—and the location specialists those businesses employ—often initially explore various location possibilities from afar by checking websites to gather relevant data on local communities. It is difficult for local officials to even get a chance to “show their wares” to prospective businesses unless they have attractive, compelling, and information-rich websites that provide the precise information that firms normally seek when making location decisions.

Key Deal Makers/Action Steps

- Assist cities in making their websites more attractive, graphically rich, easy to navigate, and more useful to firms, developers, and location specialists. Improved websites would include information on the characteristics of individual available parcels, zoning and regulation, available financial incentives, and background data on demographic and economic characteristics of the locality. Websites could include testimonials from existing business leaders and messages from city leaders indicating the support firms receive in their municipalities.
- Assist communities in combining resources regionally in order to market and respond to inquiries from firms, developers, and location specialists.
- Enlist companies—the “urban pioneers”—already located in inner cities as ambassadors. Businesses offer the best testimony to other businesses on the advantage of urban locations.

Deal Breaker # 3

Specific urban site deficiencies can add excessive costs to doing business in older industrial cities.

Municipal leaders in older areas must deal aggressively with a series of specific deficiencies that may inhibit firm location in their cities including public safety concerns, brownfield remediation, parking constraints, and tax delinquency liability.

Key Deal Makers/Action Steps

- Encourage cities to create urban overlay zoning districts in which there can be flexible use, expedited permitting, focused public safety efforts, and amenity packages essential to creating competitive

- advantage in an urban setting.
- Encourage the adaptive re-use of “greyfield” assets (e.g. abandoned shopping plazas) through appropriate zoning and regulation.
- Make changes in the brownfields regulatory program for the re-use of urban sites to facilitate faster clean up and further limit liability.
- Change state rules overseeing municipal property taxation that force new owners to pay delinquent taxes of previous owners.

Deal Breaker # 4

State and local review processes can add excessive costs to doing business in older industrial cities.

The community development review and decision process, designed to maximize citizen participation in decisions affecting their neighborhoods, can create a sense of added risk and cost for businesses considering urban sites. The cost of an extended approval process can discourage firms from choosing such locations, resulting in lost development opportunities. The extent to which municipal officials are perceived as partners in the economic development system and, more importantly, can manage the review process fairly, effectively, and efficiently, plays a significant role in successful economic development.

Key Deal Makers/Action Steps

- Identify market ready, pre-permitted sites for industrial and commercial uses and market these parcels through city websites, site finder services, and other commercial site services.
- Create a permit system that allows for a single presentation of a development proposal to all review boards with jurisdiction in the city and establishes a specific time frame for community response in the initial stage of the review process
- Reframe state programs such as an “environmental justice” executive order designed to encourage development of contaminated sites so they do not have the unintended consequence of discouraging potential developers.

Deal Breaker # 5

Traditional public sector financial tools such as tax abatements, tax credits, and subsidies, while often strategically important as a deal closer, are not sufficient to attract high value business investment if previous deal breakers are not overcome.

Given the development of new financial mechanisms, local public officials may have an incomplete understanding of such strategic financial instruments as tax credits, tax abatements, and land subsidies, which can be used to reduce business costs and encourage economic investment in older industrial cities. New opportunities under District Improvement Financing legislation in Massachusetts, for example, are available for public investments in critically needed infrastructure.

Key Deal Makers/Action Steps

- Locate state and municipal facilities in urban locations to stimulate creation of amenities and other attractions to spur private sector commercial and industrial investment.
- Use the Tax Increment Financing (District Improvement Financing in Massachusetts) program to create revenue streams for critical infrastructure in urban locations.

Conclusion

Implementing these “deal makers” can help reduce or alleviate many of the barriers that firms face when they consider locating in older urban cities. Despite all of these potential barriers to inner city development, our research leads us to the conclusion that older industrial cities can still win the competition to attract a fair share of economic investment. This is already occurring in a number of the cities we studied. Cities have the ability to create their own destinies, but they need sophisticated partners who can help them develop the tools and access the information required to compete successfully. Working together, city officials, state development agency personnel, private developers, and economic development experts can help transform older cities into attractive sites for business investment. They may not be able to overcome all the “deal breakers” nor attract every firm, but based on our research, we sincerely believe that older cities can compete successfully for a share of new economic development.

COMMUNITY DEVELOPMENT PLANS

Economic Development

Recently, MVPC oversaw the Executive Order 418 process for 12 of 15 communities in the MVPC region. E.O. 418 funding, provided through the State of Massachusetts, allowed communities to receive up to \$30,000 for community development plans focused on economic development, environmental, and transportation components. Below is a brief summary of each community's economic development section of their community development plan, followed by a summary of all 12 plans and what they mean for our region as a whole.

Amesbury

Prepared by Vanasse Hangen Brustlin, Inc., in association with RKG Associates Inc., Merrimack Valley Planning Commission, and WildWater International.

Amesbury's economic development vision is as follows: Amesbury will be a vibrant community with a diverse tax base that protects and improves the quality of life, while respecting the existing culture and community character. Planned economic development will keep Amesbury affordable and provide community oriented services in the downtown. A diverse and ecologically sound economic base will include retail, commercial, light industry, as well as using culture and the arts to stimulate economic growth. We will balance downtown development to provide goods and services for Amesbury residents, and encourage discreet industrial development in appropriate areas to enhance the tax base. We will highlight our natural, cultural, and historic resources to promote tourism and ecotourism in Amesbury, complementing regional attractions.

The following is a list of the town's main economic development goals, strategies, and action plans:

- Promote Amesbury as an attractive, supportive, and business friendly community.
 - Facilitate and foster a supportive environment for small, home-based, and startup businesses.
 - Retain the diversity of local employers, while meeting the employment needs of the business community and local residents.
 - Encourage a climate of positive collaboration between the Town and the Alliance for Amesbury and other organizations that contribute to economic development.
- Continue to create opportunities for business development and job creation initiatives.
 - Promote further downtown revitalization through mixed uses, adaptive reuse of older buildings, and coordinated cultural programming.
 - Encourage appropriate mixed-use development projects on identified potential sites in order to grow Amesbury's employment and tax base.
 - Implement a focused business Retention and Expansion (R&E) strategy for the downtown.
- Build upon the unique cultural resources within Amesbury as an economic development catalyst and a source of community identity.
 - Establish a central, yet collaborative, program for promoting the culture and arts in Amesbury.
 - Develop a comprehensive portfolio of data highlighting Amesbury's historic and current cultural resources and make this portfolio easily accessible to and usable by a large audience, including marketers, planners, and buyers.
 - Support the use of public and private space in Amesbury for cultural and arts-related purposes.
- Position Amesbury to take advantage of business expansion and growth opportunities.
 - Provide mechanisms to monitor economic trends and to promote the incorporation of those trends into the Town's economic development initiatives.
 - Provide a full complement of local development tools to attract and plan for economic development opportunities.

Andover

Prepared by Andover's Community Development and Planning Department and The Cecil Group, Inc.

Andover's assessment of its current economic development position is as follows: Andover has a strong local economy that was created through properly designed land uses, strong planning, and good positioning.

Andover has first-rate employers and a diverse and large source of employees from the region. It has a cluster of biotech firms, as well as an assortment of other businesses that support the local and regional economy. The established businesses create opportunities for many people that want to work in the area. However, the local economy is facing a new era of economic development issues:

- Andover is not insular and is susceptible to changes in the national and global economies.
- The land in Andover that is zoned for industrial and commercial uses must be adaptable to incoming industries, as well as protective to Andover residents.
- Commercial and industrial development increases the traffic congestion to unacceptable levels.
- Raising commercial and industrial taxes to support local services creates a divide between private industry and town government.

Andover's proposed economic development strategy includes the following main list of actions:

- Creating a new system for management and marketing focused on local economic vitality, recognizing the positive impact this will have on the local tax base. It is proposed to be phased in over time as a citizen's committee that will receive financial and staff support, as it develops programs that are found to be supportive of economic development specific to Andover;
- Zoning bylaw amendments, which allow and encourage new mixed-use development within the MU zoning districts and that also meet town standards for traffic impacts, parking demands, environmental qualities, building styles, and compatible uses;
- Enhancing or creating partnerships with local businesses where they are formed to find common ground on public policy issues and to showcase those businesses in terms of public recognition and in turn find support from businesses in the areas of local education and other community issues;
- Enhancing or creating partnerships with business-related agencies, such as Transportation Management Agencies and Chambers of Commerce, to support those entities where they can, in turn, enhance the viability and value of the businesses in the local economy and quality of life;
- Improving infrastructure, particularly access from state highways to existing undeveloped or under development industrial lands to support to new uses and to existing developed industrial areas to significantly reduce traffic impacts on local residential streets.

Georgetown

Prepared by Georgetown Master Plan Committee, with assistance from Merrimack Valley Planning Commission, Community Design Partnership, Inc., and LDS Consulting Group, Inc.

The following is a summary of Georgetown's main economic development concerns: In general, the economic development strategies proposed for Georgetown should seek to reinforce the small scale, traditional business development patterns along Main Street (Route 133) and Route 97, the two major thoroughfares through town that have long connected the community to its neighbors and to Route I-95. These previously developed areas could be improved with modest enhancements to existing commercial establishments and with mixed-use development that would combine small-scale housing with commercial uses. This approach is not geared toward creating a larger town center that would significantly enlarge the existing commercial uses, nor to allowing for an imbalanced expansion of multi-family housing that would be inconsistent with the needs and scale of the community. Rather, it would incorporate smart growth principles by concentrating business improvements and enhancing housing opportunities in areas that are already developed, thereby limiting the opportunity for further strip development and sprawl elsewhere in town.

The primary emphasis is on actions that would:

- Reinforce the appearance and vitality of the town center, along Main Street in particular, by promoting commercially oriented mixed-use development that may include moderate amounts of residential uses (including rental units and condominiums), and by encouraging façade and streetscape improvements to enhance existing business properties.
- Promote investment in and reuse of the town center area and adjacent land through a Village Center zoning overlay district that would further define appropriate uses, site planning requirements, and design character.
- Establish and enforce New England-style building design standards to help retain the "small town" and historic character of the town center.

- Evaluate the feasibility of constructing a small-scale (“package”) wastewater treatment facility to enhance wastewater management in the town center (and possibly the adjoining neighborhoods), as an aid to the downtown businesses and to support mixed-use development opportunities in an environmentally responsible manner.
- Provide for enhanced and updated regulations to better manage both the opportunities and impacts associated with home-based businesses in Georgetown.
- The Town should explore options for improving downtown parking. This could be accomplished through techniques such as shared parking among uses and the provision of more and better parking locations within vacant and underutilized downtown area parcels.

Groveland

Prepared by Larry Koff & Associates.

The economic development vision of Groveland is to: Create a vibrant and viable Village Center that provides a sense of place for residents of Groveland, as well as attracts people from the region, which simultaneously broadens the diversity of employment opportunities available in town and stimulates economic growth and interest in the Town.

The main economic development goals that Groveland has identified are as follows:

- Create a strong and diverse local economy by allowing Groveland’s economic base to expand at a sustainable rate without negatively impacting important natural resources
- Broaden the diversity of employment opportunities to attract various levels of skilled employees
- Create a vibrant mixed-use Town Center with access to the Merrimac River

Some of the recommendations mentioned for achieving these main goals include:

- Consider the establishment of a planned industrial park along Route 97
- Provide sewer extensions to the industrial area
- Allow for industrial uses along Route 97 near the Georgetown line, where there is greater access to public water infrastructure and fewer environmental constraints
- Change zoning to more accurately protect the water supply and the natural resources that exist in the current I district
- Join with the Northern Essex Regional or Lawrence/Methuen/North Andover Economic Target Area
- Conduct an urban design study of the Groveland Square commercial area including guidelines to establish a Groveland Square theme with unified lighting, signage, and streetscape improvements (parking, sidewalks, utilities and landscaping)
- Utilize the proposed bridge project to expand waterfront access to the Town Center
- Create a continuous network of sidewalks and passageways for safe and comfortable access within the downtown area
- Locate additional public parking spaces where feasible and convenient for shoppers
- Expand and promote recreational use of the Merrimack River to accommodate regional tourist and recreation demand
- Provide public access to the Merrimack River with scenic overlooks wherever possible

Merrimac

Prepared by Community Opportunities Group, Inc., Horsley & Witten, Inc., and MVPC

Merrimac’s economy is comprised of small businesses, a handful of industries, service organizations, and the self-employed. Although a large amount of land is zoned for commercial and industrial use, mostly along Route 110, the majority of Merrimac’s business-zoned land remains vacant or underutilized. As Route 110 passes through Merrimac from Amesbury to Haverhill, its character changes considerably. Pockets of low-intensity automotive, trucking, storage, and contractor-related uses, a few small industries, modest retail establishments, and private homes line both sides of East Main Street. From Merrimac Square to the Haverhill line, Route 110 becomes more residential, although West Main Street has a number of small businesses and a large amount of open land. In contrast to Merrimac’s history as a vital industrial center, economic development plays an insignificant role in the town’s character, land use pattern, and tax base today.

The town has opportunities to expand its tax base and simultaneously reinforce and preserve its rural character; however, it lacks the regulations and policies necessary to accomplish either of these objectives. In response to the town's current economic development profile, the following list of goals and recommended policies have been developed:

Goals

- Create commercial and mixed-use districts that encourage small businesses to thrive in Merrimac.
- Promote and nurture new small business enterprise.
- Develop and strengthen Merrimac's employment base to provide regionally competitive wages.
- Retain agriculture as a vital element of the local economy.

Policies

- Design zoning districts and adopt regulations to replace the potential for strip development along Route 110 with transitional and commercial development clusters that are safe, aesthetically pleasing, and suited to small-business activity.
- Provide adequate, suitable locations for light industrial, research, and office development in Merrimac, and encourage these uses through reasonable regulation, tax incentives, and marketing support from regional economic development agencies.
- Adopt regulations and policies toward retaining and increasing live-and-work space in Merrimac.
- Discourage residential development adjacent to working farms in order to reduce land use conflicts and protect the profitability of agricultural operations.
- Establish a local economic development commission and charge it with responsibility to coordinate with regional economic development agencies, advocate for small business and agricultural development, provide technical assistance to local entrepreneurs, and participate in the review of commercial and industrial development proposals.

Methuen

Prepared by Taintor & Associates, Inc.

Methuen seeks to encourage economic development opportunities to fulfill a variety of objectives: to serve the needs of its resident population, provide local jobs, and to moderate the tax burden on residential taxpayers. With a land area of over 23 square miles, Methuen has many opportunities to attract businesses to its location. With an Economic Development Director now in place, implementation will have a clear leader to spearhead progress. Maintaining and fostering strong relationships with the Merrimack Valley Economic Development Council, the Merrimack Valley Chamber of Commerce, the Merrimack Valley Regional Planning Commission, and others, will be important as implementation proceeds.

In 1996, Methuen completed a comprehensive Economic Development Plan. Nearly concurrent with the Plan's publication came two devastating blows to the local economy: the Malden Mills fire and the closure of the Methuen Mall. Since then, Methuen has been able to implement several of the recommendations in the Plan to a marked benefit: notably, the successful reuse of the Methuen Mall, support for the expansion of Holy Family Hospital, and location of several new businesses along Routes 28, 213, and 110.

Building off of the 1996 Economic Development Plan, the Community Development Plan has come up with the following list of main economic development goals and objectives:

- Sustain a healthy and diversified local economy serving the commercial, service, financial, and employment needs of the community, and including a mix of large- and small-scale businesses.
 - Build on Methuen's existing strengths by supporting high quality economic development near the Loop corridor, along Route 28, and in the Methuen Square area.
 - Support independent small businesses as a significant component of the City's overall business mix.
- Promote new development opportunities at Methuen's industrial parks, especially at Griffin Brook Park.
 - Work to eliminate obstacles that prevent desired development from occurring, and actively promote areas available for economic development.
- Provide job opportunities for Methuen's residents, particularly those of low and moderate income, and labor supply for local businesses through work force recruitment and development.
 - Improve access to job skills training programs for Methuen residents.

- Provide infrastructure to support economic development.
 - Pursue transportation enhancement projects that will spark future economic development.
 - Develop and promote methods for public and private investment to support infrastructure improvements.
- Demonstrate a government attitude of positive support toward local businesses.
 - Use the City website to provide information pertinent to businesses seeking to relocate or expand, and for promoting Methuen as a business-friendly place.

Newbury

Prepared by Newbury Master Plan Committee, Thomas Planning Services, Inc., and MVPC.

Newbury is a semi-rural town with strong ties to shell fishing and agriculture. It has become a desirable residential community in the late twentieth century, attracting residents due to its strong school system, rural character, natural beauty, and proximity to Boston and the surrounding metropolitan area. Newbury has emerged as a classic bedroom community.

Newbury hosts a limited amount of business and industry. Concentrations of industry are limited to areas adjacent to the major roads running through town. A small sector of home-based businesses is growing within Newbury. Perhaps Newbury's greatest contribution to the regional economy is its highly educated residents, who meet the needs of the region's employers for highly skilled employees.

The residents of Newbury do not want to see substantial new commercial development town-wide. However, there is a willingness to see the development of a new retail and commercial center, mixed with housing, along Route 1 near the rotary and commuter rail station. There is also support for taking steps to support small-scale service and retail businesses within the historic town villages of Byfield, Oldtown, and Plum Island.

In order to pursue the desires of the townspeople, Newbury has developed the following list of main economic development goals and policies:

Goals

- Encourage the growth of businesses that are consistent with community character; in particular, businesses that enhance Newbury's maritime, agricultural, and residential image.
- Encourage businesses that appropriately support residents' local needs.
- Support and encourage home-based businesses.
- Develop and encourage industries that support and preserve Newbury's natural resources.
- Encourage appropriate commercial uses that increase the Town's tax base, allowing the Town to maintain services to its residents, while minimizing property taxes.

Strategies

- Create a new mixed-use village along Route 1, near the Rotary.
- Establish Village Center Zoning District in Newbury's historic village centers.
- Implement a Site Plan Review Bylaw for all types of commercial development.
- Develop a market study for retail and low-impact technology-based industries.
- Develop targeted strategies to support and encourage home-based businesses.
- Develop an Eco-Tourism Task Force to identify economic development opportunities in Town.
- Construct a canoe and kayak launch on the Parker River.

Newburyport

Prepared by Newburyport Office of Planning & Development, Taintor & Associates, Inc., and MVPC.

Newburyport has a stable local economy based on services, retail, and wholesale trade. The City has a strong and growing service sector, led by Anna Jaques Hospital (Newburyport's largest employer); a vibrant central business district serving an affluent local population, and a thriving tourism sector (Newburyport has become a regional center for the arts and culture, which in turn supports other local businesses such as restaurants and retail stores); and available land in the industrial park to provide for expansion in office, industrial and warehousing activities.

A key challenge facing the City is how to accommodate growth in the tourism sector and downtown without

harming the downtown's historic character or lowering the quality of life for residents. Issues such as traffic congestion and parking shortages rank high as concerns of residents, who also want to ensure that the local economy continues to serve local needs.

Below is a list of Newburyport's main economic goals and strategies:

- Maintain a balanced local economy serving the shopping, service, tax base, and employment needs of the community.
 - Reinforce the role of the Office of Planning and Development as the economic development office within city government.
 - Continue participation in the Chamber of Commerce's Economic Development Committee, NAID, and the Merrimack Valley Economic Development Council.
 - Consider providing available economic development financing incentives, such as tax increment financing (TIF), where appropriate to support desirable development.
 - Reinvigorate marine industries such as commercial fishing and boat building and repair.
 - Promote the restoration of clam harvesting in the Merrimack River estuary.
- Sustain and promote low-impact heritage tourism and ecotourism.
 - Promote regional efforts to encourage heritage tourism and ecotourism.
 - Promote the development of lodging and other services, where appropriate and feasible, to support the desired level of heritage tourism and ecotourism.
- Preserve Newburyport's leadership as a regional economic center.
 - Strengthen and maintain the City's position as a regional center for health and wellness services.
 - Strengthen and maintain the City's position as a regional center for arts, dining, entertainment, and culture.
 - Strengthen and maintain the City's position as a regional center for banking, insurance, legal, and similar professional services.
- Promote redevelopment of the central waterfront for high density, mixed-use development consistent in use and compatible in scale with nearby areas of the central business district.
 - Support the working waterfront and enhance facilities for recreational and commercial maritime uses.
 - Reinforce and extend the historic downtown to the waterfront with a new mixed-use neighborhood.
 - Dramatically improve public access to the waterfront, while linking the North End and South End to the downtown.
 - Enhance and expand public parks and civic spaces along the harbor for relaxation and recreation.
- Promote the development of a high density, mixed-use center around the MBTA Commuter Rail station and the Route 1 traffic circle.
 - Create up to 1,300 new jobs in retail, service, and office uses in the new center (including a small section of the center in the Town of Newbury).
- Promote continued industrial development in the industrial park through expansion of existing businesses and infill on available land where feasible.
 - Retain an estimated 1,770 existing jobs in the industrial park.
 - Create up to 1,780 new industrial jobs in the park through re-absorption of currently vacant buildings, expansion of existing businesses, and infill on available vacant or underutilized parcels.
- Promote redevelopment and upgrading of existing commercial areas on Storey Avenue.

