

Reaching Higher



State of the City

Office of Economic & Community Development

March 13, 2019





"City on the Rise"

- Top Employers
- Balanced Taxes
- Rising Incomes
- Educational Attainment
- Arts & Culture
- Industrial Growth
- Commercial Amenities
- Housing Development
- Downtown Opportunity



August 2018 – Governor Sununu and Executive Council Visit to Rochester Opera House and Great Bay Community College



Top Employers



- City of Rochester
 - Schools (806)
 - City Services (359)
- Frisbie Memorial Hospital (1,060)
- Market Basket (569)
- Albany Engineered Composites (475)
- Wal-Mart (300)
- Hannaford (275)
- Eastern Propane (178)
- Laars Heating Systems (160)
- Next Phase Medical (160)

Balanced Taxes

- The goal is a balance of 70/30:
 - 70% from residential
 - 30% from industrial & commercial property tax valuations
- In Rochester:
 - 26.9% from businesses
 - 73.1% from residential & current use land
- Since 2002:
 - Industrial/commercial tax base has grown by 98.9%

- 2002: \$322,039,095
- 2018: \$640,641,366

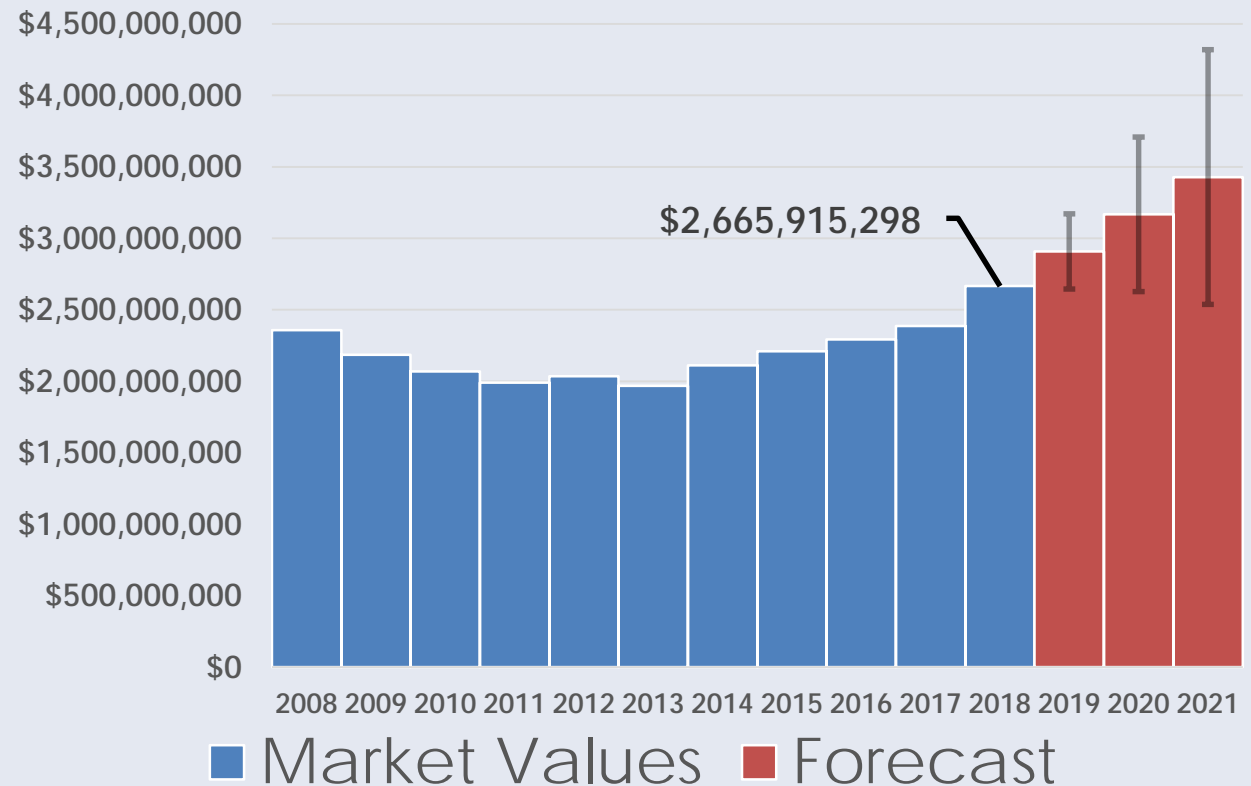


Revaluation in 2020, could change the ratios of Industrial/Commercial to Residential

Market Value Trends

a retrospective & prospective snapshot...

