

ROCHESTER
STATE OF THE CITY

*NEW PRIORITIES
FOR A NEW REALITY*

Tuesday March 16, 2010

HARD LESSONS LEARNED

- Successful communities have successful businesses
- Quality of Life attracts talented people and talented companies
 - Innovative Industry
 - Supportive low-cost environment (regulation)
 - Richness in available workforce



GRANITE RIDGE COMMERCIAL DEVELOPMENT DISTRICT



- Concept dates from the 80's
 - WalMart easements
- Land Use Master Plan 2001
- Economic Development Strategic Plan 2006
 - 18 Priorities Established
- City Council & City Manager Priorities for 2010
 - 5 Priorities Set in January

FRONTAGE ROAD CONCEPTUAL



DEVELOPMENT 2001 - 2010

• Holiday Inn Express	\$3,844,400
• Granite Steak & Grill	\$887,200
• Black Dog Car Wash	\$550,500
• Meineke Car Care	\$595,100
• Super Wal~Mart	\$14,190,900
• Shoe Dept Center	\$1,038,200
• Harley Davidson of Rochester	\$1,682,000
• Granite Ford	\$2,119,000
• Robidas RV & Marine	\$499,312
• Little Miss Sophie's	\$277,400
• Shell Station C-Store/Dunkin Donuts	\$1,663,600
• Remember When Diner	\$973,300
• Rochester Motorsports	\$1,196,300

\$29,517,212

POTENTIAL 2008 - 2028

- Total Study Area
 - 367.4 Acres
- Non-Development Areas (Wetlands, Buffers & Slopes)
 - 210.5 acres 57.3%
- Developable Area
 - 156.9 Acres 42.7%
- Presently Developed
 - 21.3 Acres 5.8%
- Potential Development
 - Retail 816k
 - Office 865k