North Andover

Prepared by Community Opportunities Group, Inc., with assistance from MVPC.

North Andover's existing zoning is complicated and contains a number of subtle but important inconsistencies. The bylaw provides for ten commercial and industrial districts and in many cases they are located randomly around town, with little sense of connection between them. At times, the districts seem to have been created for particular projects or sites rather than as a result of planned choices. In addition, the town's use and dimensional

regulations should be updated, clarified, and coordinated in a way that reduces the potential for use conflicts and increases the economic worth of land zoned for business and industrial development.

North Andover has few if any options to rezone additional land for non-residential use. Moreover, the town has to think carefully about the environmental, traffic, and quality-of-life implications of placing large amounts of land in commercial and industrial use. “Fiscal zoning”—land use policies adopted for the sole purpose of generating revenue and reducing costs—usually bring unanticipated and unwanted consequences. North Andover already has established built assets that can be used, reused, and redeveloped more intensively for new business and industry, notably the former Lucent Technologies plant on Osgood Street. The town needs to focus its economic development attention on all that will be required to restore 1600 Osgood Street as a viable industrial center.

North Andover does have options to encourage more intensive use of land in existing commercial and industrial districts. Its dimensional, density, and parking regulations effectively limit development in ways that may not be obvious to local officials and residents. Regulatory strategies to encourage higher-density development in existing business districts will make these areas more valuable to the town’s economy and tax base.

Economic Development Goals:

- Increase the tax base in order to shift the tax burden from residential to commercial and industrial uses.
- Promote the highest and best use of the Lawrence Municipal Airport property in order to maximize benefits to the Town of North Andover and City of Lawrence.
- Promote clean, industrial development consistent with the character of North Andover.
- Encourage economic development on Routes 114 and 125, while resolving land use, traffic, and circulation conflicts.
- Strengthen and sustain downtown’s role as the business, civic, social, cultural, and governmental center of North Andover.
- Establish small, neighborhood service centers in residential areas.

Economic Development Strategies:

- Except for the recent agreement between Lawrence and North Andover to redevelop a portion of the Lawrence Airport property, it is unlikely that North Andover will be able to rezone more land for commercial and industrial use. Moreover, zoning additional land for non-residential development may perpetuate sprawl and effectively reduce the fiscal advantages that North Andover hoped to achieve when the Master Plan was completed four years ago. The Community Development Plan recommends that North Andover focus on encouraging higher-density development in established commercial and industrial areas, providing adequate public facilities for economic development (such as public parking), and working with the owners of 1600 Osgood Street (Lucent Technologies) to support the site’s redevelopment.
- Change the existing zoning for Downtown North Andover (GB) to a new district, the Downtown Business District.
- Provide zoning incentives to encourage shared access and shared parking in commercial districts along Route 114 and Route 125.
- Consolidate existing neighborhood business nodes under a common set of use and dimensional regulations with somewhat more use-intensive development opportunities than the town currently offers.
- No more zoned lands for neighborhood service districts.

Rowley

Prepared by Rowley Master Plan and Steering Committee, with assistance from Daylor Consulting Group, Inc., and Merrimack Valley Planning Commission.

During the planning process, residents discussed the role that businesses and economic development should play in Rowley. Residents would like business development to yield net tax revenues for the Town and offer employment and entrepreneurial opportunities for Rowley residents. At the same time, businesses should be consistent with the Town’s existing character and natural environment, and should generally focus on providing goods and services for local residents, not for the regional market.

The Master Plan suggests the following policies to help Rowley attract business development that is consistent with the Town's goals:

- Through the Board of Selectmen, Rowley should seek to attract office, high technology, and light industrial uses to the Business/Light Industry district on Route 1. The Town should also continue to attract office development to the Town's new commercial/industrial parks such as Forest Ridge and the Rowley Business Park.
- The Rowley Chamber of Commerce should seek to attract to the town center specific types of consumer-oriented businesses that the Town desires, such as bookstores and cafes.
 - In 2002, the Town changed its zoning to limit the maximum size of a retail establishment to 40,000 square feet, thus eliminating the potential for large regional shopping developments. This policy is appropriate and should remain in place.
- The Rowley Chamber of Commerce, in conjunction with other nearby communities and the Greater Newburyport Chamber of Commerce and Industry, should market Rowley as a tourist destination.
 - To encourage additional tourism through overnight accommodations, the Town should consider making bed and breakfast establishments an allowed use in the Central Business and Central Residential districts, and a special permit use in the Outlying and Residential districts.
- The Town should consider broadening its home occupations provisions to allow for up to four employees.

Salisbury

Prepared by Community Design Partnership, in association with Merrimack Valley Planning Commission.

The key economic development challenges identified for Salisbury include: develop commercial and industrial areas without causing greater traffic and circulation problems, while at the same time protecting wetlands; improve the appearance of the current commercial districts; and improve residential diversity in commercial areas to promote a variety of businesses that are more geared toward year round operation.

Economic Development Goals:

- Revitalize the Beach Commercial District
- Revitalize Salisbury Square
- Encourage new, beneficial industrial and commercial uses in defined business zones
- Attract new, commercial uses to existing business zones near I-95

Economic Development Strategies:

- Establish Zoning Review Committee to review and propose revisions of Zoning By-law to reflect Economic Development goals and priorities
 - Develop a mixed-use development zoning overlay for the Beach Commercial District
 - Study converting Broadway Mall to pedestrian use only on busy days/nights
 - At Salisbury Square, permit denser development and work to create a Town Square "identity"
- Use zoning upgrades and enforcement to improve appearance of Town gateways and business properties
- Plan for expansion of water supply
- Plan for expansion of wastewater capacity
- Provide Planning Department and Chamber of Commerce with additional tools to promote economic development
- Connect State Reservation to Beach Center with a boardwalk or shuttle service

West Newbury

Prepared by West Newbury Planning Board, The Cecil Group, Inc., Community Investment Associates, and Merrimack Valley Planning Commission.

In general, West Newbury's economic development strategies seek to reinforce the small-scale and traditional development patterns along Main Street, the thoroughfare that has long connected the community. The evolution of West Newbury over time created a pattern of businesses located along Route 113, a primary connection between towns west of West Newbury and Interstate 95. These previously developed areas would be greatly improved with modest enhancements to commercial establishments and with mixed-use development

that would combine small-scale housing and commercial uses. This approach is not geared to create a large town center that would significantly enlarge commercial uses or allow for an imbalanced expansion of multi-family housing that would be inconsistent with the needs and scale of the community. This approach also discourages inappropriate “strip” development. Instead, the strategies contribute to the Smart Growth of West Newbury, by concentrating improvements in areas that are already largely developed and therefore limiting the opportunity for sprawl.

The primary economic development goals and strategies outlined in West Newbury’s Community Development Plan include:

- Coordinate circulation and parking improvements within the existing town center area to calm vehicular traffic, improve pedestrian safety, and locate parking appropriately. The planning and design could also provide landscape and streetscape enhancements to further reinforce the desirable character of the area.
 - Enhance parking in the town center
 - Reduce roadway widths on Route 113 in order to reduce traffic speed and increase pedestrian safety
- Consider a small-scale, wastewater package treatment facility to help manage growth and support desirable improvements in the town center area through environmentally responsible technologies.
- Reinforce the town center area along Route 113 by promoting commercially oriented mixed-use development that may include moderate amounts of residential uses, and by encouraging improvements to existing properties.
 - Create regulatory restrictions to discourage undesirable “chain retail” uses
 - Prevent expansion of commercial uses beyond the existing town center area into nearby residential areas
 - Promote moderate amounts of residential development with commercial uses in the town center area
- Manage change in the town center area and adjacent land with a zoning overlay district that would further define appropriate uses, site planning requirements, and design character. This approach could also include enhanced zoning administration by the Town.
- Establish building design standards to help retain the unique rural and historic character of the town center.
 - Encourage facade improvements
- Provide for enhanced and updated regulations to better manage both the opportunities and impacts associated with home-based businesses in West Newbury.

Summary of the Twelve Community Development Plans

These twelve community development plans demonstrate the great diversity that exists within the region, as each community can boast of a unique history, culture, and set of desires; however, there are a number of commonalities that unite the communities of the Merrimack Valley and distinguish this region as a whole. In regards to economic development, all of the communities have a desire to grow and develop, but in a controlled way that is directed by the townspeople—not outside entities. This is to ensure that growth—be it housing, retail, or employment—always occurs with the best interests of the local population in mind. Development that focuses on the well-being of the local population is best achieved through smart growth development, which basically means to grow in an efficient and well planned-out matter. The main principles behind smart growth development are: concentrating new development in existing town centers; protecting open space; preserving community character and sense of place; improving the pedestrian environment; diversifying the tax base and local employment opportunities; improving traffic flows; controlling housing prices; and attracting businesses that maintain a town’s existing character.

All of the community development plans mention concentrating new growth in existing town centers in order to preserve open space. This simple, yet powerful concept produces a number of desirable results, if implemented. The most obvious one is that you are able to slow the rate of conversion of open space (farms, wetlands, meadows, forests, etc.) into developed land. In addition, there is a big benefit to taxpayers, as a more concentrated form of development means that less roads, sewers, power lines, school buses, fire trucks, police

cars, etc. need to be built and/or maintained. Regarding the common Merrimack Valley goal of walkability, dense development will naturally make areas more pedestrian friendly, as people are more able to walk to their destinations and vehicle traffic slows down, due to the condensed space and increased presence of pedestrians.

Smart growth can also help with the goal of creating jobs. Quality of life and a sense of place are not often mentioned in economic theories of job growth, but most people and businesses like to be located near places that have character and pedestrian activity. Because of its long history, the Merrimack Valley communities have a big advantage over newer towns in the United States when it comes to having established, character-filled town centers. The key for this region is to take advantage of this asset and build on it by funneling capital into the town centers, as opposed to the outskirts of town. Of course, not all businesses benefit from being located in densely development neighborhoods and are better off locating on the outskirts of town, but these are generally the types of businesses that most citizens of the Merrimack Valley region do not want to attract, such as the big box retailers and heavy industrial manufacturing. The types of businesses—and the jobs they bring—that this region generally expresses a desire to attract, such as: light industrial manufacturing; small-scale retail; and white-collar office work; will be attracted to places that offer aesthetically pleasing, interesting, and well-planned town centers.

In order to achieve the overall goal of concentrating development in a way that attracts and creates desirable businesses and jobs, produces a pedestrian friendly environment, eases the burden on taxpayers, is aesthetically pleasing, and improves traffic, a number of actions must be taken. The biggest and most important one is changing zoning to allow mixed-use development to occur. Zoning is the base of development that sets the stage for everything else. Unfortunately, most places essentially force sprawl to occur by separating residential, commercial, and industrial zones into oversized lots. Thankfully, though, zoning changes that allow mixed-used development on smaller sized lots are beginning to happen more frequently.

Another important action is the establishment of a community Brownfields program that promotes the infill redevelopment of dirty and/or abandoned buildings and parcels of land. As an old, industrial area, the Merrimack Valley has a plethora of Brownfields and abandoned or underutilized mill buildings. These sites pose a great challenge, but also a great opportunity, to the communities of our region. Often times, the most difficult aspect is not the actual clean up and redevelopment of a site, but the initial step of convincing people to not shy away from Brownfields and the challenges they present. In addition to improving the appearance and, possibly, the health of a neighborhood, a cleaned up Brownfield site has great potential for generating new jobs and much needed housing, especially if the site holds an old mill building.

A sometimes overlooked and under appreciated means of attracting business to a region is having a business-friendly attitude. Business-friendly does not mean that an area should bend over backwards to try and lure companies through unsustainable tax breaks and little or no regulation in the way the business can operate; this short-sited mentality will only cause more harm than good to a community. A good, business-friendly attitude simply means removing all of the unnecessary obstacles that slow down the process of establishing a business. Common examples include unnecessary paperwork and slow, unfriendly responses from municipal workers. It also means that in today's fast-paced information world, a relevant, user-friendly website providing easy access to information is essential.

A quality system of roads, water, and sewer is also very important for attracting business. Some industrial/commercial areas of the Merrimack Valley region need to address their lack of quality infrastructure. While these types of projects are expensive, the federal government is eager to provide funding for infrastructure projects that will spur economic development and, thus, communities should be aggressive in seeking these funds.

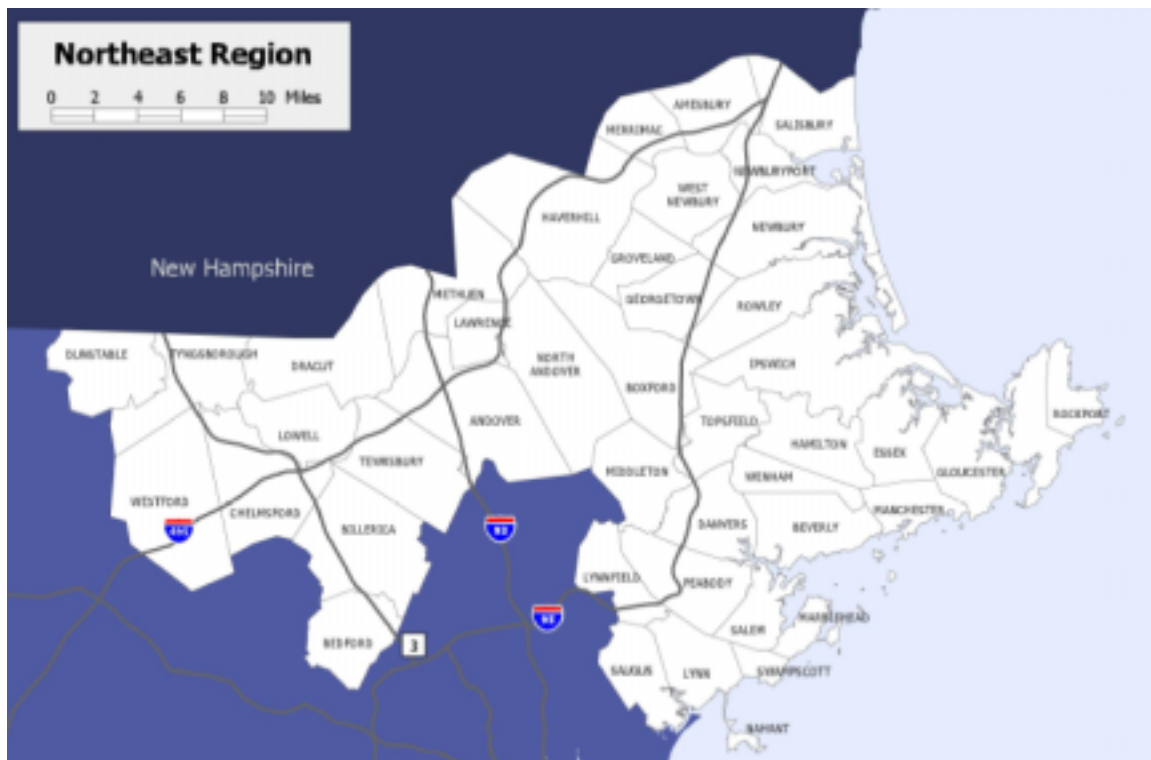
Finally, there is the issue of mobility. Traveling in Massachusetts is often an extremely frustrating experience, due to the high traffic and confusing road system. Smart growth aims to improve mobility by offering people a choice of transportation options and creating a more orderly road system. As mentioned above, smart growth naturally makes it easier for pedestrians to get around because destinations are closer and, thus, quicker to walk to; however, this alone is not nearly enough. First, traffic calming design standards, such as narrow roads and street side parking, should be implemented to make walking safer and a more desirable option. Also, a good public transportation system, including buses and commuter rail, needs to be in place. This is a prime example

of the importance of regional planning, as individual communities cannot develop such a system on their own. To make buses and commuter rail a more practical option for people, their stops should be located in the center of high development. Finally, every effort should be made to separate local traffic from through traffic. Many communities make the mistake of concentrating all of their development on the usual one or two major routes through town, which, not surprisingly, exacerbates traffic by mixing all of the local and through traffic. This brings up one final thought: developing “smartly” does not necessarily mean picking only one area in town to develop. It may be wise to have a number of development “nodes” in different parts of town, catering to differing needs. Separating the vehicles passing through town from a community’s center of activity would go a long way towards creating a more manageable traffic situation.

GOVERNOR’S NORTHEAST REGIONAL COMPETITIVENESS COUNCIL

In 2003, MVPC Executive Director, Gaylord Burke, was appointed to Governor Mitt Romney’s Northeast Regional Competitive Council—one of seven regional Councils established by the Governor, charged with developing a regional economic development plan that helps Northeast Massachusetts better compete in the global economy. Mr. Burke is the only local or regional public sector representative on the Council, which covers more than 40 communities in the northeastern portion of the state. The Council met numerous times during 2003 and has recently agreed to a second year effort of four meetings in 2004, where it is hoped that a list of measurable goals and actions will be established to build upon the strategy findings from 2003. The Council has determined that in order to support our region’s key industrial clusters and to facilitate economic growth, the region must focus on six economic development issues: infrastructure; workforce development; education; housing; quality of life; and healthcare.

The following slides were taken from a meeting of the Council on December 9, 2003. The slides summarize the six economic development priorities needed to support the region’s clusters:



Infrastructure

ISSUES

- Traffic Congestion on 93 & 495
- East-west commuting congestion
- Poor pedestrian Access between businesses, downtowns, housing
- Need for transit oriented development centered in urban areas
- Need to improve interregional public transportation and access to terminals
- Need to reduce on/off congestion and safety for regional highways: 93/95/495

ACTIONS

- Implement HOV lanes
- Expand north/south commuter rail options (e.g. Manchester-Lowell)
- Focus more state investment on pedestrian infrastructure & ped-oriented development
- Support Lawrence mill re-use projects near new T-station
- Inter-Transit Authority planning to improve East-West transit in NE
- Adopt MBTA North Shore Transit Plan, e.g. Blue Line to Lynn & Salem
- Leverage available grants for expanded access options e.g. buses, bike paths, etc
- Build new exit/entrance ramps as needed

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Workforce

ISSUES

- Substantial English As Second Language & Adult Basic Education needs
- Vocational skills needs unmet (e.g. electrical, plumbing, technicians)
- Awareness of training and job opportunities
- Lack of public/private coordination for coherent workforce strategy

ACTIONS

- Expand ESL and ABE training opportunities for workers
- Increased vocational training for cluster needs
- Market training programs to worker populations
- Encourage private sector leadership to drive development and oversight of training
- Conduct regional strategic public/private planning on workforce needs
- Connect workforce training approval to target cluster needs and WIB inputs

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Education

Issues

- Readiness of graduates for regional cluster jobs
- Readiness of workforce for current global high tech environment
- Educators experience with regional industries
- Teacher quality in math, science, technology/engineering
- Relevancy of higher education to workforce needs

Actions

- Identify and develop certificate programs for target cluster needs
- Expand co-op and summer job programs for students to train and retain them
- Improve high-tech training facilities and hands-on labs for focus cluster industries
- Establish certificates for desired skills
- Entrepreneurship & product development training to leverage area R&D
- Teacher externship programs in cluster employers
- Industry partnership with higher education to improve teach quality
- Ensure state & public colleges and universities focus on emerging needs
- Fund needed higher education programs

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Housing

ISSUES

- Lack of affordable housing availability
- Housing density and price point diversity
- Lack of housing in proximity to businesses and urban cores

ACTIONS

- Key housing and infrastructure investments on urban cores such as Lawrence, Lynn, Lowell
- Vigorously promote Urban Housing TIF program to support new downtown housing
- Promote adoption of high density zoning by-laws to municipalities by leveraging state programs, incentives and investments
- Support Historic investment tax credits
- Support Transit-oriented housing development
- Support mixed-use mill reuse projects for housing such as in Lawrence, Lynn, Gloucester

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Quality of Life

Opportunities

- Available Mill buildings & natural beauty that has inspired artists and authors for centuries
- Negative perceptions of larger cities as places to work, socialize, live
- Need for anchor destinations in cities like Lawrence, Lynn
- Need for effective downtown planning for communities, opportunity to coordinate regionally
- Growing sports convention business & need for additional gathering spaces outside of Lowell

Actions

- Incentives for developers to create affordable live/work space.
- Fully fund 'creative economy' MCC programs in targeted communities
- Promote region as cultural destination to live, work and visit
- Identify opportunities to support new downtown destinations, e.g. Create AHA! type programs to re-introduce cities
- Improve downtown planning, link state assets (e.g. parks) to increasing appeal for new housing and new social amenities
- Better use state assets for downtown planning and marketing efforts
- Inventory current convention space, determine opportunities for added capacity
- Public/private partnership for planning in other towns based on Lowell model

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Healthcare

ISSUES

- Shortage of healthcare workers
 - Impacts cluster industries
 - Drives up cost of healthcare
 - Caps opportunity for job creation
- Costs of healthcare skyrocketing and impacting regional competitiveness
- State funding to healthcare
 - Community hospital vs. teaching hospital funding
- State funding and incentives for healthcare cost reduction

ACTIONS

- Greatly expand training options in healthcare industry
 - e.g. nursing
- Expand healthcare faculty to relieve training bottlenecks
- Drive more cost-effective health care system through state policies and reforms
- Reevaluate state funding for hospitals and uninsured programs
- Leverage NEHI program for 7 technologies to reduce costs

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REGIONAL BENCHMARKING INITIATIVE

The University of Massachusetts Donahue Institute has recently been awarded a one-year grant from the US Economic Development Administration to develop and implement a statewide *regional benchmarking initiative*. Specifically, the initiative will: develop and broadly disseminate data on a regular basis describing regional economic conditions that will allow for the assessment of each regional economy in Massachusetts; develop measurable indicators of progress towards the achievement of regionally specific economic development goals; and develop “technology audits” for each economic region of the Commonwealth, which will provide a detailed assessment of the key technology clusters that are present in each region of the state. The Merrimack Valley Planning Commission will work with Donahue Institute staff on the development of our region-specific economic indicators and provide support in the other areas of the initiative, where appropriate.