- Real estate values in Rochester have rebounded considerably since the subprime mortgage crisis lead to the collapse of the US housing bubble in 2008.
- In addition to the healthy market value appreciation, Rochester has experienced copious growth which has increased parcel count by more than 1,100 parcels since 2008.



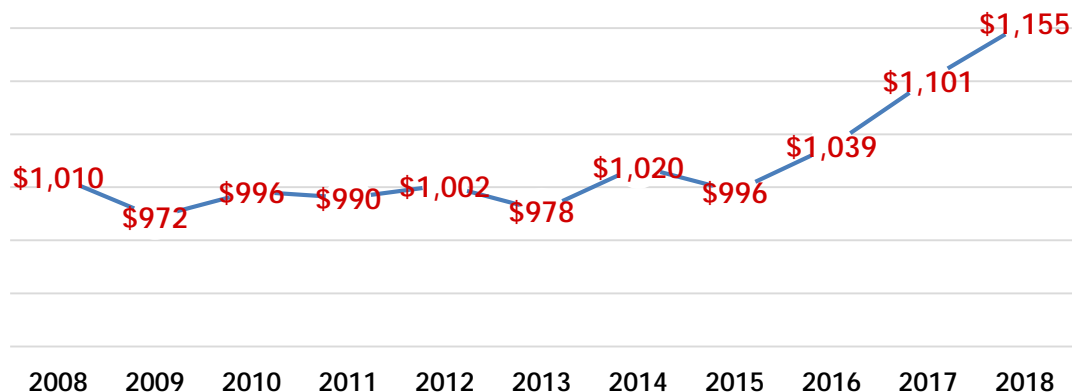
Apartment Rental Market

Current Rental Rates

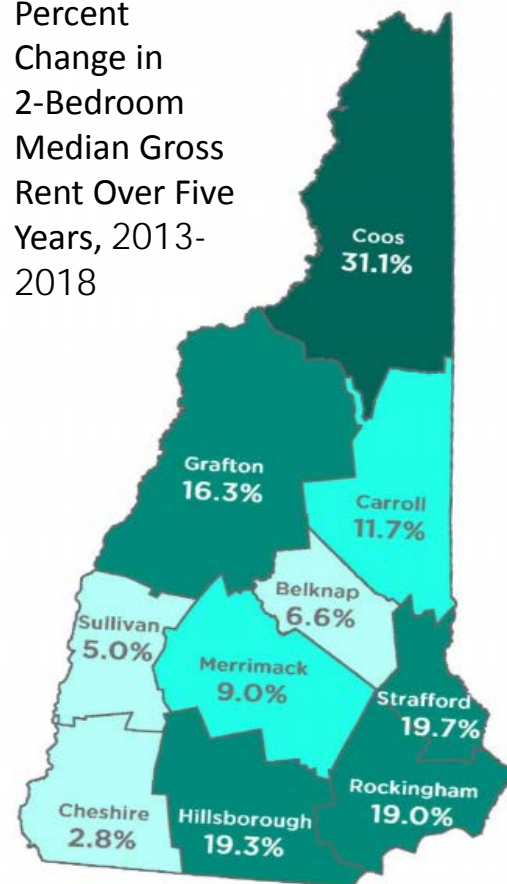
<u>Beds</u>	<u>Avg. Rent</u>
Studio	\$736
1 BR	\$850
2 BR	\$1,155
3 BR	\$1,701

New Hampshire Housing Authority
2018 Residential Rental Cost Survey Report

ROCHESTER, NH 2-BEDROOM MEDIAN MONTHLY RENT RATE



Percent
Change in
2-Bedroom
Median Gross
Rent Over Five
Years, 2013-
2018



Property Taxes 101

2019 City-wide Assessment Revaluation

- Assessors determine value of properties to assure fairness & equity (not all properties are equal in value)
- Once local governing body finalizes City budget, the budget is divided by the total municipal value to determine the tax rate
- Value does not equal property tax needed
- The tax rate is set to produce the monies needed to satisfy municipal budget
- Assessors do not set tax rates or collect taxes