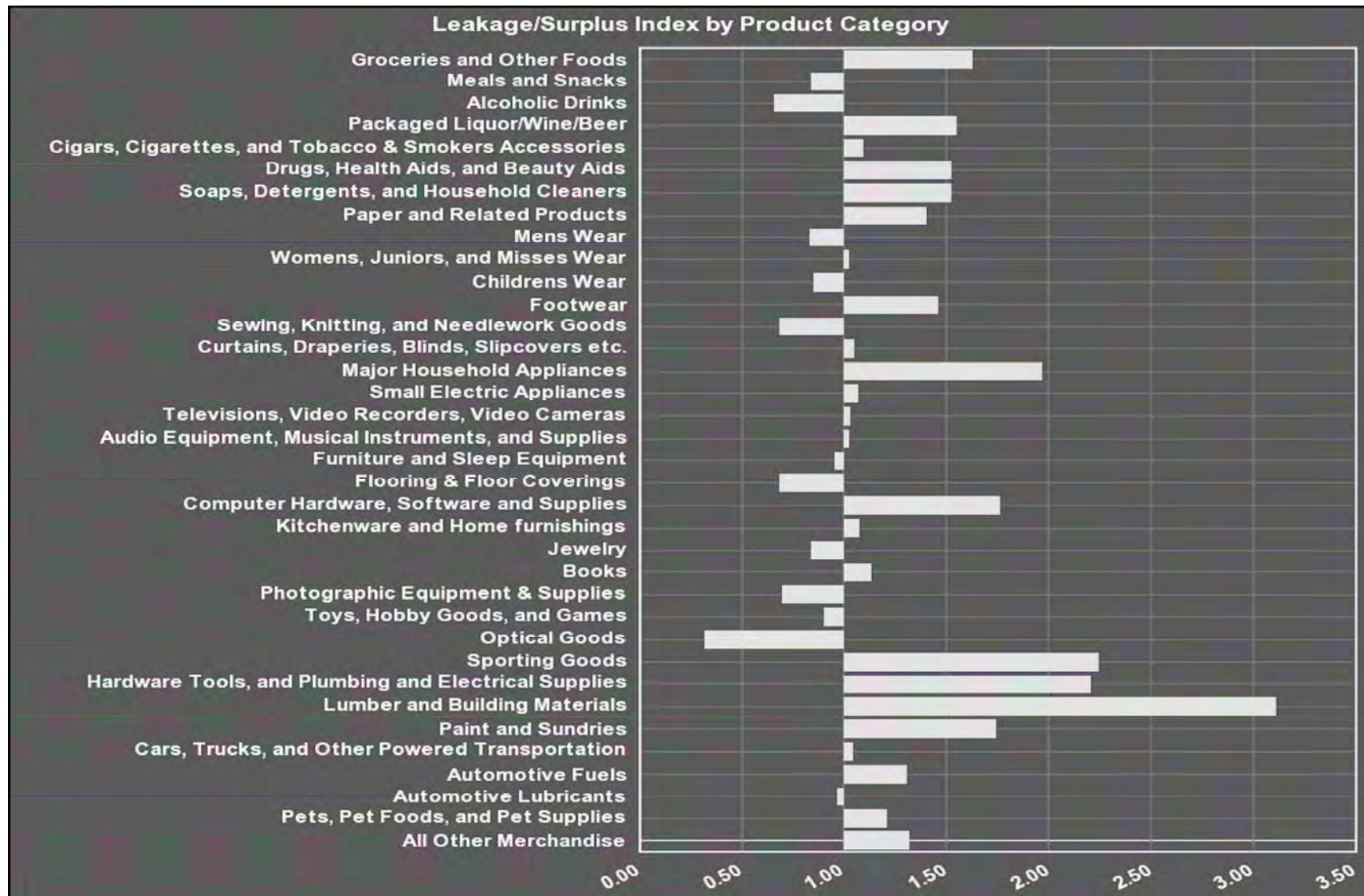


ECONOMIC IMPACTS



- Primary Impacts
 - 1,681,000 sf = \$120 mm estimated value of potential new development
 - \$2.755 mm Annual Tax Revenue @2009 rate \$22.94
 - 1.85 Jobs per 1,000 sf of development = 3,110 jobs in GRDD
 - Salaries & benefits
 - Capital expenditures
- Secondary Impacts
 - Spin off businesses
 - Local spending

RETAIL LEAKAGE (Gap Analysis)



SPAULDING TURNPIKE EXPANSION



- Targeted Completion in 2012
- Reconfiguration of Exits 14 & 15
 - All Exit 14 southbound off-ramp traffic will use Exit 15 to access Business Park & No. Main Commercial District
 - <http://www.nh.gov/dot/projects/rochester10620d/index.htm>

POTENTIAL PHASING

- Water Distribution
 - Wells & water main in development
 - Distribution will be looped
 - New water main to follow new Frontage Rd
- Sewer Layout
 - Projections based on land utilization estimates
 - Pump station West of Super Wal~Mart
 - Future review in Design Phase
- Frontage Road & Interior Intersections
 - City Street – 3 lanes
 - Coordinate w/existing & proposed developments
- Farmington Road
 - 5 lane w/median
 - 3 added signals: Nashoba, Crane & Two Rod Rd
 - Implement based on Access points