On a side note, the Donahue Institute has recently been named the new home to the Massachusetts State Data Center, which maintains an extensive collection of US Census Bureau data for Massachusetts, New England, and the United States. The Center was previously housed at the Massachusetts Institute for Social and Economic Research in the UMass Amherst College of Social and Behavioral Sciences.

INFRASTRUCTURE AND SERVICES

Water Supply

High quality water (following treatment) is readily available to a majority of the region's residents, businesses, industries and farmers from a variety of surface water and groundwater sources. The largest single surface water source is the Merrimack River, which supplies water to over a quarter million people in Massachusetts, including the residents of Andover, Lawrence and Methuen. Andover uses Merrimack River water as a supplemental source, pumping river water to Haggett's Pond, the town's principal water supply, as needed. Lawrence and Methuen draw all of their water - over 16 million gallons per day combined - from the Merrimack River. As a surface water supply source, the Merrimack River is second (in volume) only to the Quabbin/Wachusett Reservoir system, the Metropolitan Boston public water supply. However, unlike the Quabbin Reservoir system, the Merrimack River is not protected from direct wastewater discharges, nor from "nonpoint" source discharges, such as urban and agricultural runoff. As a consequence, advanced treatment of the river water is needed at municipal water treatment plants prior to distribution for public consumption. Other, smaller surface water sources in the region (Powow River, Kenoza Lake, Artichoke Reservoir, Lake Cochichewick) supply water to the residents of Amesbury, Haverhill, Newburyport, West Newbury and North Andover.

Most of the region's remaining communities rely primarily on municipal groundwater supplies, derived from small, localized sand and gravel aquifers (an exception is the Town of Boxford, which lacks a municipal water system and relies instead on individual private wells). Because many of these aquifers and their recharge areas are vulnerable to contamination from a host of potential pollution sources (e.g., underground fuel storage tanks, septic systems and road salt), MVPC's environmental staff works closely with municipal officials to help draft water supply protection maps and bylaws/ordinances that are customized to local conditions and needs.

A majority of the region's communities have inter-municipal water connections. During emergencies (such as incidents of drought or contamination), water from one community can theoretically be pumped to almost any other community through existing water mains. Exceptions are Amesbury, Boxford and Merrimac, which presently lack such connections. However, Amesbury and Merrimac could re-establish an abandoned inter-municipal connection with little difficulty. Boxford, on the other hand, does not have a municipal system, and has no plans to construct one in the foreseeable future.

Sewer

Existing sewer infrastructure in the region was also inventoried in 1978, as part of MVPC's land use planning work. The City of Lawrence has a complete sewer system. Amesbury, Andover, Haverhill, Methuen and North Andover all have systems that extend to most areas of their communities. Groveland has constructed the first stage of a system, and Merrimac has a new system. Salisbury has recently constructed a sewage treatment plant. Sewer system extensions to accommodate economic development have been a priority for many MVPC communities including Amesbury, Andover, Groveland, Haverhill, Methuen, Newburyport and North Andover.

Energy And Public Utilities

The Massachusetts Electric Company provides electricity to most communities in the region. Georgetown, Merrimac and Rowley have their own electric departments which purchase power through the Massachusetts Municipal Wholesale Electric Company.

Bay State Gas Company provides natural gas to Andover, Lawrence, Methuen and North Andover. Essex County Gas Company provides natural gas to Amesbury, Boxford, Georgetown, Groveland, Haverhill, Merrimac, Newbury, Newburyport, Rowley, Salisbury and parts of West Newbury.

All MVPC communities receive telephone service from Verizon.

Cultural Resources

Educational Facilities

There are elementary schools in every community, high schools in some and two regional high schools: Pentucket Regional High School in West Newbury and Triton Regional High School in Newbury. There are also two excellent vocational technical high schools serving the region: Whittier Vocational Technical High School in Haverhill and Greater Lawrence Vocational Technical High School in Andover.

Northern Essex Community College is located in Haverhill, and a branch campus operates in Lawrence. Another four-year liberal arts college, Merrimack College, is located in North Andover. The region is also within commuting distance of the University of Lowell, the colleges and universities of metropolitan Boston and the University of New Hampshire.

Health Facilities

The MVPC region has 5 hospitals: Lawrence General in Lawrence, Holy Family in Methuen, Amesbury Health Center, Anna Jacques in Newburyport and Hale Hospital in Haverhill. Medical service can also be obtained at the Greater Lawrence Mental Health Center in Lawrence, Baldpate Hospital in Georgetown, Andover Walk-in Medical Center and Whittier Rehabilitation Hospital in Haverhill.

Recreation Facilities

In addition to the many recreational resources of the Merrimack River and the ocean beaches at Salisbury and Plum Island of Newbury and Newburyport, the region has several large parks, including a state-owned beach on Lake Attitash and the Harold Parker and Boxford State Forests. The creation of the Maudslay State Park in Newburyport in 1987 added over 400 acres of public park land to the region, and bald eagles are now wintering within its boundaries along the Merrimack. Haverhill has recently constructed a new riverfront park, as has Lawrence.

POTENTIAL FOR ECONOMIC DEVELOPMENT

Economic development potential is the unique combination of factors that gives a region a competitive advantage for developing its economy to meet its employment needs. This section evaluates the region's assets and liabilities that could affect economic development and job creation/retention.

Analysis of Assets

The Merrimack River

The Merrimack River is the region's greatest natural resource, and possesses significant economic development potential. Fishing, clamming and boat manufacturing have all provided substantial employment in past regional economies, and might again in the future. Of greater importance, however, in the present economy is the river's potential as both a tourist attraction and a ready, relatively cheap source of clean water for water-using industries.

The river's newfound cleanliness is a remarkable success story for environmental protection and pollution abatement efforts over the past two decades. The Merrimack River is the single major interstate river in New England used as a primary source of drinking water by several communities along its banks. The return of Atlantic salmon to the river and bald eagles to ancient wintering sites along its banks is testament to the river's health; there are few cities in metropolitan southern New England besides Haverhill that can boast of the sight of bald eagles flying over their downtown.

The river's rebirth has been a relatively quiet event, however, possibly because it occurred over a two decade period. The cities of Haverhill and Lawrence have turned their attention to their riverfronts, with new riverfront parks and plans for riverwalks and trails. Newburyport focused attention on its waterfront somewhat earlier, and its downtown retail businesses have reaped the benefits of its waterfront magnet for tourists. Newburyport is now devoting attention to ways in which it can "hold" tourists longer that come to enjoy the river, by directing their attention to other Newburyport attractions.

Besides the seacoast communities of Salisbury and Newburyport, the rest of the region does not generally enjoy a significant tourist trade. Yet there are elements in place that could enhance the region's tourism base - significant history, scenic parks and recreation areas like Maudslay State Park, public fresh and salt water beaches, golf courses, horseback riding trails and other active recreation facilities. The river's rebirth could be the centerpiece of a well-advertised tourist trade, if the region is willing to publicize the river's qualities and share it with others.

The river's potential as a relatively cheap source of water supply for industrial water users is another asset that might be capitalized upon. The skyrocketing cost of water use in the metropolitan Boston area because of the Massachusetts Water Resource Authority's capital expenditure projects is very likely to add further impetus to the flight of industry from the Boston region. It makes sense for the region to market itself as a water-friendly area, in order to capture a share of such industry before it leaves the state entirely for other water-rich regions.

The river's potential for hydropower generation is a third regional economic development asset. A cheap source of readily available power makes some types of economic development more feasible for the region.

Human Resources

It was said earlier that the region's most important economic resource is its people. A report for the Massachusetts Executive Office of Economic Affairs by Professor Michael Porter of the Harvard Business School in collaboration with the Monitor Company, *The Competitive Advantage of Massachusetts*, noted that the growth in output per employee in Massachusetts was three times the national average during 1979-1986, the last time the region's productivity growth was studied. Porter goes on that "Massachusetts enjoys a nearly unique pool of highly qualified professionals and highly skilled technicians. We have world-class educational, medical and research institutions." Dr. John Mullin, Director of the Center for Economic Development at the University of Massachusetts at Amherst, has further noted that Massachusetts workers, though expensive, are hard-working, skillful and some of the most loyal in the country, a fact not well known or publicized.

The Merrimack Valley region enjoys such workers. The advancements in educational attainment among the region's residents has been noted; such advances among the region's labor force are significant and need to be publicized.

Another obvious way in which the region's human resources constitute a economic development asset is its unemployed and underemployed labor pool. The region's unemployment rate, the percentage of the labor force not currently working, was 7.6 percent in June 2002. The supply of unemployed workers may have the effect of depressing average wages in the region compared to other areas of the state. A silver lining to this is that depressed wage rates relative to other areas will in time attract labor intensive industries eager to reduce labor costs so as to produce a cheaper and thus more attractive product. In a state that is considered to be a high-cost state for doing business, a minimal differential in our unemployment rates and average wage rates can be used as an inducement to attract new business and industry.

Transportation Network

The region's surface transportation network, described in detail in the previous section, is another of its assets, particularly when compared to neighboring areas. Three interstate, limited access highways cross the region, linking it to the entire interstate system and providing truck access north, south and west. At least one of the interstates passes through 13 of the region's 15 communities, creating unparalleled access to the region's undeveloped land area. The region is also served by two major rail lines providing commuter rail and freight

service. There is a state-sponsored proposal to institute high-speed passenger rail service along one line from Portland, Maine to Boston, with one stop to occur in the Merrimack Valley.

In addition, the region is located almost equidistant between Logan International Airport in Boston, and Manchester Airport in Manchester, New Hampshire, both of which are within one hour's driving time from any community in the region. The Lawrence Airport in the region provides charter services and can accommodate business jets.

Location

The region's location northwest of metropolitan Boston is an asset of increasing importance. The region benefited from the Massachusetts economic boom period of 1984-1987 partly because of its proximity to metropolitan Boston. Now, the construction of the Central Artery Tunnel project through downtown Boston is making it increasingly difficult to travel from the south and west of Boston to Logan International Airport. Time delays through the Boston metropolitan area to reach clients, distributors and vendors are becoming increasingly lengthy and frustrating. The problems will become much worse before they begin to improve. The Merrimack Valley region is ideally situated to take advantage of this situation, precisely because of its excellent surface transportation system and connections to both Logan and Manchester airports. However, the Valley needs to publicize and market its locational and transportation assets.

Industrial Parks

The availability of industrial parks with ample undeveloped sites and water, sewer and highway access allows the region to continue the growth that occurred near the I-93/I-495 interchange, along I-495 and along I-95. The continued expansion of the high technology firms that have tended to locate there will depend less on the availability of land and adequately trained labor, which the region has in abundance, than on the ability of these firms to convert much of their dependence on government defense contracts into private sector profitability, and the general improvement of the national economy.

The MVPC's *Industrial Zone Profile* details the availability of industrial park sites in the region, and describes infrastructure improvements in each industrial park. MVPC updated the *Profile* in 2001.

Old Mill Buildings

Many of the old mill buildings in the region could be a development asset and resource for economic growth. The adaptive reuse of these buildings for housing accelerated during 1984-1988 (Phoenix Row, Haverhill and the Tyre Plant, Andover), while their reuse for commercial and industrial purposes in Lawrence, Haverhill and Methuen have provided jobs close to the region's largest concentrations of unemployment. Malden Mills in Lawrence and Arcadia Mills in Methuen are prime areas for creative, adaptive reuse. Other available mill buildings include the Hanna Mill and Victoria Mill in Newburyport, the Mill Yard in Amesbury, Davis Furber in North Andover and a large number in Lawrence and Haverhill. Active reuse programs are in place for some of these buildings.

Because these mill buildings are so often in the structural core of the region's cities and towns, their reuse can be a potent factor in the revitalization of local community economies. Increased employment created in mill buildings would help improve commercial sales in the downtowns as well as provide new jobs. Some mills could also provide cheap incubator space for incipient industries. The recycling of old mill buildings requires substantial sums of money, often as much as new construction, but can provide larger and often more flexible, imaginative space. Adaptive reuse has often been subsidized in the past with public Community Development Block Grants funds, Urban Development Action Grants, Historic Preservation funds, EDA funds and revenue bonds for Commercial Area Revitalization Districts.

Analysis of Liabilities

Liabilities affecting economic development in the MVPC region include perceived high costs of conducting business, state tax structures, limited marketing and regional promotion, rural areas with limited water and sewage capacities, limited affordable housing and job training programs.

Perceived High Costs of Business

The Merrimack Valley region is part of a state where the costs of doing business (e.g., wages, workers compensation, health care costs, rental space, business services, etc.) are believed to be high. The previously noted report *The Competitive Advantage of Massachusetts*, notes that there is a prevailing argument that the economic boom of the mid-1980s resulted in an overheated economy which drove up the costs of doing business in-state, driving companies out-of-business or out-of-state and deterring investment. The report then goes on to point out that Massachusetts has been a high cost region for quite a long time, including the period during which it made some of its greatest economic strides, and that the region's high and rising wages are a sign of success, not failure.

Be that true, the Merrimack Valley region does suffer uniquely from this perception of high business transaction costs because of its proximity to the New Hampshire border, where the costs of conducting business are perceived to be much less. Despite the region's excellent transportation system, its proximity to major commercial airports, its well-trained and dedicated work force and other assets, the region has encountered difficulties capitalizing on these assets and marketing itself to new business and industry because of this competitive disadvantage.

This problem is compounded by an equally strong perception among consumers that it is cheaper to purchase goods in New Hampshire than Massachusetts, due to the lack of sales tax. This perception further drives business owners to locate in New Hampshire, where business will be better. This liability is discussed below.

State Tax Structures

Massachusetts had to increase taxes to help resolve its long-standing budget crisis. Along with federal tax reforms and severe cutbacks in most federal and state grant and loan programs, many types of economic development activities are no longer economically attractive or even viable. The passage of Proposition 2½ in Massachusetts, a proposal placed on the ballot by petition and voted into law in November 1980, further restricted public economic development activities by placing a ceiling on a community's ability to raise revenues or float bonds for development. Among other things, it limits the amount of revenue a community can raise from property tax to 2½ percent of the full-value assessed valuation of a community. If a community has raised its revenue level greater than 2½ percent of full value assessed valuation, the community must reduce revenues from the property tax by 15 percent each year until the 2½ percent goal is reached. Any community above 2½ percent is assumed to have no additional capacity to expend funds on such items as retiring a future bond issue.

In addition, the region suffers in another way due to the Massachusetts sales tax. The region's geographic location relative to metropolitan Boston has been an asset, but its location close to the New Hampshire border, which has no sales tax, has been a liability. Border communities of the Merrimack Valley region have all lost existing businesses and potential new businesses and industry to New Hampshire. Methuen Mall in Methuen has become defunct as a result of the opening of the Rockingham Mall of Salem, New Hampshire in 1991. The City of Haverhill attempted to lure Walmart and other retailers, but it was thwarted by Walmart's assessment that if they located this close to the New Hampshire border, they may as well go a few miles further and locate in New Hampshire where there was no sales tax and business costs were cheaper. Needless to say, there is now a Walmart in Plaistow, New Hampshire, a community bordering Haverhill. All the regional communities along the New Hampshire border can relate similar experiences.

These two perceptions - that business transaction costs are cheaper in New Hampshire relative to Massachusetts, and the cost of all goods and services are cheaper in New Hampshire where there is no sales tax - have been repeated so often that they have become truisms. MVPC undertook a study on the economic

impact of the retailing shortfall in the region. Completed in September 1993 and utilizing the REMI model, the study found that the region's retailing shortfall represent 10,600 jobs and \$242 million in gross regional product.

Limited Regional Marketing and Promotion

Several communities in the region have active marketing and promotional campaigns for their communities - both Haverhill and Methuen have produced videocassettes promoting their cities, and Newburyport produced a new glossy marketing brochure. Yet most communities of the region recognize that many locational concerns and requirements of business and industry transcend municipal boundaries - businesses have questions regarding the skill levels of the regional labor force, the availability of technical and college training programs in the area, the availability of inter-municipal public transportation or inter-municipal water, sewer and other service connections.

There is a sense among many Massachusetts economic development practitioners that the state has not paid sufficient attention to advertising its attractions to new business and industry, and this was a topic of discussion at a June 1992 conference of the Massachusetts Economic Development Council. A similar sense among those concerned with economic development in the Merrimack Valley was expressed at the regional economic summit meetings of December 1991 and March 1992; that the region needs to do more to promote itself and its assets to new potential new business and industry, particularly in light of the first two liabilities discussed above.

Water and Sewage Capacities

Regional limitations also include the limited capacity of some, but by no means all, municipal water supplies and sewage disposal facilities. Most of the region's cities and larger towns have extensive water and sewage systems in place, as described in the **Analysis of Assets** section above, but smaller communities in the region have found development or extension of water and sewage treatment facilities fiscally difficult after Proposition 2½. Some economic development opportunities in these communities may be foregone without some financial assistance for water and sewer extensions.

Affordable Housing

The limited supply of affordable housing and rental units in the region became an increasing problem in retaining an adequate labor force during the mid and late 1980s. Housing prices had escalated to the point that the Greater Boston area was one the highest priced housing markets in the country. This pressure drove up land prices for all types of development.

The situation has changed dramatically. The April 1, 1991 issue of U.S. News and World Report rated Boston as having the "coolest" housing market among the country's 95 largest metropolitan areas, based on the percentage change between the median price for an existing home in 1990 and the projected median price for the same home in 1991. Yet while housing prices have dropped, housing costs still remain disproportionately high when compared to the national average. Young and low-income workers remain priced out of the local housing market, not to mention the growing aging population with limited income sources. The consequences for the available work force requires some attention to the problem of affordable housing. New approaches need be developed to provide affordable housing for low and moderate income workers in the region.

Job Training Programs

Job training programs have worked to some extent in the region, and are becoming increasingly important to the region's economic future. Blue collar workers who have lost jobs in the region's declining low-skill manufacturing sector need to be retrained for more high tech employment in the manufacturing sector or the increasingly important service sector. Job training programs aimed at the Hispanic population are very much needed to increase minority employment. Many support services exist through the Community Action Council, Elder Services and Manpower/Training, but lack of interagency program coordination has been an obstacle in the past to effectiveness.

The Department of Manpower and Training Development has been running its job training programs in Lawrence, and in 1991 began joint programs with the Private Industry Council for specific industries. Northern Essex Community College has also run training programs. Coordination of these separate job training programs is now needed. A regional skills center closer than Lowell may ultimately be the most effective way of coordinating training. To increase employment, those involved in job training must also coordinate with area employers to ensure that the region's unemployed and underemployed are trained for jobs that will continue to exist in the region's changing economy.

THE REGION'S ECONOMIC DEVELOPMENT CENTER

Selection of an Economic Development Center

The City of Haverhill was selected as the region's Economic Development Center in the first EDA-approved Comprehensive Economic Development Strategy, and continues this role based on the following criteria:

Central Location and Accessibility to Redevelopment Areas

The City of Haverhill is located in the center of the region, halfway between the Lawrence Redevelopment Area (at the western end of the region) and the Newburyport Redevelopment Area (at the eastern end). Via Route I-495, it is 9 miles from Lawrence and 12 miles from Newburyport. Haverhill is also equidistant from the region's two major north-south highways, Routes I-93 and I-95.

Size

Haverhill is the region's largest city in land area (36 square miles) and second largest in population (Lawrence is larger). These factors, together with the City's large number of firms and jobs, size of work force and growth in employment base, are expected to contribute significantly to the alleviation of regional economic distress.

Growth

The City of Haverhill had a population of 58,969 in 2000, the second largest population in the Valley. Haverhill had a considerable 14.7 percent change in population from 1990 to 2000. A review of building permits, a criteria that Haverhill has consistently lead other MVPC communities in, supports the notion of Haverhill's growth potential. It also has five times the land area of Lawrence, and considerably more available, buildable land. For these reasons, Haverhill continues to be a major factor in regional population growth.

Regional Services

Haverhill provides many regional services, including a hospital, several large medical practices, a health maintenance organization, a four-year private college, a two-year community college, the Merrimack Valley Regional Transit Authority and commuter train service.

Participation in the CEDS Program

Haverhill has actively supported the CEDS program through participation on the CEDS Committee, financial support of the required local match to the CEDS planning grant, and continued implementation of its economic development project list.

Evaluation of the Economic Development Center

Industrial Parks

Seven industrial parks have been developed in Haverhill, providing nearly 1,000 acres of prime land for construction and expansion. Almost one million square feet of floor space was developed in the Ward Hill East and West parks during the mid- and late 1980s, creating about 1,500 new jobs. Haverhill's attempts to pursue new industrial development for the city are second to none in the region.

Central Business District

Haverhill's Central Business District has undergone an historic restoration, and the restoration has served as a catalyst for private investment in local businesses. The physical reconstruction of Merrimack Street, facade and sidewalk improvements, including brick work, outdoor seating, lights and plantings, have all dramatically improved the appearance of the downtown, making it an attractive place to work and shop.

There is work that remains to be done. Neighborhoods surrounding the downtown need restoration and revitalization. The housing stock in these neighborhoods is old and needs upgrading, and traffic circulation continues to be a problem.

Projects

Several ongoing and proposed projects are contributing to the growth of Haverhill, according to the City's Economic Development Director who offers the following list:

- 1) Construction of a parking deck downtown to accommodate 200-250 vehicles;
- 2) Effort to aggressively market available industrial building space was incorporated into the Master Economic Development Strategy and will also be conducted in an ongoing manner;
- 3) Installation of a sewer system at the Hilldale Avenue Industrial Park;
- 4) In receipt of \$4 million in federal HUD loan 108 to financially assist in the expansion of manufacturing companies by means of a revolving loan fund;
- 5) Restoration and adaptive reuse of underutilized or derelict industrial/commercial mixed use buildings in and around the Central Business District into viable industrial, commercial and residential uses;
- 6) Continued revitalization of the Merrimack Street Central Business District.
- 7) Continued siting of small incubator leasehold industrial businesses in the Ward Hill Industrial Park;
- 8) A new, fully-equipped police station is complete;
- 9) A new, fully equipped fire station headquarters is in planning stages;
- 10) Development of a new Police/Fire maintenance garage;
- 11) Development of a biotechnology research center/incubator space facility;
- 12) Development of a Downtown National Park Service Visitors Center is in planning stages;
- 13) An architect has been selected to design a boardwalk on top of the Merrimack River floodwall;
- 14) Further development of the City of Haverhill's Export Program;

- 15) Expansion of existing industrial park facilities;
- 16) Expansion of the Haverhill Tourism Program;
- 17) An economic development brochure and video promoting the City has been completed;
- 18) Reconstruction of downtown roadways has been completed;
- 19) Reconstruction of Upper Hilldale Avenue leading to the private industrial park there is currently underway;
- 20) Completion of the development of several urban renewal parcels; and
- 21) Completion of a new parking lot on How Street.

C. VISION STATEMENT

The vision statement addresses, where do we want to be and sets the orientation of our goals? It helps create a focus for how the region can build a competitive advantage and how it can capitalize on its strengths. At the same time it allows any weaknesses or potential threats to be mitigated (**For the development process of the Vision Statement please See Documentation**).

C.1. Vision Statement, Goals and Objectives

C.1. (a) Vision

The Merrimack Valley Comprehensive Economic Development Strategy (CEDS) Committee envisions a diversified regional economy that provides access and opportunity to all its citizens by building on our strong work ethic, environmental and commercial assets, infrastructure, and cultural diversity. Furthermore, the CEDS Committee seeks an economy that:

- supports and markets its regional industry clusters;
- includes a variety of large and small businesses in many industries;
- provides employment at a livable wage to anyone who wants to work;
- offers workforce training that educates and prepares participants with needed core skills;
- encourages resource conserving “smart growth” development techniques by promoting the reuse of existing structures to create or expand business operations and/or housing developments;
- supports entrepreneurs by providing greater access to financing, skilled labor, and educational technical assistance; and
- mitigates the negative impact of increasing housing costs, urban blight and poverty.

C.1. (b) Goals

To achieve the Merrimack Valley Vision, the CEDS Committee has identified four key goals. The first three of these goals were developed over a number of years and are reflective of past and present needs of the Merrimack Valley. Most recently, and as part of the Visioning process, the CEDS Committee added a fourth goal. This goal relates to our commitment to encourage entrepreneurship and economic opportunity for the region’s low-income population.

According to EDA CEDS Guidelines, goals maybe long-term (5 or more years), intermediate-term (3-5 years) or short-term (1-3 years) in nature. The CEDS Committee, however, feels that although its goals are realistic, none are easy to accomplish, and so the Committee has designated all as long-term. It should be noted that all four goals have objectives that can be accomplished in the short or intermediate-term. The success or failure to achieve these short and intermediate-term objectives will provide the CEDS Committee with a gauge of the CEDS overall effectiveness and progress.

Achieving each goal is important to the CEDS Committee and ranking them is a difficult, but essential task because it will determine how to best allocate resources. The CEDS Committee determined that the best way to rank the goals was to give the greatest weight to the goal that impacted the broadest population.

The following goals were discussed and put forth by the CEDS Committee and subsequently endorsed by the MVPC Board.

The CEDS goals are to:

- I. develop a strong, diversified and sustained regional economy (**long-term**);
- II. create a balance between development and environmental interests (**long-term**);
- III. improve transportation and communication systems (**long-term**) and
- IV. provide opportunity for economic advancement for low income population (**long-term**).

C.1. (c) Objectives

In order that the above goals are realized, a set of objectives were established that would help to focus our resources on specific tasks that will advance our economic development program. The CEDS **goals** and related **objectives** are discussed in more detail below.

Goal I: DEVELOP A STRONG, DIVERSIFIED AND SUSTAINED REGIONAL ECONOMY

The effect that achieving this goal will have on the development potential or problem:

The CEDS encourages the creation, attraction, retention and expansion of a sufficient number and variety of professional practices, businesses and institutions to provide a healthy economy, full employment, and a broad tax base within the region. In addition, the CEDS seeks to influence the creation, expansion and retention of jobs in the regional labor market by supporting and growing its regional industry clusters. Furthermore, it also assists in the development of career paths, sound personnel practices and institutional programs that serve to enhance the creative and productive capacity of the labor force.

The Merrimack Valley region historically tends to suffer more during downswings in the economy than other parts of the state and nation. The State's 2002 economic development plan entitled *Towards a New Prosperity* identifies this a key issue for the greater Merrimack Valley region. For example, during the current recession, our unemployment rate is consistently higher than other areas. While several factors account for this, the very nature of our regional economy, which is traditionally manufacturing based, is the type that is more vulnerable during these inevitable declines.

By supporting an economy that is more diverse and more easily sustained, we will be able to mitigate the negative impacts of recession. An expanded and diversified industrial and commercial base will absorb displaced workers more easily than a homogeneous, one-dimensional economy.

With a core of good infrastructure and an ample supply of underutilized mill space, this region has the ability to attract new and expanding businesses with encroachment on land and resources. This allows the region to maximize its resource sustainability and minimize any negative impact of development.

Is this goal directed toward achieving short-, intermediate-, or long-term results:

Goal I is identified by the CEDS Committee as a long-term goal and will take five or more years to accomplish. However, there are associated objectives that will take less time to accomplish.

Actions related to the goal that are already underway or planned:

MVPC has extensive Geographical Information System capability as well as a highly qualified economic development, transportation and environmental staff. This allows the *Commission* to inventory and analyze development activity in the region ensuring that it is consistent with CEDS goals and objectives. Furthermore, MVPC makes this information readily available through its web-based Industrial Zone Profile to prospective developers on request.

In addition, several industrial parks were established in the region, among them the 150-acre Haverhill Technology Park and Newburyport's 220-acre Lord Timothy Dexter Green West. Andover has seen considerable activity in its industrial land, and four new industrial sites along Route 114 in North Andover have attracted new industry. Methuen has planned infrastructure improvements to facilitate industrial expansion in the eastern and western parts of town.

MVPC worked with some of its smaller communities east of Haverhill to improve their economic development opportunities. Many lack a professional planning staff and are not well equipped to handle industrial facility siting in locations lacking public sewer and water service. MVPC provided assistance on zoning and land use matters, environmental impact assessment and other issues related to local economic growth and development.

The service sector is one of the fastest growing industries in Merrimack Valley. To help facilitate their development, MVPC is active in three chambers of commerce to promote business and service growth. In addition, MVPC has led promotional and permit streamlining projects.

Furthermore, MVPC works closely with banks and the Lawrence Small Business Center to fund start-up and minority businesses. This helps to diversify and strengthen the regional economy by encouraging homegrown businesses to succeed.

The relationship of this goal to the accomplishments of other goals:

Goal I is the most broad of the four goals. The other three relate to it in a complimentary way. With respect to Goal II, by encouraging the reuse of existing structures, we are protecting the environment by rehabilitating, in some cases, contaminated and underutilized structures. Furthermore, we are protecting “greenspace” by preserving it for only the most beneficial development projects. This was a priority matter in our *Economic Development Strategy*.

Goal III is positively impacted as well because a strong, diversified economy benefits from improved transportation access and improved communication infrastructure (new and current employers demand high-speed information technology). If we cannot provide it, there is usually someone else who can. In addition, renovated mill buildings are ideal for incubator space for start-ups and, in fact, many are being used for that purpose. This too, helps to diversify and sustain the regional economy.

Lastly, Goal IV is complemented as MVPC places an emphasis on sustainability by promoting and originally establishing an EDA-funded revolving loan fund that provides gap financing to small, at-risk businesses in our central cities. To date, the fund has saved or created over 120 jobs in the region.

Objectives for Goal I

By taking the steps toward achieving the following objectives, we will help realize Goal I:

Objective 1

Enforcement of all federal and state goals and regulations related to the subcontracting of design, construction and other work on public works projects to minority business enterprises. **(long and short-term)**

Objective 2

Diversification of the local economy by attaining a mixture of large and small businesses, which provide sustainability and balance to the regional economy. **(long-term)**

Objective 3

Recruitment and retainment of existing businesses by the provision of services and information. **(short-term)**

Objective 4

Workforce training programs that companies and individuals seek to enhance knowledge and skills using supporting data from the Cluster Analysis. **(short-term)**

Objective 5

Develop the region’s competitive and emerging industry clusters through the integration of key suppliers, supporting industries, and capitalizing on existing industry infrastructure to strengthen the economy and allow the region to market itself to other industry as a strong and viable place to grow a business.

Objective 6

Revitalization of the region’s urban centers. **(long-term)**

Goal II: BALANCED RELATIONSHIPS BETWEEN DEVELOPMENT AND ENVIRONMENT

The effect that achieving this goal will have on the development potential or problem:

The CEDS promotes economic development that is consistent with human scale design, environmental protection, sound land use and the wise use of natural resources. A significant portion of the Merrimack Valley region is coastline and marsh. This area is ecologically sensitive and special care needs to be made in protecting it from the negative impacts of growth and development. Furthermore, the Merrimack River, which has long been an economic resource for industry, is undergoing a restoration. After many years of neglect, the Merrimack River is now used for a variety of municipal, recreation and industrial uses. This is the result of careful planning and reclamation of the river as a natural resource.

CEDS Goal II extends beyond the protection of the Merrimack River. There are many additional lakes, rivers, streams and watersheds in the region, all of which need to be considered in any development, industrial or residential. Properly managing these areas is an essential goal of the CEDS and their health will not be compromised for economic prosperity. Safe air and drinking water for Merrimack Valley residents is a priority.

Lastly, perhaps the greatest current threat to the region is sprawl and the rapid but uneven pace of development. Although new jobs and tax revenues have been welcome, development is outpacing the area's capacity to plan for and provide adequate infrastructure to support new growth. The number of serviced sites in industrial parks is rapidly diminishing, while vacant buildings in the centers of the region's older, more urbanized communities are underutilized.

A shortage of large industrial park sites may make future encroachment on the greenbelt moot. Small communities in the region are feeling the pressure for additional residential growth, which may be fiscally unsustainable. Traffic capacity is limited, and provision of additional transportation infrastructure may not catch up with demand. Congestion and over-development threaten the quality of life that is the region's greatest asset.

Although achieving this goal may constrain development opportunities, the CEDS Committee views redevelopment of underutilized mill space as a top priority, and this accomplishes the goal of protecting the environment while promoting growth.

Is this goal directed toward achieving short-, intermediate-, or long-term results:

Goal II is identified by the CEDS Committee as a long-term goal and will take five or more years to accomplish. However, there are associated objectives that will take less time to accomplish.

Actions related to the goal that are already underway or planned:

Adaptive reuse of the region's many old mill structures for commercial, industrial and residential uses have been increasing throughout the last decade. Some rehabilitated structures are ideal to "incubate" new businesses and industries. Amesbury, Haverhill, Lawrence, Merrimack, Methuen, Newburyport and North Andover have all undertaken rehabilitation projects using federal EDA, CDBG and Urban Development Action Grant funds, as well as various state and local programs.

Since August 1989, MVPC has served as technical advisor to the Northeast Massachusetts Regional Recycling Committee (NMRRC). NMRRC is an association of 14 communities exploring opportunities for cooperative solid waste recycling. MVPC has organized NMRRC meetings and provided information on recycling facility design and operation, and markets for recyclable materials.

MVPC is working in collaboration with the Gloucester Shellfish Department and commercial shell fishermen on the Aquaculture Project. This EDA funded program is designed to improve clamming on the North Shore. This successful project could serve as a model for other communities with similar problems.

MVPC provides technical support to Open Space Planning Committees, Planning Boards and Conservation Commissions on a number of municipal open space plans. In addition, MVPC presented a major region-wide

workshop on open space planning and financing techniques. The workshop was attended by 24 communities across the Merrimack Valley and provided timely information and advice on strategies to preserve the region's diminishing forests and farmlands.

As part of an EPA funded stormwater management project, MVPC is evaluating urban runoff control practices (street sweeping, catch basin cleaning, etc.) in five communities bordering the Merrimack River. In addition, through a contractual agreement with the city of Newburyport, MVPC is conducting the Newburyport Roadway Runoff Project. MVPC is preparing detailed computer maps of the city's storm drainage system, and is undertaking extensive water quality sampling and smoke-testing of the drainage system to pinpoint chronic sources of bacterial pollution.

MVPC is a participant on the Management Committee of the Merrimack River Initiative, and helped establish the organizational framework for preparing a comprehensive water resources management plan for the Merrimack River watershed. The Initiative is a collaborative effort by federal, state and local governments to further improve the quality of the Merrimack River, launched by EPA and the states of New Hampshire and Massachusetts in 1988. MVPC plays a key role in representing the diverse water interests of communities and businesses of the region.

In January 1991, MVPC and the Northern Middlesex Council of Governments (NMCOG) signed a joint resolution regarding the *"use, improvement and preservation"* of the Merrimack River watershed as a unique natural resource shared in common. Later, MVPC and NMCOG began a multi-year project to inventory key water supply resources and potential pollution sources, and help member communities develop local water supply protection plans. MVPC is now working with the communities of Merrimack, Newburyport and West Newbury to map public water supply aquifers and reservoirs, evaluate the adequacy of existing local land use controls and identify potential pollution sources.

MVPC is working with the Merrimack River Watershed Council and regional planning agencies to help seven Shawsheen River Basin communities develop a comprehensive river protection and management plan. MVPC also assists local water departments on a number of water supply issues. For example, MVPC worked with the water department superintendents to develop customized, parcel-based computer maps of the watershed, depicting all watershed roads and properties; streams, reservoirs and all municipal sites; and water supply protection zones. Most recently, MVPC completed an EDA funded flood mitigation study of the Spicket River in Lawrence. The project provided the city with an analysis of the most flood prone properties in the floodplain as well as an interactive web page that allows the user to search individual property parcels.

Most communities along the region's major rivers (Merrimack, Parker and Shawsheen Rivers) have made considerable progress in reducing pollution. The Greater Lawrence Sanitary District receives and treats sewage from most of the populations of Andover, Methuen, Lawrence, North Andover and Salem, New Hampshire. Additional non-sewered areas are planned to receive sewer service as funds permit. The Haverhill wastewater treatment facility serves most of Haverhill and all but outlying areas of Groveland. The new Merrimack plant is now fully operational, dramatically improving water quality in Cobbler Brook, a major tributary to the Merrimack River. Stormwater runoff continues to be a periodic problem in the Merrimack, but efforts are underway to identify and abate the principal combined sewer overflow sources in downtown Lawrence and Haverhill.

MVPC is also working with the Northern Middlesex Council of Governments and two New Hampshire planning agencies to carry out interstate emergency response planning for communities of the lower Merrimack River. According to EPA records, there are over 700 known generators of hazardous waste in the 16 Massachusetts communities along the Merrimack. MVPC has begun to inventory and map significant chemical risk sites along the lower river, and will be developing an interstate communications and mobilization network to help communities respond to chemical spills in an effective manner.

The relationship of this goal to the accomplishments of other goals:

Goal II may at first appear to conflict with economic development. This is not the case and in fact, it compliments the other three goals very well.

With respect to Goal I, the Merrimack Valley cannot have a strong economy if underutilized mill space is not redeveloped to its full potential. This directly corresponds to efforts to revitalize downtowns. Haverhill, Lawrence, Amesbury, Methuen and Newburyport all have mill space in their downtowns that can be used for commercial and residential purposes. Currently, much of this space is vacant or underutilized. Also, by redeveloping mill space, we are protecting the region's limited supply of "greenspace."

Goal III is similarly complimentary. By considering the environment in economic development, transportation and communication systems we can better plan and design these programs to meet increasingly more stringent ecological regulations that municipalities and their residents demand. According to our Citizen Attitude Survey, residents of the Merrimack Valley are not willing to sacrifice a clean environment for economic prosperity.

Lastly, Goal IV benefits from Goal II because in many cases a region's low-income population is the most negatively impacted by growth. In many cases, those with low-incomes live in areas closest to industrial developments and potentially suffer the greatest from pollution and contamination. By ensuring that the environment is fully considered in economic development projects, municipalities will be able to better protect these residential areas and ensure that none of its residents are put at a health risk.

Goal II Objectives

By achieving the following objectives, we will help realize Goal II:

Objective 1

Local planning, organization and effective regulation for commercial, industrial, residential and facilities development. **(long and short-term)**

Objective 2

Energy conservation, use of renewable resources and purchase of locally produced products. **(short-term)**

Objective 3

Preservation and stewardship of productive agricultural lands, wildlife reserves and cultural and recreational areas. **(long and short-term)**

Objective 4

Cost-effective achievement of high environmental quality standards for air, water and land resources. **(short-term)**

Objective 5

Efficient and beneficial growth pattern in the Merrimack Valley. **(long-term)**

Objective 6

New growth in areas served by existing infrastructure, particularly mill buildings and cyber districts in need of renovation. **(intermediate -term)**

Objective 7

Preserve greenfield space for the highest and best future uses. **(long and short-term)**

Goal III: IMPROVED TRANSPORTATION AND COMMUNICATION SYSTEMS

The effect that achieving this goal will have on the development potential or problem:

The CEDS encourages development and maintenance of modern air corridors, river channels, railways, roadways and parking, docking and transfer structures to help move people and goods and deliver services. Furthermore, it seeks to gain a competitive advantage in information technology, especially the Internet, by developing skills and resources of government, educators, private business and individuals alike.

Originally adopted in 1988 and amended in 1992, Goal III was expanded in 1998 to reflect the ever-changing face of information technology. Only in the last few years, the Internet has emerged as a most important planning and development tool, an educational resource and a lucrative business opportunity.

The Merrimack Valley region must be well positioned to take advantage of this new resource in the 21st Century and have the ability to adapt quickly and efficiently, or risk falling behind. The City of Haverhill is taking the lead in the region by developing the "Cyber District." When completed, the District will be home to small, Internet firms that will locate here to take advantage of inexpensive rents, easy access to Boston and other destination points and modern Internet technology infrastructure. To capitalize on this new industry, Merrimack Valley must work to further recruit, retain and nurture existing communication firms to ensure their viability and success.

Is this goal directed toward achieving short-, intermediate-, or long-term results:

Goal III is identified by the CEDS Committee as a long-term goal and will take five or more years to accomplish. However, there are associated objectives that will take less time to accomplish.