ESTIMATED INFRASTRUCTURE COSTS

In 2008 \$

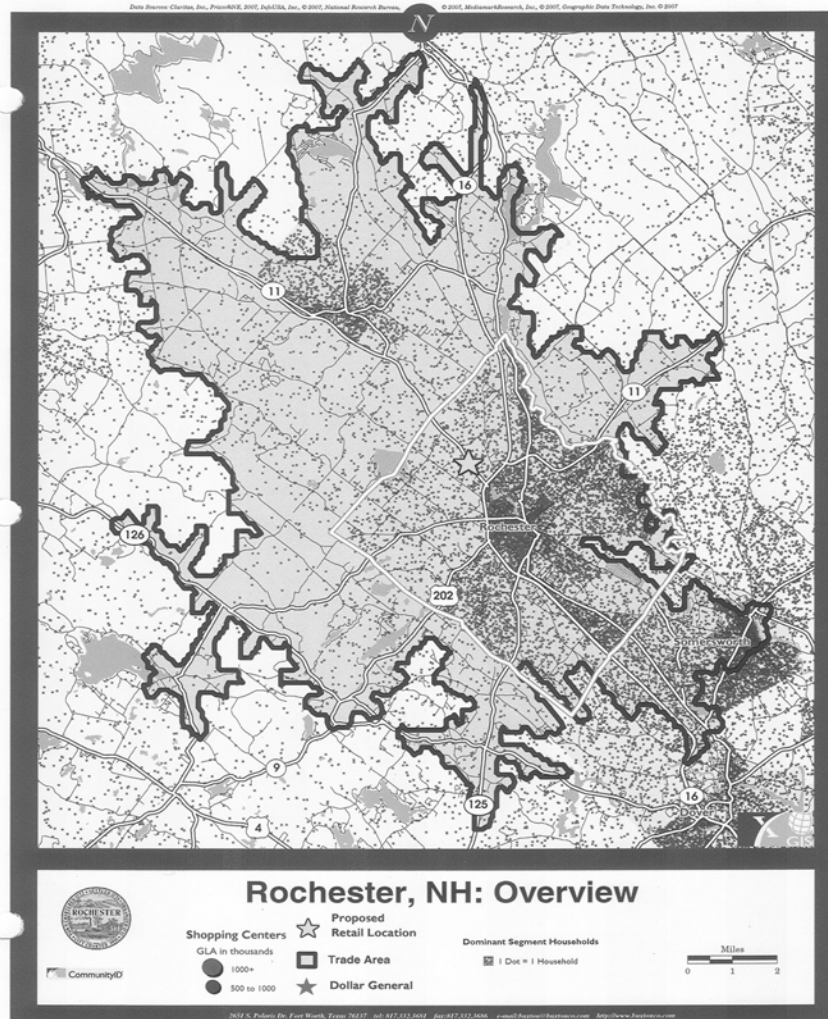
Frontage Road & Interior Intersections	\$ 4,330,000
Access A & Farmington Rd	1,010,000
Access B/Nashoba Dr & Farmington Rd	1,530,000
Access C/Crane Dr & Farmington Rd	1,900,000
Access D/Little Falls Bridge Rd & Farmington Rd	1,770,000
Two Rod Road & Farmington Rd	2,015,000
Access E & Farmington Rd	695,000
Access F & Farmington Rd	1,115,000
Water – Entire Project	2,900,000
Sewer – Entire Project	5,400,000
Grand Total	\$22,665,000

DISTRICT DEVELOPMENT

- REDC Sub-Committee
 - Key elements of construction
 - Zoning recommendations
 - Present financial analysis
- Rochester Public Works Committee
 - Infrastructure planning & construction
- NH DOT
 - Memorandum re: limited access to Rt. 11
- NH DES & Resource Ag.
 - Preliminary review
 - Defined Areas of Protection & Development
- Stakeholders Mtg
 - Friendly development agreements



DEVELOPER PRIORITIES



- Proven Successful Sites
 - Site & Market Intelligence
 - Competition, Synergy
- Avoid Cannibalization
- Use Successful Prototypes
 - Less Desire to try Something New
 - Low tolerance for risk
- Development Costs
 - On & Offsite Development
 - Financing of infrastructure
- “Time to Market”
 - Time = Money
 - Speed once the RE decision is made

MARKETING



- Relationships
 - Retailers
 - Developers
 - Real Estate Professionals
 - Property Owners
- Current Intelligence
 - Buxton, ICSC, Claritas
- Marketing
 - www.thinkrochester.biz
 - Trade Publications
 - Direct Contacts
 - Social Media – FB, Twitter
- Trade Shows
 - RECon ICSC Annual Meeting – May
 - Regional Events – March, July, Dec
 - Local Activities – April, June, Aug

STORES HOT CATEGORIES

- Quick Stop/C-Stores
26.4% Y/Y
 - Susser Holdings
 - The Pantry
- Casual Dining 21.8%
 - DineEquity
 - Buffalo Wild Wings
 - Texas Roadhouse
- Gadgets, Gizmos & Games 17.1%
 - Apple Stores/iTunes
 - GameStop
- Teens & Tweens Apparel 16.5%
 - The Buckle
 - Urban Outfitters
 - Aeropostale



STORES HOT 100 RETAILERS 2009



1. DineEquity*
(IHOP/Applebee's)
2. American Apparel
3. Susser Holdings* (C-stores)
4. A & P* (Pathmark)
5. Apple Stores/iTunes
6. Wendy's/Arby's* Group
7. O'Reilly Automotive*
8. Finlay Enterprises*
(leased depts inside dept stores)
9. The Pantry* (C-stores)
10. Amazon.com