Actions related to the goal that are already underway or planned:

MVPC coordinates the regional Transportation Improvement Program. Included in the program is the rehabilitation of several bridges that cross the Merrimack River, the construction of ramps on I-495 in Lawrence and the Salisbury Rail Trail, which will be used for bicycle recreation.

MVPC is working with the City of Lawrence to gain foreign trade zone status for the Lawrence Municipal Airport. MVPC is also monitoring negotiations between the City of Lawrence and the Town of North Andover to develop land at the airport for an industrial park.

MVPC uses a "Congestion Management System" (CMS), which is required by the Intermodal Transportation Efficiency Act of 1991. CMS "systematically provides information on transportation system performance and identifies actions and measures that will alleviate congestion and enhance the mobility of persons and goods." CMS also identified several congested areas in the region and, as a result, funding for traffic studies of these areas has been programmed. The most severely congested areas are I-93 in Andover and Methuen, Route 125 from I-495 in Haverhill to the Plaistow, New Hampshire border and the Route 110 traffic circle at I-93 in Methuen. A study of I-93 is nearly complete and a study of I-495 is about to begin.

The Merrimack Valley Regional Transit Authority (MVRTA) is the primary provider of public transportation in the region. The fixed route bus system provides service in Amesbury, Andover, Haverhill, Lawrence, Merrimac, Methuen, Newburyport and North Andover. MVRTA also runs special employment bus routes during the peak hours between the downtown Haverhill and downtown Lawrence transit stations and major employment centers. Three such routes are operated from the Haverhill station to Lucent Technologies, the Ward Hill Industrial park and IRS/Raytheon. Two routes provide service from the Lawrence Downtown Transit Center to Lucent and to IRS/Raytheon.

Recently, MVPC embarked on a U.S. Department of Transportation led environmental justice program. Environmental Justice addresses concerns of Merrimack Valley residents who use public transportation. MVPC hired Community Design Partnership of Boston to coordinate the program, conduct several steering committee meetings (consisting of several CEDS Committee members), two public meetings and write the final report that will be shared with regional leaders when complete.

The Massachusetts Bay Transit Authority (MBTA) has recently added more trips to the commuter rail service schedule from the Merrimack Valley to Boston. There are seven commuter rail stations in the region; Haverhill, Bradford (part of Haverhill), Lawrence, Andover, Ballardvale (part of Andover), Rowley and Newburyport. Service has been increased from sixteen trains every weekday (eight inbound, eight outbound) to twenty-four trains every weekday (twelve inbound, twelve outbound) from all seven stations in the region and one additional inbound train and one additional outbound train during midday from the southernmost stations in Andover and Ballardvale. Most recently, the Downeaster Boston/Portland Line began operation in December 2001. This passes through the Merrimack Valley and stops in Haverhill.

Lastly, the Massachusetts Highway Department is working with the Massachusetts Freight Advisory Council to improve conditions for freight transportation in Massachusetts. MVPC will assist in this effort when needed.

MVPC is studying the region's current status and needs for telecommunication technology as we enter the 21st Century. MVPC will focus on how we are positioned to address new challenges and opportunities with the Internet and other communication means. Discussions have begun between MVPC and the Massachusetts Technology Collaborative on studying this important issue.

MVPC is also an incorporator of the Merrimack Valley Municipal Partnership (MVMP). MVMP is a not-for-profit corporation providing low cost, hands-on services to small and medium sized manufacturers to assist them to become competitive in the "communication age."

The City of Haverhill is developing a "Cyber District" where underutilized mill space is being converted to offices. The office space is rented out to small telecommunication firms that are drawn to Haverhill because of its high-speed modem connections, inexpensive rents and easy access to Boston.

The relationship of this goal to the accomplishments of other goals

Goal III compliments the other goals contained in the economic development strategy. As Goal I seeks to diversify our regional economy, Goal III maintains that we focus on communications, such as the Internet or regional cyber portals. For an economy to be successful in the 21st Century, access to good communications systems is essential to economic success.

The relationship with Goal II is not as obvious, however, modern transportation systems are environmentally friendly and given the CEDS commitment to public transportation, the Committee feels that goals two and three are not just compatible, but dependant on one another.

Goal III benefits the low-income population as well by focusing on public transportation, thereby providing greater access to employment and education. It also provides companies with a broader and more plentiful labor pool.

Goal III Objectives

By achieving the following objectives, we will help realize Goal III:

Objective 1

Improved transportation, public access, docking and port facilities on the Merrimack River and its mouth for commercial, recreational and tourist uses of the river. **(long-term)**

Objective 2

Development and appropriate use of airports for business and cargo transport, including the continued development of an airport international trade zone. **(intermediate -term)**

Objective 3

Development of a well-integrated transportation system that meets economic development needs of the region and its residents for viable, affordable choices of transit modes, alternate routes and travel schedules. **(long-term)**

Objective 4

Businesses, citizens and municipal bodies in the Merrimack Valley have superior access to new, telecommunications technology including the Internet. **(intermediate -term)**

Goal IV: PROVIDE OPPORTUNITY FOR ECONOMIC ADVANCEMENT FOR LOW-INCOME POPULATION

The effect that achieving this goal will have on the development potential or problem:

The CEDS seeks to provide the opportunity for low-income individuals to achieve economic independence through entrepreneurship and workforce development. The CEDS Committee added this goal after the adoption of the Vision Statement in 2001. Raising the standard of living of the region's poor was a reoccurring theme in MVPC Board, CEDS Committee and public meetings. Currently, many MVPC and municipal economic development programs are focused specifically on creating wealth and opportunity for the region's low-income population. Although this goal has always been implicit in MVPC's economic development program, the CEDS Committee and MVPC Board members felt that specific language should be added to the CEDS report.

The 2000 U.S. Census confirmed that Lawrence has seen a great increase in its immigrant population. These new residents generally lack education and employment skills, which puts extreme stress on the city's social services. Furthermore, most do not have collateral and virtually no ability to start or expand a small business.

By focusing our resources on the low-income population and by providing them with opportunities that encourage entrepreneurship and workforce training, the CEDS Committee feels that it can nurture a new generation of business leaders and trained professionals. The CEDS Committee believes that this will have a cumulative effect and go a long way to ensuring more and better paying employment and financial stability.

Is this goal directed toward achieving short-, intermediate-, or long-term results:

Goal IV is identified by the CEDS Committee as a long-term goal and will take five or more years to accomplish. However, there are associated objectives that will take less time to accomplish.

Actions related to the goal that are already underway or planned:

MVPC has worked closely in Lawrence for over 40 years to address and help alleviate the economic conditions there. For example, MVPC has helped the city attract and attain millions of dollars of development support from federal and state sources. Without question, the U.S. Economic Development Administration has been a leading federal agency in the effort to revitalize Lawrence. Likewise, the commitment MVPC has made to Lawrence is extensive: MVPC staff provides much time and resources working in Lawrence. Most recently, MVPC completed a study of the Spicket River flood impact area. The threat of flooding in this vicinity severely impacts commercial enterprises and residents. This project will help to develop a plan to mitigate future flooding.

MVPC is continuing to work with Lawrence on its Gateway Project, which will vastly improve transportation mobility to some of Lawrence's industrial parks as well as the downtown area. In total, fifty percent of MVPC's transportation fund was earmarked for transportation infrastructure improvements in the City of Lawrence. Also noteworthy, MVPC has continued to collaborate with public officials from both Lawrence and North Andover for the establishment of an industrial park within the Lawrence Airport. The Commission is ready to provide support for submitting pre-application materials to EDA when details are worked out between both parties.

MVPC is an active participant in and sits on of the board of the EDA funded Lawrence Small Business Assistance Center. The Center provides technical assistance and loans in the amount of \$500 to \$5,000 to small, primarily minority owned businesses. MVPC looks to continue this relationship as well as build on others, including Working Capital, that help to increase assets and business skills of the Latino population.

The Lower Merrimack Valley Private Industry Council, Regional Employment Board and Workforce Investment Board (PIC/REB/WIB), the two regional vocational technology schools and the area's local colleges have all developed institutes and training programs to help service the employment needs of local industry. Computer and electronics courses have been especially important in this effort. Skills development and upgrading for our health care providers, one of the important growth industries, has also been targeted. MVPC serves on the PIC/REB/WIB board of directors.

On the housing front, The Greater Lawrence communities of Andover, Lawrence, Methuen and North Andover formed a Regional Housing Fair Share Plan Committee to address problems of affordable and fair housing on a regional level. MVPC helped the committee produce a regional plan and strategy, to promote access and encourage production of affordable housing within the region.

Lastly, MVPC continues to administer its EDA funded RLF program. Since the program began five years ago, MVPC's RLF is responsible for creating or saving over 120 jobs in the Merrimack Valley. MVPC looks to continue as well as build on this success. The recent addition of \$500,000 to our RLF from the Life Initiative will help increase our involvement in the region.

The relationship of this goal to the accomplishments of other goals:

Goal IV has a strong relationship with Goal I, which seeks to diversify the regional economy. By promoting growth among the region's low-income, we will help to satisfy the CEDS number one priority of diversity. Furthermore, by assisting low-income individuals, we will have strengthened the regional economy by encouraging this group to start businesses and attain economic independence.

Goal VI's relationship with Goal II is less clear. Earlier we stated that accomplishing Goal II is important because poor air and water quality tend to disproportionately affect low-income populations. However, by realizing Goal IV, we are not negatively impacting Goal II. Although accomplishing one may not help realize the other, the two goals are not in conflict.

Lastly, Goal IV, positively influences Goal III. Many low-income entrepreneurs who will start businesses under Goal IV may decide to start communications or technology related businesses due to the industry's high growth nature and prominence in our region. Furthermore, the increased economic activity of the region's low-income population will certainly have a positive impact on our public transportation network with more needing access to employment.

Objective 1

Increased employment opportunities for the regional labor force by the development of coordinated programs to meet the employment needs of the poor, handicapped, minorities, unemployed, underemployed and working and single parents. **(long and short-term)**

Objective 2

Development of educational programs and structured work training that upgrades the skills and productive capacity of the regional labor force, to keep pace with emerging industry clusters and job needs of the region. **(short-term)**

Objective 3

Diversification the regional economy by the encouragement of minority and women-owned firms to establish a presence in the Merrimack Valley. **(long-term)**

Objective 4

A plentiful supply of safe and affordable housing. **(short-term)**

Objective 5

Promotion of existing workforce training programs to region's low-income, unemployed and underemployed residents. **(short-term)**

C.2. Setting Priorities

All of the preceding goals and objectives are critical to the economic sustainability of the Merrimack Valley. However, due to limited resources and staff capacity, it is important to set priorities in order that appropriate attention can be given to areas in need of the greatest assistance. As part of the visioning process, the CEDS Committee and the MVPC Board identified several key priorities that are addressed in the Action Plan. The priorities of the Merrimack Valley CEDS are to:

- diversify the economy,
- protect the environment,
- offer workforce training and education,
- improve transportation and communication infrastructure,
- promote entrepreneurship,
- assist low-income residents with employment and housing and,
- redevelop downtowns.

D. ACTION PLAN

The action plan addresses the question, “how do we get there?” and is based on our long-term goals. The action plan describes activities and groups them into programs designed to achieve the desired results and to turn potential for improvement into reality. The action plan also assigns responsibility, resources, time frames and priorities for implementation.

D.1. Prioritization Of Programs and Activities

The action plan has two components: the prioritization of programs and activities and an implementation schedule. We have organized the programs and activities to specifically address our four goals.

Programs and Activities Addressing Goal I

The CEDS seeks to develop a strong, diversified and sustained regional economy by encouraging the creation, attraction, retention and expansion of a sufficient number and variety of professional practices, businesses and institutions to provide a broad tax base, healthy economy and full employment within the region.

1. Market and grow the region’s industry clusters by recruiting related-businesses to locate in the region. **(short-term)**
2. Coordinate with the State’s Northeast Regional Competitiveness Council, formed by Governor Mitt Romney, which is helping to develop strategies that would support the region’s industry clusters. **(short-term)**
3. Support start-up and expanding firms especially those that will support key industry clusters. **(short-term)**
4. Coordinate with the State’s 2002 economic development plan entitled *Towards a New Prosperity* and continue to participate in future state and regional discussions. **(intermediate-term)**
5. Newburyport’s expansion of Lord Timothy Green’s Industrial Park. **(short-term)**
6. Pelham Street extension to provide access to underutilized industrial area. **(short-term)**
7. Town of North Andover and the City of Lawrence’ development of the Airport Industrial Park. **(short-term)**
8. Golden Triangle Industrial Park in Amesbury and Salisbury. **(short-term)**
9. Lawrence Gateway Project including parking deck and Canal Street widening **(short-term)**
10. Groveland Downtown Revitalization **(short-term)**
11. Haverhill Downtown Revitalization including parking deck and waterfront development **(short-term)**
12. Amesbury Downtown Revitalization including upper and lower Millyard development **(short-term)**
13. Support Georgetown’s I-95 industrial access project **(intermediate-term)**
14. Promote regional tourism **(short-term)**
15. Continue to add features to the MVPC web site including searchable property parcels and new U.S. Census data as it is released **(short-term)**
16. Promote regional retailing **(short-term)**
17. Promote different public and private economic development funding sources **(short-term)**
18. Ensure that all public works projects that MVPC is directly involved solicit bids from minority firms. This will help to diversify the regional economy and create economic opportunity for a wider variety of contractors. **(short-term)**
19. Attract, expand and retain service sector businesses such as legal, medical, child-care and other professional services to ensure their availability to the region’s businesses. **(long-term)**
20. Develop broader market access, alternative product lines and services (particularly for defense-dependent industries), free trade zones and/or cost containment methods to strengthen the viability of businesses and industries that may be threatened by obsolescence, world economic adjustments or declining market share. **(long-term)**
21. Assist with planning, organizing or development efforts for expansion of the regional tourism industry. **(intermediate-term)**

22. Update and analyze information on regional commercial and industrial zones and the regional market area, to inform the general public, community and business leaders and interested developers of the existing opportunities for regional economic growth and development. **(short-term)**
23. Work to ensure that appropriate sites for commercial and industrial uses are available when needed, through planned acquisition and/or appropriate zoning, building and design controls. **(short-term)**
24. Encourage development of businesses, industries and purchasing practices that competitively replace regional import requirements. **(long-term)**
25. Develop or expand local cultural centers, such as performing arts centers, museums, botanical and horticultural centers, near historical sites, urban centers, or on nearby park land such as the Maudslay State Park, to enhance regional tourism potential and the local quality of life. **(long-term)**

Programs and Activities Addressing Goal II

The CEDS strives to create a balance between development and protection of the environment by promoting economic development that is consistent with human scale design, environmental protection, sound land use and the wise use of natural resources.

1. Rehabilitate underutilized mill space **(intermediate-term)**
2. Revitalize Central Business Districts **(intermediate-term)**
3. Reserve “Greenspace” for only the best use **(short-term)**
4. Support the assessment and remediation of brownfields sites that are inhibiting private investment. **(long-term)**
5. Protect water supply **(short-term)**
6. Assist communities to better manage growth through Executive Order 418 **(short-term)**
7. Assist MVPC’ communities with enacting the Community Preservation Act **(short-term)**
8. Encourage energy and resource conservation by source reduction, waste recovery and use of indigenous resources by developing design guidelines and subdivision regulations that emphasize the use of water, wind, solar and geothermal energy systems. **(long and short-term)**
9. Support source separation of waste materials for recycling, and development of appropriate recycling industries and use of recycled materials. **(long and short-term)**
10. Aquaculture Project - Develop regional markets that support balanced harvesting of local farms, fisheries, nurseries and woodlands. **(long-term)**
11. Support use of the region’s barrier beach resources for storm protection, wildlife preservation and recreational access. **(short-term)**
12. Support cleaning the Merrimack River to enhance its use for water supply, power generation, recreation and transportation. **(short-term)**
13. Support strict procedures for the use, storage and disposal of hazardous waste materials created or used in the region. **(short-term)**

Programs and Activities Addressing Goal III

The CEDS encourages development and maintenance of modern air corridors, river channels, railways, roadways and parking, docking and transfer structures to help move people and goods and deliver services. Furthermore, it seeks to gain a competitive advantage in information technology, especially the Internet, by developing skills and resources of government, educators, private business and individuals alike.

1. Support Cyber District efforts in Haverhill and Lawrence. **(short-term)**
2. Work with local, state and company officials to find a suitable reuse for Lucent Technologies’ Merrimack Valley Works plant. **(short-term)**
3. Help to develop a sense of regional identity with an appreciation of local diversity, through development of accessible, interconnected and safe pedestrian activity centers, strong visual elements, appropriate signage and neighborhood recognition. **(long-term)**
4. Work with federal, state and local officials to identify and secure funding for transportation projects. **(short-term)**

5. Support and work to realize recommendations of MVPC-led environmental justice program **(intermediate-term)**
6. Seek better connection for major airports. **(short-term)**
7. Burt Road Industrial Extension **(short-term)**
8. Address traffic congestion throughout the region **(intermediate-term)**
9. Encourage a land use development pattern that permits efficient use of mass transportation as well as pedestrian safety. **(short-term)**
10. Encourage development of low- and non-capital energy conserving transportation alternatives such as high-speed rail transit, carpooling, park-and-ride and preferential bus lanes. **(short-term)**
11. Assist in the creation and nurturing of small local business interests that specialize in telecommunication technology. **(short-term)**
12. Recruit and retain telecommunication firms to Merrimack Valley. **(short-term)**

Programs and Activities Addressing Long-Term Goal IV

The CEDS seeks to provide the opportunity for low-income individuals to achieve economic independence through entrepreneurship and workforce training.

1. Assist Workforce Investment Board develop training programs that satisfies the needs and requirements of existing and emerging industries to benefit both employers and students alike. **(short-term)**
2. Promote jobs to non-English speaking residents **(short-term)**
3. Ensure low-income population has access to public transportation **(short-term)**
4. Encourage the rehabilitation and reuse of standing structures, especially those that use existing public services such as water, sewer, electricity and fire protection and that serve to economically revitalize and provide new employment opportunities near depressed population centers. **(intermediate-term)**
5. Assist in the development and strengthening of programs, such as the Lawrence Small Business Assistance Center, that address the employment and training needs of underemployed groups in the region. **(short-term)**
6. Develop small businesses and start-up industries by targeting business incubator space, management guidance assistance, low-interest revolving loan funds and access to venture capital resources for such business and industry. **(short and long-term)**
7. Support the construction of adequate affordable housing in the region that serves the labor force and population through the State's 40B and other housing programs. **(long-term)**

D.2. Implementation Schedule

The Implementation Schedule identifies the most important program activities and proposes a time frame for each to be completed. In addition, this section describes programs and activities and identifies the range of public, private and nonprofit support for each. The CEDS Committee has identified the following projects listed in this section as being priority for the Merrimack Valley.

The CEDS Committee used the CEDS Guidelines to determine which of the preceding programs and activities were a priority for the region. In choosing the initial list of priority projects, the CEDS Committee asked:

- What are the activities and what are their expected benefits?
- Which activities address the areas or issues of greatest need and/or best enhance the region's competitive advantage?
- Do these activities represent the best use of limited resources?
- Will the activities have positive economic, environmental and social impact?

The CEDS Committee next identified the programs and activities that had the best opportunity for implementation given their overall local support, economic development potential, and adherence to the CEDS goals and objectives.

In addition to approval by the CEDS Committee, any project funded by EDA must meet seven mandated Investment Priorities. MVPC must evaluate proposals on current statutory and regulatory requirements including consideration of whether the proposed investment:

- I. is market based:
- II. is proactive in nature and scope:
- III. looks beyond the immediate horizon, anticipates economic change and diversifies the local and regional economy:
- IV. maximizes attraction of the private sector and would not otherwise come to fruition absent EDA investment:
- V. has a high probability of success and includes a:
 - high level of local, state and private matching funds;
 - high degree of commitment of local political capital by elected officials; and
 - high level of commitment of human resources talent to project outcomes.
- VI. results in an environment where higher paying, lucrative jobs are created:
- VII. maximizes return on taxpayer investment.

D.3. Priority Regional Economic Development Actions List

The following is a list of current and proposed economic development projects in the region. Each project in the list is broken down into three sections: an overview discussion, an explanation as to why the project is important to our region, and a list of the major CEDS goals the project addresses. The information contained here came primarily from: discussions held at CEDS Committee meetings, informal discussions with CEDS Committee members and other regional community development leaders, input from MVPC's Governing Board and information from the regional Transportation Improvement Program (TIP) and long term Transportation Plan.

Amesbury

- Lower Millyard
- Terrasphere Plan
- Powow River Trail
- Cedar/R Street Redevelopment Area
- "Gateway" Road Improvements

Andover

- I-93 Lowell Junction Interchange
- Burt Road Industrial Extension
- Dascomb Road Improvements

Georgetown

- Access Road from Route 133 (I-95) to Norino Way (Industrial Area)
- Town Center Redevelopment

Groveland

- Downtown Revitalization, Including Bates Bridge Replacement
- Sewer Service Expansion in Industrial Zones

Haverhill

- Refurbishment of Vacant Lots and Mill Buildings near Commuter Rail Stations
- Downtown Parking Garage
- Redevelopment of Former Bradford College Campus
- Redevelopment of Woolworth Building
- Waterfront Improvements
- Business Development Near I-495 Interchanges

Lawrence

- Airport Industrial Park
- Gateway Project North
- Gateway Project South
- Refurbishment of Mill Buildings
- Redevelopment of the Intown Mall
- Enhanced Marketing of the Renewal Community Zone
- South Broadway Improvements
- Storefront Improvement Project
- Roadway Improvements on Island Street
- Pedestrian Walkway along Merrimack River

Methuen

- Rotary Improvement Project
- Danton Drive/Pelham Street Roadway Improvements
- Downtown Development near the Spicket River
- Extension of Sewer Infrastructure in Griffin Brook Industrial Park and Old Ferry Industrial Park

Newbury

- Transit Oriented Development Along Route 1, from Newburyport line to Sled Road

Newburyport

- Waterfront Improvement Plan
- Downtown Parking Garage
- Hale Street/I-95 Improvements, Including Possible Interchange and Development of Last NAID Parcels
- Transit Oriented Development Around the Route 1 Traffic Circle and Commuter Rail Station
- Rail Trail Project

North Andover

- Redevelopment of Lucent Site
- Airport Industrial Park
- Reconstruction of Old Town Center
- Industrial Area Access Road Along Clark/Charles/Sutton Street Connector

Salisbury

- Rabbit Road and Industrial Park Sewer Project
- Beach District Revitalization
- Rail Trail Development

Regional

- Small Business Development Financing and Support
- Workforce Development
- Updated Regional Business Inventory
- Regional Brownfields Redevelopment Program
- Increasing the Stock of Affordable Housing

The Main CEDS Goals:

- I. Develop a strong, diversified, and sustained regional economy
- II. Create a balance between development and environmental interests
- III. Improve transportation and communication systems
- IV. Provide opportunity for economic advancement for low income population

Amesbury

Lower Millyard Redevelopment:

Overview: Construction of a combined bus depot and senior center in the Lower Millyard is slated to begin in spring 2006. The estimated cost of the project is \$5 million. In addition, plans call for the relocation of the department of public works facility to a Brownfield site on Route 110, which would allow for a more complete mixed-use development to occur in the 14-acre Lower Millyard section of Amesbury's town center. The relocation project is also estimated to cost \$5 million, with funding requested in the latest state transportation bond. A start date has not been set, but local officials are highly committed to seeing the project through.

These two projects are components of an overall strategy to completely renovate the Lower Millyard, following in the footsteps of the highly successful renovation of the Upper Millyard into a mixed-use community of condos and businesses.

Importance: This ambitious public works project has the potential to create numerous construction and permanent jobs, as it would greatly expand business opportunities in the downtown area. In addition, the plan promotes infill development and urban revitalization, has strong local support and public/private partnerships, and deals with a major Brownfield site on Route 110.

Goals Addressed: I, II, III, and IV

Terrasphere Plan:

Overview: This is an ambitious, 450-acre mixed-use development proposal adjacent to Exit 54 of I-495 that applies many smart growth principles. Elements of the plan include: the cleanup and redevelopment of a large Brownfield site; the development of numerous over-55 affordable housing units; the use of green space for several purposes, including a golf course, athletic fields, and recreational trails; and the creation of new industrial and commercial business space. MVPC helped provide funding for the environmental assessment of the 7.7-acre former Trader Alan's Truck Stop Brownfield site.

Importance: This highly visible area of town has the potential to link many disparate neighborhoods into one strong, mixed-use district. In addition to creating much needed affordable housing, there is a strong environmental component, as the plan calls for the clean up of a large assemblage of highly visible contaminated and blighted parcels of land. Also, it would allow for the expansion of a nearby business district, which has experienced strong growth over the past few years and is in need of additional land. The plan has the potential to create many construction and permanent jobs, promotes infill development, and has a strong public/private partnership component, as it would attract a high amount of private investment.

Goals Addressed: I, II, III, and IV

Powow River Trail:

Overview: A raised boardwalk, connecting Main Street in the heart of downtown, with the already completed portion of the Riverwalk on Water Street, will be built. Construction is expected to begin in the spring of 2006. The State has agreed to fully pick up the \$2 million estimated price tag for this second phase of the project. This project has strong local support and commitment from both the public and private sectors. In addition, it helps promote downtown revitalization and has a positive impact on the surrounding environment.

Importance: The project will help link the downtown business district with the Route 110 businesses in and near the shopping plaza, which will attract more people to the downtown area. In addition, there is a quality of life component for the town, as it will improve upon an already excellent recreational trail.

Goals addressed: II and III

Cedar Street/R Street Redevelopment Area:

Overview: The idea is to connect the mill buildings on Cedar Street to the downtown area through sidewalk extensions, period lighting development, and the reconstruction of the R Street Bridge. The Town is lobbying the state for \$1 million to extend sidewalks and period lighting from Market Square to Elm Street, over the R

Street Bridge, and across to Cedar Street. Reconstruction of the bridge is estimated to cost \$570,000. In addition, a local developer recently purchased from the Town two abandoned mills on Cedar Street. The developer plans on converting the buildings and two new adjacent buildings into condominiums. Some of the units would be saved for moderate and low income, first time homebuyers.

Importance: This project would help support the growing artist community around Cedar Street by providing additional artist style loft condominiums to the area. In addition, the plan supports the ongoing redevelopment of downtown Amesbury by expanding its area and proving better connectivity to the neighborhood. The plan supports the regional desire for urban revitalization and has strong local support.

Goals Addressed: II and III

“Gateway” Road Improvements:

Overview: Amesbury’s major roadways are in need of repair in order to support the growing business community in the downtown and strip mall region of Route 110 between I-495 and I-95. The reconstruction of Route 150, connecting Route 110/I-495 and the town center is estimated to cost \$1 million. Also, the reconstruction of Route 110 from I-495 to Merrill Street (Merrill Street is located just across the town line in Salisbury) is estimated to cost \$2.4 million. Both of these projects are listed in the Merrimack Valley’s Transportation Improvement Program (TIP), FY 2008 Highway Projects list. In addition, for TIP FY 2009, the reconstruction of Elm Street from Market Square (town center) to Route 110 is listed at a price tag of \$3 million. The earmarked funding for all three projects comes from a combination of federal and state highway sources.

Importance: Amesbury “gateway” roads need to be repaired in order to smooth transportation between the major business development nodes of the town. In addition, repairing these highly visible roads would help promote the town’s resurgence.

Goals Addressed: I and III

Andover

I-93 Lowell Junction Interchange:

Overview: The Town of Andover, working closely with the Towns of Wilmington and Tewksbury, is looking to obtain funding for the construction of a new I-93 interchange between Exits 41 and 42 in order to ease traffic on local roads around the industrial park, which currently does not have direct access to the highway. Governor Romney has stated that the project is his highest priority in a recently proposed \$600 million economic stimulus bill. In MVPC’s recently completed I-93 Corridor Study, a chapter is dedicated to the proposed Lowell Junction Interchange. This study can be downloaded off of MVPC’s website.

Importance: If constructed, the new interchange would not only ease traffic on local roads, improving the quality of life in the neighborhood, but would also greatly expand business and employment opportunities in the industrial zone around the interchange, thereby increasing local tax revenues. In addition, a developer has stated that his company would build a new regional mall adjacent to Andover in Tewksbury, providing even more employment opportunities for the region, if the interchange is built.

Goals Addressed: I, III, and IV

Burt Road Industrial Extension:

Overview: In order to provide better access to the Lowell Junction Industrial District, Andover applied for and received a State Public Works Economic Development (PWED) grant in 1994. The PWED has recently been restructured for submittal to the State for an expanded scope of work estimated to cost \$5,200,000. The project has strong local support, and public/private partnering is involved.

Importance: Extending Burt Road would increase business expansion opportunities in the industrial district and, thus, create new jobs for the region.

Goals Addressed: I, III, and IV

Dascomb Road Improvements:

Overview: The main roadway off of Exit 42 from I-93, Dascomb Road experiences heavy traffic, due to the high levels of commercial and industrial development nearby. In order to improve traffic flows, the plan involves improvements to signalization and interchange access, and roadway widening.

Importance: Improved traffic flows would create more business and employment opportunities in the regionally important nearby commercial and industrial zones.

Goals Addressed: III

Georgetown

New Access Road from Route 133 (I-95) to Norino Way (Industrial Area):

Overview: Groundbreaking for the long-awaited Georgetown access road took place in summer 2004. The \$3.1 million federally funded Transportation Improvement Program (TIP) project will tie National Avenue to Norino Way, allowing easier access to I-95 for truck traffic, thus avoiding residential sections of the area. The project has been on MVPC's TIP list for several years and has had strong local support. The completion date is pegged for July 2005

Importance: Not only will the new access road improve traffic conditions in residential areas, it will also improve the infrastructure of the industrial zone along I-95, making it more attractive for economic development.

Goals Addressed: I and III

Town Center Redevelopment:

Overview: Some of the parking in and around the town center area is inadequate, poorly located, or not conducive to pedestrians seeking to conveniently access or move among multiple business destinations. In addition, The Town needs to explore the feasibility of instituting a package sewage treatment facility to meet the current and future wastewater treatment needs of the town center and densely developed surrounding neighborhoods. Future economic development within the downtown area will be constrained by the inability to create or expand septic systems or construct additional wastewater capacity. Finally, in order to reinforce the small scale, traditional business development patterns of the town center, Georgetown needs to promote commercially oriented mixed-use development that may include moderate amounts of residential uses and encourage façade and streetscape improvements to enhance existing business properties.

Importance: Focusing improvements on the town center would help support small, local businesses. In addition, these smart-growth principles would help protect the environment—one of the goals of the regional CEDS—by conserving green space and improving wastewater treatment.

Goals Addressed: I and II

Groveland

Downtown Revitalization, Including Bates Bridge Replacement:

Overview: This project consists primarily of the replacement of the existing Bates Bridge with a new bridge located approximately 60 feet downstream from the existing bridge. This will allow the existing bridge to remain in service during construction. The proposed bridge will have a movable span similar to the existing bridge. In addition to the 775-foot long bridge, the project also includes reconstruction of the approach roadways in the City of Haverhill and the Town of Groveland to tie the new bridge alignment in with the existing approach roadways. This project is being funded through the 2005 Transportation Improvement Program (TIP) for the Merrimack Valley Metropolitan Planning Organization, with an estimated construction cost of \$15 million. Construction is estimated to begin in the winter of 2006-2007.

Importance: The new bridge will help with the revitalization efforts for the Groveland town center, by creating more space for waterfront development/enjoyment and improving traffic flow, which will help support the small, local commercial business base of the town center.

Goals Addressed: I and III

Expand Sewer Service in Industrial Zones:

Overview: In order to facilitate the expansion of business and employment opportunities in the Town and diversify the tax base, Groveland's recently completed community development plan calls for improving the industrial zone along Route 97 through the extension of public sewer, creation of tax incentive plans, and the possible establishment of a planned industrial park in the zone.

Importance: Employment opportunities in Groveland are limited. The industrial zone is an appropriate location to try and attract desirable businesses, which will diversify the Town's mix of employers and increase the local tax base.

Goals Addressed: I

Haverhill

Refurbishment of Vacant Lots and Mill Buildings Near Commuter Rail Stations:

Overview: The City of Haverhill is blessed with a number of historic mill buildings within walking distance of its two, centrally located commuter rail stations. Recently, the City has been moving forward with the redevelopment of these underutilized buildings into a mix of condominiums and retail businesses. Listed is a sample of some of the major deals that have occurred recently:

- The City has sold the Ornstein Heel property at 31-35 Railroad Avenue for \$3.4 million to a developer who will construct 136 riverfront condominiums. In addition, a public riverwalk and park will be built on the lot, which is adjacent to the Bradford commuter train station.
- The historic Marsh Building at 37-47 Washington Street is being turned into an upscale mix of luxury condos on the top floors and boutiques on the ground floor.
- Beacon Companies of Boston recently purchased the building at 25 Locust Street and the Cabot Furniture Building at 16 Walnut Street. Both will be renovated into condo/retail developments.

Importance: In all, around 500 new apartments and condominiums are in the plans for downtown Haverhill. This, along with the steps the City is taking to allow more mixed-use zoning, especially around the commuter train stations, will attract more residents and visitors to downtown Haverhill, spurring more economic activity that will support business and job growth.

Goals Addressed: I, II, and IV

Downtown Parking Garage:

Overview: Closely aligned with the above-mentioned mill building/commuter train station redevelopment is the need to build a new parking garage in the area to support the new activity spurred by the condo/retail business expansion plans. City officials have been working on getting the necessary funding for construction from state and federal sources. MVPC's Brownfields Assessment Program has provided funds for an environmental assessment on one of the area's parcels of land that is being considered for the new parking garage.

Importance: Providing sufficient parking space is an important piece of any redevelopment plan.

Goals Addressed: III

Redevelopment of Former Bradford College Campus:

Overview: Once a renowned liberal-arts college, this 73-acre property was bought by GFI Partners in 2002 after the college fell into debt it could not get out of. Construction of 172 condominiums in the rear 17 acres of the property will begin shortly, while 36 acres will be reserved as open space. However, the academic buildings

covering the remaining 20 acres in front are vacant. The owners have been trying to grant the wish of the neighborhood by finding a new educational institution to take over the buildings, but are now expanding their search for users after a number of educational deals fell through.

Importance: Adding more condominiums to the central part of the City will help with the ongoing City effort to attract more people to the downtown area. The surrounding neighborhood is supportive of the condo and open space development plans. All agree, however, that a viable tenant needs to be found for the academic buildings before substantial blight begins to take over and the campus becomes a major eyesore to the neighborhood. This would be a tragic fate for the one-time pristine college that was on the National Historic Register.

Goals Addressed: I and II

Redevelopment of Woolworth Building:

Overview: The Woolworth Building, well known to locals, due to its prime location at 2 Merrimack Street adjacent to the Basiliere Bridge, has sat vacant for four decades. City officials are very eager to see the privately owned building redeveloped and have stated their strong willingness to work with a developer on any viable redevelopment plan.

Importance: The building is located at one of, if not the most, visible and busiest corners of downtown Haverhill. A redevelopment of the building would have a strong, positive psychological effect on city residents who have seen the building sit vacant for decades and would be a validation of the much-touted resurgence of the City. This would likely spur additional development and economic activity.

Goals Addressed: I and II

Waterfront Improvements:

Overview: A waterfront master plan is needed to coordinate the development of a boardwalk, river dredging, and zoning changes, all in the name of better utilizing the Merrimack River for public enjoyment and economic development. The City has asked the federal government to dredge a portion of the river off the downtown to accommodate larger boats and is looking for funding to build mooring areas off Washington and Merrimack Streets. A master plan would allow the City to be proactive with development plans, rather than reactive to private proposals. Federal money is available for the construction of a boardwalk, but cannot be released until the location and design plan is approved.

Importance: Improving the riverfront area is another important step in boosting the image of the downtown and attracting new businesses, residents, and visitors. The Merrimack River is a valuable asset that needs to be better utilized for public enjoyment and economic development.

Goals Addressed: I, II, and III

Business Development Near I-495 Interchanges:

Overview: Another important economic development asset for Haverhill is its five Interstate 495 interchanges, which have enormous potential for attracting large employers to the region. In particular, there is excellent opportunity for growth near the industrial parks off Exits 48 and 50. Growth has picked up in the past couple of years, most notably, with the attraction of a number of large food processing manufacturers. More recently, in March 2005, the City Council approved two new projects that will bring hundreds of jobs and much needed revenue to the City. The two projects are:

- A Lowe's Home Improvement Center on 44 acres near Exit 50, which will create 400 to 500 full and part time jobs and \$600,000 in taxes annually. The project still needs a final agreement between neighbors and the developer.
- A new Whittier Rehabilitation Hospital at the Ward Hill Industrial Park near Exit 48, which will create 250 jobs and \$200,000 in taxes annually.

Importance: Haverhill's industrial parks and interchanges have enormous potential to create both entry level and higher wage jobs for the region. The City has had discussions about developing a biotechnology research facility on one of its industrial parks to help attract more investment in this growing field.

Goals Addressed: I and IV

Lawrence

Airport Industrial Park:

Overview: Last year, officials from North Andover and Lawrence completed a deal to create a new industrial park within the Lawrence Airport, which is located in North Andover. The plan is expected to create 300 to 900 jobs and generate \$416,000 per year in property taxes on 42 acres of unused airport land. Lawrence and North Andover would split the tax money evenly. The proposed project still needs to get clearance from FAA's regulatory arm and the Lawrence City Council. In addition, the communities are looking to obtain funding for infrastructure improvements in the proposed park. The EDA Public Works grant is one of the sources that has been looked in to.

Importance: The proposed plan is a good example of two neighboring communities working together to try and create economic growth for the region. If successful, the project could set in motion additional cooperative projects between neighboring communities in the region. Also, because of Lawrence's high unemployment rate, the industrial park would generate much-needed jobs. Finally, this project is yet another example of smart growth planning in the region through the use of infill development, which helps save green space in undeveloped sections of the region.

Goals Addressed: I, II, III, and IV

Gateway Project North:

Overview: The goal of this significant project is to make more attractive one of the main entry ways into the city from Interstate 495 to Marston Street and Canal Street on the north side of the Merrimack River, by reconfiguring highway ramps, widening roads, improving underground utilities, expanding parking, and cleaning up Brownfield sites. Work is nearly complete on the \$40 million reconstruction of the Marston Street interchange and I-495 double-decker bridge over the Merrimack River and most of the estimated \$23 million dollars to build a campus-style parking lot on two adjacent Brownfield sites has been raised. The project also calls for the elimination of canals underneath the property, removal and disposal of contaminated soil from years of industrial activity, investigation of underground utilities, and the design of a new bridge over the Spicket River. Finally, improvements to the Canal/Union Street intersection are needed and are listed in the FY2007 regional TIP plan.

Importance: A more attractive entrance and easier access to downtown Lawrence will help attract private investment along the Merrimack River. Much investment has already taken place on the south side of the river, but the north side needs additional support from the public sector in order to help spur redevelopment in this underutilized section of the City.

Goals Addressed: I, II, III, and IV

Gateway Project South:

Overview: In July 2004, ground broke on the massive \$23.6 million Patricia McGovern Intermodal Transportation Center at the corner of Merrimack Street and South Union Street on the south side of the Merrimack River. Construction of the facility is expected to be completed in fall 2005. The new center will replace the existing commuter rail stop a quarter-mile down the road, which is nothing more than an asphalt lot and a small attendant building. In addition to the commuter rail facilities, the Center is slated to provide a 900-car parking garage, retail shops, police substation, and shuttle service to Logan and Manchester airports.

Importance: The project is expected to attract \$200 million in private investment to the Center's surrounding historic mill buildings.

Goals Addressed: I, II, III, and IV

Refurbishment of Mill Buildings:

Overview: One of the best signs of Lawrence's rebirth in recent years has been the flurry of activity involving the City's numerous underutilized historic mill buildings. Listed are a few of the major deals that have occurred recently:

- Mill developer Robert D. Ansin has made the biggest splash in recent months, purchasing the massive Wood and Ayer Mill buildings near the new transportation center. He plans on redeveloping the combined 1.6 million square feet of space into a mixed-use development, including up to 600 new condominiums. Ansin has stated that total redevelopment could cost \$200 million over the next decade.
- Heritage Place at South Union Street, with its 245,000 square feet of space, has been a big success to date, attracting numerous tenants to the new office space.
- Bell Tower on Island Street is another successfully completed office development, with 140,000 square feet of space that is full of new tenants, including a college.
- The Riverwalk Complex, consisting of three buildings on Merrimack Street, is a planned mixed-use development of close to \$1 million square feet of space that has seen more than \$5 million invested to date.
- The South Canal International Business Center is a planned commercial development, consisting of 140,000 square feet, costing \$6.5 million.
- The Duck Mill on Union Street is a planned mixed-use development of over 100,000 square feet of space, near the new transportation center.
- The Stone Mill is a planned 80 unit condominium complex of 100,000 square feet.
- There is a development plan in the works between Malden Mills Industries and a developer to create a new mixed-use development in portions of Malden's underutilized mill complex.

Importance: There is endless potential in the millions of square feet of underutilized mill space in Lawrence to create new housing, employment, and entertainment. The public and private sectors need to continue to work together to build on the momentum gained so far. The new transportation center is a perfect example of a public sector investment spurring private investment.

Goals Addressed: I, II, III, and IV

Replacement of the Intown Mall:

Overview: The City of Lawrence and Northern Essex Community College are lobbying the federal government for \$1 million to tear down the Intown Mall on Essex Street and clean up the parcel of land in order to make way for a \$11.6 million allied health and technology center with classrooms and labs for 1,000 Northern Essex students. The Mall, built in 1970, has been plagued with problems during its entire history and is severely underutilized. \$11.6 million is earmarked for the building in a bond issue for state college construction projects.

Importance: The Intown Mall is a large, blighted building that depresses the neighborhood. The health and technology center, with its 1,000 students, would help revitalize the area. In addition, the center would add 30 permanent faculty and administrative positions, create numerous construction jobs, and ease space issues for the college, which is experiencing enrollment pressures.

Goals Addressed: I and IV

Enhanced Marketing of the Renewal Community Zone:

Overview: In 2002, the US Department of Housing and Urban Development designated a large portion of Lawrence as a Renewal Community Zone, one of only 40 in the entire nation, which qualifies the area for significant economic aid in the form of wage credits, tax deductions, capital gains exclusions, and bond financing to stimulate economic development and job growth. However, up till now, the City has had a difficult time getting the word out about the tax benefits to the business community. In an effort to increase the marketing of the designation, the Merrimack Valley Workforce Investment Board has been given an initial \$20,000 grant from the City for support initiatives to specifically market the \$1,500-per-employee tax credit, which is available to companies that have employees who both live and work in the zone.

Importance: Lawrence needs to do a better job of taking advantage of this significant incentive program, which could make a big difference in the ability of small business owners to see a profit and increase employment opportunities to the economically depressed area.

Goals Addressed: I and IV

South Broadway Improvements:

Overview: The City of Lawrence is focused on rehabilitating South Broadway from the Andover border to the Merrimack River. The roadway is tired, filled with potholes and utility breaks. Presently, the road is passable but in urgent need of reconstruction. In order to sustain the numerous businesses located on South Broadway, and throughout South Lawrence, a full-depth reconstruction and streetscape project is required to maintain and expand the level of economic development. The proposed scope of work would begin at the Andover line and terminate at the O'Leary Bridge, which spans the Merrimack River and would build upon the Mass Highway reconstruction of Broadway/Rt.28 that began at the Methuen line and concluded at Water Street on the north side of the O'Leary Bridge. Traffic flow is heavy and includes both local and pass-through traffic and there are several signaled intersections without turning lanes. In order to improve traffic flow, the plan requires improvements to the roadway surface, lighting, roadway markings, and improvements to signalization.

Importance: South Broadway is a high-visibility main entrance to the City of Lawrence when entering from the Town of Andover and Route 495 and is also state Route 28. This gateway to the City is critical to the maintenance and expansion of the economic vitality in South Lawrence and Lawrence on the whole, as this main north-south roadway bridges both sides of the Merrimack River. Furthermore, South Broadway is a critical economic zone within the city that directly supports dozens of employers and small businesses. It also does/and will provide a main access to the new \$23.6 million Patricia McGovern Intermodal Transportation Center being built on Merrimack Street. The value of this project is obvious, complimentary to Mass Highway's recent investments on (north) Broadway and critical to the future of commerce in South Lawrence.

Goals Addressed: I, II, III, and IV.

Storefront Improvement Project: Essex and Broadway Streets

Overview: The Storefront Improvement Program is designed to reduce blight in the Essex Street and Broadway neighborhood, by providing grants to small businesses for building frontage upgrades.

Importance: The Essex Street and Broadway regions of the City are important neighborhoods, due to their high concentration of locally owned small businesses. The Storefront Improvement Program is an important tool in helping to revitalize the downtown.

Goals Addressed: I and IV

Roadway Improvements on Island Street:

Overview: A plan to improve roadway conditions on Island Street is in the early stages of development. Further studies need to be developed before the plan can move forward to the implementation stage.

Importance: Island Street is home to the renovated Bell Tower building and is located right in the heart of the Gateway Improvement area. Road improvements are needed to further develop the street and attract new businesses and jobs. This plan is in line with state's motto of "fix it first," referring to the idea of focusing public infrastructure investments in already established areas.

Goals Addressed: II and III

Pedestrian Walkway along Merrimack River:

Overview: A plan has been developed to construct a walking trail/bikepath along the Merrimack River in conjunction with the redevelopment of the mill buildings. The estimated cost is \$900,000.

Importance: Developing a walking trail/bikepath is part of the larger scheme to make Lawrence a more attractive place to live and work. Pedestrian access to the Merrimack River is a very important component of that process.

Goals Addressed: III

Methuen

Rotary Improvement Project:

Overview: A \$26 million construction project to smooth out the bottlenecked and accident-prone I-93-Route 110-Route 113 intersection was included in the 2004 state transportation bond bill. This action has helped spur the process of developing a plan for the rotary. In summer 2005, the state is expected to name the consultant that will perform a study of design alternatives.

Importance: The Methuen Rotary is one of the most congested and dangerous intersections in the State. Improvements are needed not only for safety reasons, but also to free up local traffic, which would make the area more attractive for economic development.

Goals Addressed: III

Danton Drive/Pelham Street Roadway Improvements:

Overview: In order to provide better access to an underutilized industrial area near I-93, Methuen would like to build a roadway extension in the industrial zone and widen Pelham Street, which would greatly expand development opportunities.

Importance: This project would increase business and employment opportunities for Methuen, which has one of the highest unemployment rates in the region.

Goals Addressed: I, III, and IV

Downtown Development Near the Spicket River:

Overview: the City recently completed a Downtown Development Plan that envisions redevelopment of this area, spurred by public investment that takes advantage of the downtown's historic architecture and the beauty and recreational potential of the Spicket River. The plan includes an analysis of market conditions, and concludes that the town center has a comparatively strong core of services, particularly "high end" services such as business, professional, legal, and FIRE (finance, insurance and real estate).

Importance: Methuen's town center has the potential to support additional businesses and pedestrian activity, which would increase employment opportunities. In addition, the plan promotes infill development and urban revitalization, and has strong local support.

Goals Addressed: I, II, III, and IV

Extension of Sewer Infrastructure in Griffin Brook Industrial Park and Old Ferry Industrial Park:

Overview: Griffin Brook Park is located between Routes 110 and 113 approximately one mile west of I-93, while Old Ferry Industrial Park is located off of Route 110 near the City's eastern border with Haverhill. Both are conveniently located near major roadways and have the potential to attract additional employers, due to a number of undeveloped tracts. Methuen's Community Development Plan highlights the extension of public sewer as the biggest need in attracting additional private investment.

Importance: Methuen's industrial parks have enormous potential to create a wide range of new jobs for the region.

Goals Addressed: I and IV

Newbury

Transit Oriented Development Along Route 1, from Newburyport line to Sled Road:

Overview: Newbury's Master Plan calls for the creation of a Transit Oriented Development (TOD) district on Route 1, extending from the Newburyport town line down to the Sled Road intersection. The area now includes the Town's current industrial zone, as well as the commercial highway zone. The strategy involves working closely with the City of Newburyport to develop a plan to concentrate new commercial, retail, and housing in this TOD district at higher densities than currently exist. The proximity of the MBTA commuter rail station in Newburyport supports the concept of a mixed-use retail, commercial, and residential project, with full pedestrian and bicycle access to Newbury and Newburyport.

Newbury will be working with Newburyport to not only study the feasibility of the redevelopment of this area, but also to jointly create a *transfer of development rights (TDR)* program. A complimentary goal of the Master Plan is to preserve open space in those parts of town that are threatened with development, such as the area along Scotland Road, along the Parker River, and near Old Town Hill. The TDR program will allow property owners to sell development rights to those who wish to develop along Route 1, thus, keeping current open areas free from development

Importance: Newbury's plan promotes development in more appropriate areas and supports the maintenance of open space. In addition, it has the potential of providing much needed affordable housing for Newbury, along with an increase in commercial and retail activity, which would contribute to the Town's tax base.

Goals Addressed: I, II, and III

Newburyport

Waterfront Improvement Plan:

Overview: The City Council has approved a new mixed-use zoning district for a half-mile stretch of prime waterfront land from the Coast Guard Station to the Route 1 bridge, which will extend the downtown area. Over the next few months, the City will await proposals from property owners. The new zoning encourages historic-themed designs, public access, open space, and commercial and residential uses, replacing the old zoning, which allowed for development that was uncharacteristic of the surrounding downtown, such as storage facilities. Special language was inserted in the zoning dealing with building locations and heights to preserve views of the river. Both the City Council and Planning Board unanimously approved the new zoning after the waterfront plan received strong support from local residents and businesses. There have been discussions about allowing a hotel to be built on the waterfront in order to attract overnight tourists.

Importance: Newburyport needed to be proactive with its waterfront in order to discourage unwanted development that went against the design and "feel" of the historic downtown. In addition, it is estimated that the new development will create hundreds of new jobs and hundreds of thousands of dollars in new revenue for the City. By encouraging new development in the downtown area, this plan is yet another example of smart growth in the region.

Goals Addressed: I, II, and IV

Downtown Parking Garage:

Overview: The City desperately wants to build a new parking garage in the downtown area to alleviate some of the pressure from a shortage of parking spaces. This facility is especially needed, due to the new development that will be coming on line in the area as a result of the recently passed mixed-use zoning district on the waterfront. The State included the parking garage in its 2004 Transportation Bond Act for \$5 million. In addition, the City is exploring the idea of forming a partnership with a private developer to help finance the project. A location for the facility has not been settled on. The parking garage plan enjoys strong support from City Hall, businesses, and residents.

Importance: A new parking garage would support the burgeoning small-business community of downtown and the new waterfront development area by encouraging more area residents and outside tourists to visit. In

addition, it would also allow for some of the current surface parking along the waterfront to be removed and replaced by a public park. One of the sites being considered is a suspected Brownfield site.

Goals Addressed: I, II, and III

Hale Street/I-95 Improvements, Including Possible Interchange and Development of Last NAID Parcels:

Overview: This issue has become a contentious one over the past few years, pitting Newburyport Area Industrial Development (NAID)—the nonprofit group owns approximately 100 acres of open space adjacent to the Lord Timothy Green Industrial Park—versus local residents, who would like to see the remaining NAID land kept as open space. In order to support the industrial park and attract new businesses into the undeveloped land, pro development forces would like to see a new I-95/Hale Street interchange, roadway reconstruction of Hale Street, and a new access road from Hale Street into the open space. A new interchange is estimated to cost \$4.5 million, while Hale Street reconstruction would cost \$2.5 million. MVPC helped NAID submit an EDA Public Works Grant pre-application for construction of the access road in 2003; however, the funding request was dropped once it became evident that the plan did not have sufficient support from the neighborhood.

Importance: According to NAID, developing the remaining NAID land would generate 300 to 500 new jobs by attracting new businesses to the area; however, the obvious benefit to Newburyport and the region of creating hundreds of new, well paying jobs would be negated if the development harms the land's delicate ecosystem and if a substantial number of residents would prefer to see the land preserved as open space. Ideally, a compromise will be reached that all sides can live with. Most likely, this will require a scaled-down development plan. This development issue goes right to the heart of CEDS Goal II, which is to *create a balance between development and environmental interests*. If a compromise can be worked out, this project has the potential to be very beneficial to the region, addressing all four of the major CEDS goals.

Goals Addressed: I, II, III, and IV

Transit Oriented Development Around the Route 1 Traffic Circle and Commuter Rail Station:

Overview: Newburyport has developed a land use plan for the area around the traffic circle/commuter rail station, industrial park, and undeveloped land between Low Street and I-95 that calls for concentrating new development around the Route 1 traffic circle and commuter rail stop, which is in line with the concept of transit-oriented development. Newburyport is working with neighboring Newbury on this project, which borders the traffic circle and would like to preserve its open space as well. In order to encourage growth in more desirable areas, planners are considering setting up a *transfer of development rights* system, which would allow owners of undeveloped land to sell their development rights to traffic circle developers, who would be allowed to build more densely near the traffic circle/train station than current zoning allows. This idea has been promoted by some as a way to settle the NAID land issue mentioned above.

Importance: This plan follows the concept of smart growth development. Open space would be preserved, developers would be allowed to bypass zoning and build more densely, and by better using existing infrastructure, the City would benefit by not having to maintain new infrastructure. In addition, with more development concentrated around it, the commuter rail station would be better utilized.

Goals Addressed: I, II, and III

Rail Trail Project:

Overview: Newburyport has developed a plan to create a bike/walking trail that would connect the commuter train station with the downtown district. The strip of land has been submitted by the City to MVPC's Brownfields Program for assessment of possible contaminants. As of this writing, the assessment proposal has not yet been approved by EPA.

Importance: The rail trail would tie together the train station/traffic circle area of town with the downtown area, encouraging more pedestrian activity in the downtown, which would help support local businesses. It would also promote alternative means of travel and improve the local transportation network.

Goals Addressed: III

North Andover

Redevelopment of Lucent Site:

Overview: the Lucent Technologies Merrimack Valley Works plant, now officially referred to as the 1600 Osgood Street Commerce Center, is a distinguished, impressive compound that has defined the image of North Andover's northernmost industrial area since the mid-1950s. The site consists of 169 acres, including 40 acres on the south side that have never been developed. In addition to nearly 2 million square feet (ft²) of manufacturing, office, and warehouse space in 30 permanent and temporary buildings, the property includes 40 acres of roadways and parking, 6,000 parking spaces, and four little league ball fields. The centerpiece of the site is its 1.5 million ft² manufacturing facility.

The Town is working hard to ensure the site becomes successfully redeveloped. Zoning changes are being worked on to achieve the optimal use of the site. In addition, a Tax Increment Financing (TIF) Plan was approved by the Town in 2004 to aid the owners. Any new investment in the property will be taxed at a lower rate by the Town for the next 20 years. Also, in early 2005, the State officially recognized the property as an Economic Opportunity Area. The designation gives State approval to the TIF plan and gives all tenants at the site 5 percent off their state income taxes for any production that occurs at the property. Finally, The Town and the site owners have had ongoing discussions with the State about placing a new commuter rail station at the Lucent complex, which would make the site significantly more attractive to businesses.

The owners have been successful in attracting a handful of small businesses to the site and are currently in various stages of negotiation with several possible tenants.

Importance: In 2003, Andover-based Ozzy Properties, Inc. purchased the entire site with the goal of attracting high-tech/high-end industrial tenants. In addition, the owner wants to maintain the existing "campus" setting, adding some landscaping and modest site improvements in the short run. Ozzy Properties has designed new entrances at the north and south walls, handicapped accessible entrances and elevators, campus improvements to soften the appearance, common atrium space and breezeways, connections from the office building to manufacturing floor for contiguous corporate layouts, and new loading docks and shipping/receiving areas. Today, the property is almost entirely vacant, with only a few remaining Lucent Technologies employees filling its halls. At one time, there were thousands of employees working there. For both North Andover and the region, the stakes are obviously high. For the new owners, however, the risks are enormous: dividing 1.5 million ft² of single-user manufacturing space for multiple-tenant occupancy is daunting at best, and it is made far more challenging by the precarious state of the nation's economy. Local, state, and federal resources will have a major impact on the successful redevelopment of this property. The Lucent site has extensive economic, psychological, and social significance to its present and former workforce and residents of North Andover.

The facility will provide considerable income via property taxes to the town of North Andover when it is fully tenanted. Not very long ago this site was the Town's #1 revenue generator. It is expected to be such again when full re-development occurs. In addition, the owner has incorporated both transit-oriented development and smart growth principles into the long range planning of this site, which will no doubt result in optimal occupancy.

Goals Addressed: I, II, III, and IV

Airport Industrial Park:

Overview: Last year, officials from North Andover and Lawrence completed a deal to create a new industrial park within the Lawrence Airport, which is located in North Andover. The plan is expected to create 300 to 900 jobs and generate \$416,000 per year in property taxes on 42 acres of unused airport land. Lawrence and North Andover would split the tax money evenly. The proposed project still needs to get clearance from FAA's regulatory arm and the Lawrence City Council. In addition, the communities are looking to obtain funding for infrastructure improvements in the proposed park. The EDA Public Works grant is one of the sources that has been looked in to.

Importance: The proposed plan is a good example of two neighboring communities working together to try and create economic growth for the region. If successful, the project could set in motion additional cooperative

projects between neighboring communities in the region. Also, because of Lawrence's high unemployment rate, the industrial park would generate much-needed jobs. Finally, this project is yet another example of smart growth planning in the region through the use of infill development, which helps save green space in undeveloped sections of the region.

Goals Addressed: I, II, III, and IV

Reconstruction of Old Town Center:

Overview: In the design stage and located in the FY 2005 Merrimack Valley Transportation Improvement Project (TIP) plan is an estimated \$3.8 million project to construct a round-about at the Andover Street and Massachusetts Avenue intersection and reconstruct portions of Osgood Street in the immediate vicinity.

Importance: This project will help smooth traffic conditions, which will aid businesses in the vicinity, and improve safety at the Old Town Center.

Goals Addressed: III

Industrial Area Access Road Along Clark/Charles/Sutton Street Connector:

Overview: In the 2004 State Transportation Bond Act, sixty thousand dollars was included for a feasibility study for the engineering, design, and construction of an access road on the Clark Street, Charles Street, Sutton Street connector in North Andover.

Importance: This proposal is in the vicinity of the Town's industrial zone of the airport, Lucent complex, and commuter rail line.

Goals Addressed: I and III

Salisbury

Rabbit Road and Industrial Park Sewer Project:

Overview: The Town is planning zoning changes and the expansion of the sewer system on Rabbit Road and the Salisbury Industrial Park in order to aid business expansion. In October 2004, the Town was authorized to borrow \$5.4 million to bring Salisbury's sewer system down Old Elm Street, Rabbit Road, and down Fanaras Drive, which is a private road that loops around the industrial park (the plan includes the town taking over the private road.) In addition, Salisbury has been looking for additional grant money for the project, including the EDA Public Works Grant. In late 2004/early 2005, MVPC helped Salisbury with their pre-application for the grant; however, federal budget uncertainties have left the grant program in limbo. MVPC will continue to aid Salisbury in their pursuit of federal funds, once the budget issues become clearer, which should happen before the end of 2005.

Importance: Lack of sewer is hurting the Town's ability to retain and attract new businesses to its industrial zone. Sewer expansion and rezoning would create much-needed jobs and revenue for Salisbury. The industrial zone has great potential for expansion, due to its excellent location adjacent to I-95. The project would benefit not only Salisbury, but the region as a whole, due to its strong job growth potential

Goals Addressed: I and IV

Beach District Revitalization:

Overview: Salisbury is working on a development plan for the beach district, with the aim of revitalizing the area through a combination of zoning changes to allow mixed-use development, and the construction of a boardwalk. Some of the details that need to be worked out include: allowable building heights; amount of new condominiums to allow in the business district; the proper mix of seasonal and full-year residential units; and building design guidelines, aimed at improving the aesthetics and referencing the area's past. In addition, the Town is exploring design and funding opportunities for a boardwalk, with the aim of making the beach area more accessible and family friendly.

Importance: Creating a unifying plan and vision for Salisbury's beach district is needed in order to reign in the unplanned condominium building boom that has occurred in the past few years, which is rapidly changing the character of the beach area. It is also needed to encourage business development and job growth, and to make the district more of a year-round destination, all of which would equal more revenue for the town.

The recent efforts by Salisbury to create an overall strategy for the district has received strong support from residents and area businesses who are concerned that market forces are permanently changing the character of the once-thriving beach community. Through smart planning, Salisbury can maintain and build on the entertainment aspect of the beach district, even in the face of the inevitable rise of high-end condo development. The bottom line goal is to find that right balance between residential, commercial, tourism, and entertainment development.

Another benefit of all the discussions regarding beach redevelopment is that Salisbury is engaging in smart-growth planning by encouraging new growth in an already development section of Salisbury and discouraging building in the Town's open spaces.

Goals Addressed: I, II, III, and IV

Rail Trail Development:

Overview: Salisbury is actively working on expanding and improving the rail trail. The Town is looking for funding sources to perform an environmental assessment of the trail area. One avenue tried was MVPC's Brownfields Assessment Program. An application was submitted, but has not been approved by EPA, due to their concerns with the lease agreement for the rail trail between Salisbury and the MBTA. In addition, the Salisbury Rail Trail Group is applying for a grant from the Essex National Heritage Commission to install signs and markers to improve presentation of facts about nature and history. Also, the Group is putting together brochures to show the routes and describe the trails. The trail system will eventually become part of the East Coast Greenway Alliance, a 2,600-mile route stretching from Florida to Maine.

Importance: The Salisbury Rail Trail is part of the Coastal Trails Coalition, which is working on connecting trails in Amesbury, Salisbury, Newburyport, and Newbury. Development of the trail will enhance tourism and recreational opportunities in Salisbury as well as in Newburyport, Amesbury, and Newbury through their connection to the trail, and will help bring more of a sense of unity between the neighboring towns. Development of the trail will likely aid small businesses catering to trail users, as has been the case with other rail trails.

The Town of Salisbury's Community Development Plan (approved unanimously at Town Meeting) identifies development of the rail trail as a high priority goal. Development of the rail trail has the support of the Board of Selectmen and the Town Manager.

Goals Addressed: II, III

Regional

Small Business Development Financing and Support:

One of the major goals of the CEDS Committee is to provide support for the development of small and minority-owned businesses in the region. There are a number of avenues for businesses in the region to obtain support for their development. The Merrimack Valley Economic Development Corporation (MVED), a non-profit subsidiary of the Merrimack Valley Planning Commission, has established a revolving loan fund to support the growth and retention of jobs in the Merrimack Valley. The Merrimack Valley Economic Development Loan Fund was made possible primarily through funding from the U.S. Economic Development Administration and the Massachusetts Department of Housing and Community Development. Funds are available to provide gap financing for small business, industrial, and some commercial projects.

The Loan Fund's two primary services are:

1. Financing

- Gap financing to supplement private financing inadequate to meet a need.

- Flexible terms and relaxed underwriting criteria to open the window of creative financing opportunities.
 - Favorable interest rates adequate to achieve a positive debt service coverage.
2. Identification and Coordination of supportive resources. Included are technical assistance, job training, and business development through the Massachusetts Office of Business Development and other agencies needed to complete a loan and achieve business viability.

Under the Loan Fund Program, MVED provides loans generally in the range of \$25,000 to \$100,000 to be used as gap financing on a larger project. To date, MVED loans have created or retained 153 jobs and generated \$6.9 million in private investments. MVPC will continue to promote the loan program and seek new funding opportunities to help small businesses in our region.

The City of Lawrence has a similar revolving loan fund program established to aid businesses within the City. In addition, there are a number of chamber of commerce's and other business support organizations throughout the Merrimack Valley region.

For various assistance programs from the State of Massachusetts, The place for businesses to go is the newly formed Massachusetts Business Resource Team, a one-stop location for all the state's business assistance resources. Businesses no longer have to go hunting for information on state assistance programs; all they need to do is contact the Business Resource Team, answer a few basic questions, and the Business Resource Team will do all the work matching the company's needs with the available state programs.

Workforce Development:

The Merrimack Valley Workforce Investment Board (WIB) oversees and implements workforce development activities in the fifteen communities of the region. The Board, which is composed of business people as well as labor, education, and community leaders, helps connect employers with job seekers. In October 2003, the Merrimack Valley Workforce Investment Board released its "Labor Force Blueprint" report that, according to WIB, "will be used to help drive a focused approach for workforce development programs in the Merrimack Valley to ensure that the needs of business are being met by training workers with the skills they need." The three main issues the report tackles are: identifies industries and sectors that employ large numbers of Merrimack Valley residents or have the potential to do so in the future; maps the requirements of private sector businesses, the existing skill sets of the region's residents, and the current capacity of the region's training system; and determines where gaps exist between the current capacity of the training system and the needs of businesses and residents of the region. MVPC participated in the research of this report by providing key labor force and business data and analysis to WIB. The report is available on the websites of WIB and MVPC.

WIB's ValleyWorks One-stop Career Center provides workforce and training assistance to job seekers and employers in the Merrimack Valley. Eligibility for specific programs offered by the Center is based on the needs and profile of the individual applying for services. Basic job search services include job matching, resume development, career counseling, veteran's services, and information and referral to State, Federal, and private resources as well as to education and training programs. The Center offers access to the internet, newspapers and periodicals, fax and copy machines, and other tools that aid in searching for jobs. Workshops are available on computer basics, resume development, interviewing skills, business etiquette, and job search strategies.

WIB also serves as a conduit for Federal and State workforce development funds, including the State's Workforce Training Fund. This fund is financed through employer payroll deductions, and is available to any business in the Commonwealth to help with workforce retraining.

The Whittier Vocational Technical High School and Northern Essex Community College offer career training and certificate programs in several trades and service professions (ranging from computer sciences to welding to cosmetology.) These institutions are valuable resources for providing job skills to the region's residents.

Merrimack College is a four-year college in North Andover, and Cambridge College recently opened a regional center in Lawrence, offering adults multiple convenient ways to further their education.

Updated Regional Business Inventory:

In November 2004, MVPC co-hosted an economic summit with the Haverhill Chamber of Commerce and Haverhill City Hall to showcase the city's business friendly attitude. A new city marketing website was launched, which includes a Site Profiler tool developed by MVPC that allows users to view, create, and print maps; perform site selection searches; and customize and analyze demographic and business data. This "one-of-kind" tool includes Pictometry software, which allows users to view detailed aerial images of every single parcel of land in Haverhill.

A similar project to the Haverhill Site Profiler application, but spread region wide, is currently in the early stages of development at MVPC. This is a large undertaking that will be slowly developed over time. Early versions will not have the level of sophistication that the Haverhill site has; the goal is simply to provide an up to date regional business inventory. This product will be a significant upgrade from MVPC's current Industrial Zone Profile, which provides basic information on the region's industrial zones.

Once complete, this web tool will be enormously beneficial to the region, especially to businesses and developers, as it will provide an enormous amount of business, demographic, consumer spending, and mapping information in a short amount of time and in a single location, through an easy to use application. This project falls in line with one of the main goals of the CEDS Committee, which is to ease the process of information gathering.

Regional Brownfields Redevelopment Program:

In June 2003, MVPC was awarded a \$400,000 grant from the US Environmental Protection Agency for the assessment of Brownfield sites in the region. Brownfields are properties that are unused or underused, due to the actual presence, or perceived presence, of contaminants. The purpose of the Merrimack Valley Brownfields Assessment Program is to eliminate the uncertainty surrounding these sites by identifying what, if any, contaminants are located at a site and determining the cost of cleanup. The elimination of environmental uncertainty is often the catalyst needed to spur interest from developers for the redevelopment of these sites into productive use, which is the ultimate goal of the Program. The site selection process has been guided by the Comprehensive Economic Development Strategy (CEDS) Brownfields Sub-Committee. To date, the Sub-Committee has approved 11 sites throughout the region for environmental assessment. A few of the sites have already had their assessments completed by the Program designated environmental consultant.

In November 2004, MVPC submitted an application to EPA for a \$1,000,000 Brownfields Revolving Loan Fund. MVPC applied for this grant in order to further develop our Brownfields Program, by providing grants and loans for the actual cleanup of Brownfields sites in our region. If awarded, this grant could aid in the cleanup of MVPC Assessment Grant sites that have received Phase I and II assessments. As with MVPC's Assessment Program, the CEDS Brownfields Advisory Committee would play a vital role in the Brownfields Revolving Loan Fund Program, as the Committee would advise on the best distribution of the funds. The EPA award decision is expected in summer 2005.

Increasing the Stock of Affordable Housing:

Another of the major aims of the CEDS Committee is to increase the amount of affordable housing in the region. The high cost of housing is one of the major factors why the State is experiencing difficulty in retaining its population, which ultimately hurts businesses, who often times cannot find the workers they need. MVPC does not have a housing program in place; nevertheless, many of the localities have programs in place to try and increase the stock of affordable housing.

A good supply of affordable and attractive housing is an important component to a region's economic development potential. The CEDS Committee recognizes this and will continue to search for ways to improve housing affordability.

EDA Funded Projects in the Merrimack Valley

The following table summarizes EDA's involvement in the Merrimack Valley region dating back to 1970. As can be readily seen, EDA has been especially helpful in providing public works grants that have allowed for industrial as well as community development projects. Without the active involvement of the Economic Development Administration, many of the following projects would have been difficult to complete, and in some cases, not completed at all.

EDA Funded Projects in the Merrimack Valley: 1970-2002				
Year	Municipality	Project	EDA Program	Amount
1968	Lawrence	In-town garage	Long-term employment	\$271,000
1971	Newburyport	Unknown	Public Works Impact Labor-Intensive Projects	85,000
1974	Haverhill	Ward Hill Industrial Park	Long-term employment	1,400,000
1974	Newburyport	Lord Timothy Green Industrial Park	Long-term employment	1,200,000
1975	Haverhill	Public Facilities Rehabilitation	Public Works Impact Labor-Intensive Projects	399,000
1975	Newburyport	Fire Station Renovation	Public Works Impact Labor-Intensive Projects	280,000
1976	Georgetown	Water Mains	Local Public Works	1,800,000
1976	Groveland	Municipal Facility	Local Public Works	1,800,000
1976	Salisbury	Community Center	Local Public Works	460,000
1977	Andover	Public Housing Renovations	Local Public Works	68,000
1977	Haverhill	Water Improvements	Local Public Works	1,500,000
1977	Lawrence	School Renovations	Local Public Works	3,000,000
1977	Lawrence	Water Distribution	Local Public Works	300,000
1977	Methuen	Water Supply System	Local Public Works	3,000,000
1977	Methuen	Public Housing Renovations	Local Public Works	20,600
1977	Newburyport	Courthouse Renovations	Local Public Works	221,000
1977	North Andover	Public Housing Renovations	Local Public Works	30,000
1977	Amesbury	Unknown	Technical Assistance	24,500
1977	Haverhill	Unknown	Technical Assistance	142,500
1977	Newburyport	Unknown	Technical Assistance	19,400
1977	Lawrence	Unknown	Technical Assistance	120,000
1980-current	Regional	Economic Development Planning Assistance	Planning	(\$52,000 X 21 years) 1,092,000
1983	Newburyport	Fender Piling Project	Local Public Works	116,400
1990-93	Lawrence	Minority Business Program	Planning	90,000
1995	Regional	Aquaculture Demonstration Project	Technical Assistance	100,000
1996	Regional	Revolving Loan Fund	Economic Adjustment	678,000
1996	Lawrence	Economic Development Planning Assistance	Planning	180,000
1999	Lawrence	Lawrence Small Business Center	Technical Assistance	90,000
2000	Lawrence	Flood Mitigation	Technical Assistance	10,000
2000	Methuen	Engineering Study of Flood Wall	Technical Assistance	10,000
2000	Regional	Merrimack Valley CD-Rom project	Technical Assistance	10,000
Total				\$18,517,400

E. EVALUATION PROCESS

MVPC utilizes a two-step program evaluation method to help ensure a proper and representative CEDS process. The first is the institution of a CEDS Evaluation Committee, which has been designated as a review committee for evaluation processes. The second is a partnership with three EDA funded Economic Development Districts to establish relative peer evaluation. Together, these review processes constitute a quantitative and qualitative review of MVPC's economic development activities. The framework for this evaluation has been guided by parameters setup by EDA.

E.1. CEDS Evaluation Committee

Structure

The CEDS Evaluation Committee is assigned the task of providing input and guidance to the evaluation and monitoring of the entire CEDS process. The sub-committee meets with MVPC staff to discuss what they view as strengths and needs of the CEDS process. They address, "How are we doing?" and "What can we do better?"

Evaluation Committee members communicate informally throughout the grant year, often times right before or after regular CEDS Committee meetings, and also frequently via telephone, fax, and email.

The ultimate success of the regional CEDS program is determined by the progress made in the various projects of the *Priority Regional Economic Development Actions List* (see section D.3. of the CEDS Action Plan.) In addition to helping ensure a proper and representative CEDS process, the Evaluation Committee is charged with helping MVPC's Economic Development Planner monitor the progress made in the various regional projects of the Actions List.

Evaluation Criteria

The following list of criteria has been established as a way to monitor the activities of the CEDS program.

1. Total number of CEDS Committee and Sub-Committee meetings held during the grant year.

4	Needs Improvement
5-6	Good
7 or more	Target Number
2. The average attendance of the meetings, not including MVPC staff.

6 or less	Needs Improvement
7-10	Good
11 or more	Target Number
3. Defined as average number of issues that had a significant amount of discussion amongst meeting attendees.

4 or less	Needs Improvement
5-6	Good
7 or more	Target Number
4. Total number of presentations given, defined as when a person is given the floor to speak at length, using Powerpoint or some other visual aid.

2 or less	Needs Improvement
3-4	Good
5 or more	Target Number
5. Total number of major economic development related seminars in the region co-hosted by MVPC and another regional development agency, plus EDA telecast viewings organized.

2 or less	Needs Improvement
3-5	Good
5 or more	Target Number

CEDS Committee and Sub-Committee Activities	2002-03	2003-04	2004-05
1. Number of Meetings Held	5	5	7
2. Average Attendance	7	10	7
3. Average Number of Major Issue Items	5	5	5
4. Speakers/Presentations	2	3	3
5. Seminars/Telecasts	2	3	5

Over the past three grant years, the CEDS program has experienced a fairly steady amount of Committee activity and input. In 2004-2005, the total number of meetings and seminars/telecasts held both increased by two from 2003-2004; however, average meeting attendance decreased by three. For the next grant year, the CEDS Committee has identified increasing the average number of meeting attendees and having a higher number of presentations as criteria priorities.

E.2. Peer Evaluation

In addition to the active involvement of the CEDS Evaluation Committee, MVPC will work closely with the Old Colony Planning Commission, Metropolitan Area Planning Council, and the Southeast Regional Planning and Economic Development District to ensure that our methods are consistent with EDA Guidelines and neighboring Districts. This will contribute a qualitative aspect to the evaluation process that complements the statistical quantitative analysis.

MVPC will conduct face-to-face meetings with these three Districts at national, regional and EDA events as well as teleconferences, emails and other written correspondence. During these meetings, we will share information, performance measures, and program activities, and make suggestions and critiques on how to improve our respective CEDS programs and evaluation systems.

F. DOCUMENTATION

Vision Statement and Goal Setting Process

Development of the CEDS Vision statement was the culmination of an extensive and diverse five-part outreach process, each being unique and highly representative of the economic development interests in the Merrimack Valley. The process included the following pieces: the *Citizen's Attitude Survey*, *Interviews with Regional Stakeholders*, the *Regional Assets Study*, the *Economic Development Strategy Report*, contributions from the CEDS Committee and the MVPC Commission, and the *Cluster Analysis*.

The *Citizen's Attitude Survey* asked specific questions of 900 racially, culturally and economically diverse residents in the Merrimack Valley about their concerns, issues and where they would like to see the region in the next 5, 10 and 20 years. It also asked for their positive and negative impressions of the region and how we should capitalize on our assets while mitigating our shortcomings. The survey was qualitative and quantitative in nature and all responses were aggregated and compiled into a report. The *Survey* was statistically significant with nearly a 50 percent response rate.

Upon review of the several hundred completed surveys, general themes emerged as having particular importance to the majority of the respondents. One of the highest priorities of Merrimack Valley residents is the preservation of open space. To address that concern, the CEDS Vision seeks "smart growth" development techniques whereby underutilized industrial and commercial space is rehabilitated to accommodate new and expanding business, or housing developments. This protects industrial "green space" by reserving it for only the most economical uses.

Another concern expressed by Merrimack Valley citizens in the survey was the general lack of affordable housing. This was also addressed in the CEDS Vision as we seek to advance homeownership among the region's low and moderate-income citizens by encouraging programs that assist these individuals and families.

The second piece of the CEDS Vision Statement is *Interviews With Regional Stakeholders*. The purpose of the interviews was to speak with the people in the region who are intimate with economic development issues and get their impressions of the region, including; what we are doing right, what we are doing wrong and what we can do to realize the region's potential. Interviewees included public servants, elected officials, business leaders, nonprofit organizations and educators.

These are the people on the front lines of economic development in the Merrimack Valley. They are the ones who work daily on issues that affect the region. Getting their perspective was essential to the CEDS planning process as they have special insight into the opportunities and problems that exist here.

One valuable lesson learned from this group was the importance of diversity in the economy. Any time an economy is beholden to a single company or industry, there exists vulnerability. If that industry declines, or company moves, the effect on the region can be devastating. This has long been a concern for the Merrimack Valley as textile manufacturing heavily influenced the economic landscape. Because of this, many of the regional stakeholders feel that diversity in the economy is an important factor in achieving sustainability. This sentiment is reflected in the *Vision* statement.

The *Regional Assets Report* built on information learned from the first two outreach components, but focused on a compilation of the Merrimack Valley's assets. The qualitative work plan included historical research, interviews with key players involved in economic development, an in-depth town-by-town analysis of their respective assets and a public visioning session. This work was conducted with the assistance of the Center for Economic Development at the University of Massachusetts at Amherst and the Northern Middlesex Council of Governments of Lowell.

The public visioning session was particularly useful. The three-hour session included a brief overview of the project, small group discussions about what constitutes an asset and how we can take advantage of them, and a wrap-up piece where each group shared their findings with the large group.

At the end of the session, a consensus was reached on many of the issues critical to the region. Some issues discussed included controlling growth, rehabilitating mill space, preserving historical and cultural assets, creating and retaining well-paying jobs, protecting the environment and developing affordable housing. All of these general themes were added to the *Vision* statement.

The *Regional Assets Report* confirmed and expanded on what was learned from the *Citizen's Attitude Survey* and *Interviews With Regional Stakeholders* studies. However, the public workgroup session that was held at the conclusion of the project was an excellent opportunity for concerned citizens and regional leaders to meet and discuss some of the opportunities and challenges in the Merrimack Valley.

The fourth component was the ***Regional Economic Development Strategy***. This is an analytical report that uses our regional econometric model (REMI) to determine how external and internal economic forces and trends will affect the region. It also details which industries and occupations will expand and which will contract in the next 10 years. The *Strategy* report was conducted by Economic Development Research Group (EDRG) of Boston, who MVPC hired as a outside consultant.

An important component to the *Strategy* is the section identifying the region's *Strengths, Weaknesses, Opportunities* and *Threats*, or SWOT. The SWOT analysis forms the basis for the recommended economic development strategy. This section is designed to build on strengths, address weaknesses and threats, and take advantage of opportunities that face the region as it enters the 21st century.

Another major component of the *Strategy* report was a new round of interviews conducted by EDRG with the key economic development planners and developers in the region. This piece is critical to the *Strategy* because it provides the views of those who are on the front lines of economic development in the Merrimack Valley.

Based on the results of the model, the SWOT analysis and interviews with key economic development players, EDRG provided a snapshot of what the regional economy will look like in 2010. The report allows planners to anticipate changes in the economy and develop strategies for addressing those changes. For example, the report predicts that in the next 10 years, more than 21,000 new jobs will be added to the regional economy. If this is the case, then municipalities will need to add thousands of square feet of industrial and commercial space to accommodate this large increase. Since much of the build-able land in the region is consumed, planners will need to focus their efforts on renovating underutilized mill space and preserving "green space" for only the most economically vital projects.

Another important lesson learned from the study is that this region will become increasingly reliant on skilled labor. Because of this, an emphasis will have to be placed on workforce training and education. Many of the region's newest residents are immigrants who lack basic math and computer skills and do not speak English. Addressing this will be a top priority for municipalities and business leaders alike as the available labor pool increasingly includes these newest citizens.

Addressing the need for industrial and commercial growth while preserving green space and the need for workforce education are noted in the *Vision* statement. Prior to the *Strategy* report, other evidence suggesting this region needed to focus on supporting growth and enhancing workforce education was merely anecdotal. This report quantified and confirmed what many believed to be true.

Upon integration of the preceding six ingredients and outreach, the CEDS Committee was reconvened. One of the Committee's first orders of business was to analyze the four independent pieces and construct a vision statement. To that end, the CEDS Committee held three face-to-face meetings (February 22, March 29 and May 3, 2001) and conducted written and verbal correspondence that focused on putting these pieces of the *Vision* statement together. Each CEDS Committee member provided his or her input to the *Vision*. As a result, it was determined that yet another need in the region is better access to small business financing, education and technical assistance. Furthermore, it was determined by the CEDS Committee that the end result of our

economic development program should be the mitigation of “increasing housing costs, urban blight and poverty.”

At the conclusion of the third meeting and after much review and revision, a vision statement evolved, and the CEDS Committee approved a draft. The draft of the *Merrimack Valley Vision* was then presented to MVPC commissioners at the May 17, 2001 Commission meeting. Several commissioners had comments about the draft statement and asked that some points be added to the text. Once these revisions were made, the draft was approved and inserted into the 2001 CEDS Report as the *Merrimack Valley Vision Statement*. The CEDS continued to meet in 2002 where some revisions were made to the objectives for goal I. Moreover, a fourth goal was added.

During the Fall 2002, the CEDS Coordination Committee convened to discuss how the ***Regional Cluster Analysis*** can be further incorporated into the CEDS *Vision*. The *Regional Cluster Analysis*, prepared by Professor Charles Tontar, Ph.D. Economics, helped to identify the sectors of the regional economy that constitute the area’s base industries. The analysis defined five export clusters in the MVPC area including: 1) Computers and Communications Hardware and Defense; 2) Diversified Industrial Support and Defense; 3) Healthcare Technology and Instruments; 4) Software and Communications Services; and 5) Knowledge Creation. The analysis is broken down into more specific areas as well which helps to provide a greater insight into our regional economy. MVPC has included goals and strategies from this report that can be found in the *Vision Statement and Action Plan* sections.