Assessed Value

x

Tax Rate

=

Municipal Budget



Rising Incomes

Per capita personal income:

Strafford County, NH

2015-\$45,947 2016-\$47,304 2017-\$49,339

7.4% change 3yr Rank 5/10 in NH

New Hampshire

2015-\$55,205 2016-\$57,114 2017-\$59,668

8.1% change 3yr

United States

2015-\$48,940 2016-\$49,831 2017-\$51,640

5.5% change

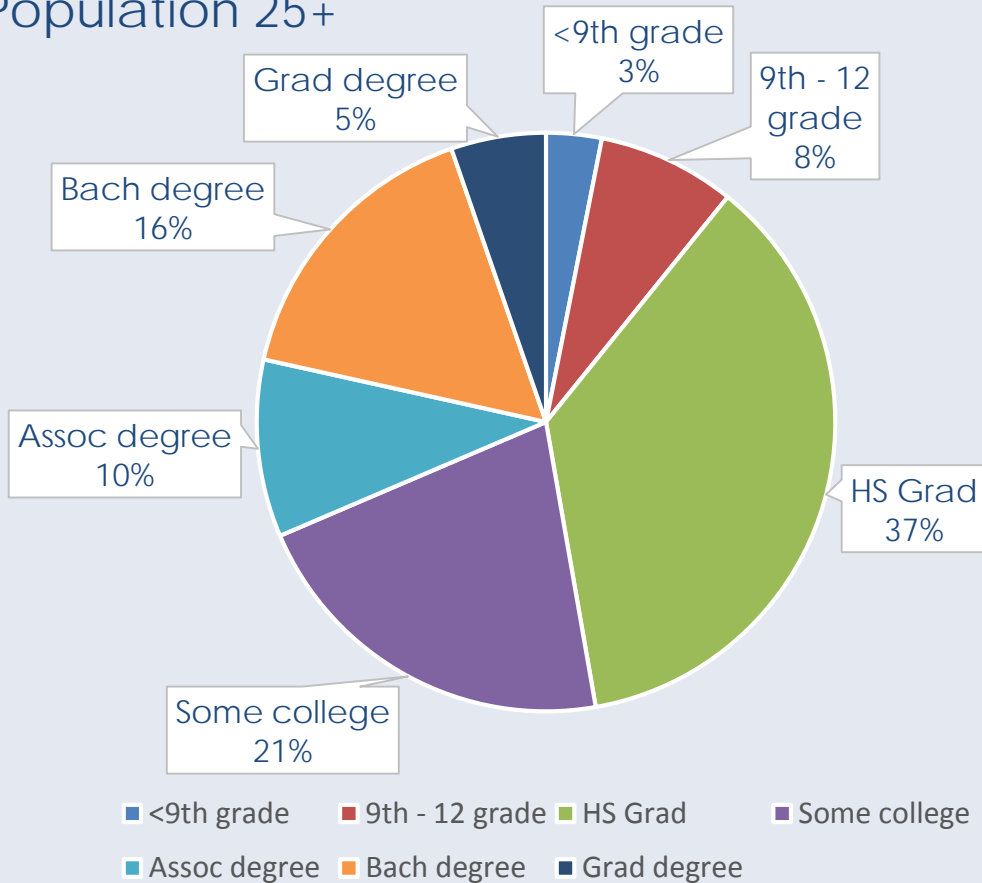


From Bureau of Economic Analysis www.bea.gov
2/28/19



Education

Population 25+



Data from American FactFinder



Arts & Culture

Live, Work & Play Diversification

- "The unique and historic Rochester Opera House that hosts touring acts and has its own production company for the stage, plus a new Performance & Arts Center for smaller acts and events."
- Curlie's Comedy Club opened last year in an old Chinese restaurant on Union Street and has gained a rep for its authentic stand-up vibe and the quality of talent it attracts.
- The Rochester Museum of Fine Art uses the city's community center and library, plus pop-up galleries in downtown storefronts to spread culture to the masses. Improved navigational signage for pedestrians that will help connect all the dots on Rochester's rise."

Credit: NH Business Magazine
"City on the Rise," 2018

Additionally, Rochester Performing Art Center sold \$150,000 of CDFA Tax Credits!

Public Art projects, including abstract sculpture garden to come in the spring of 2019.



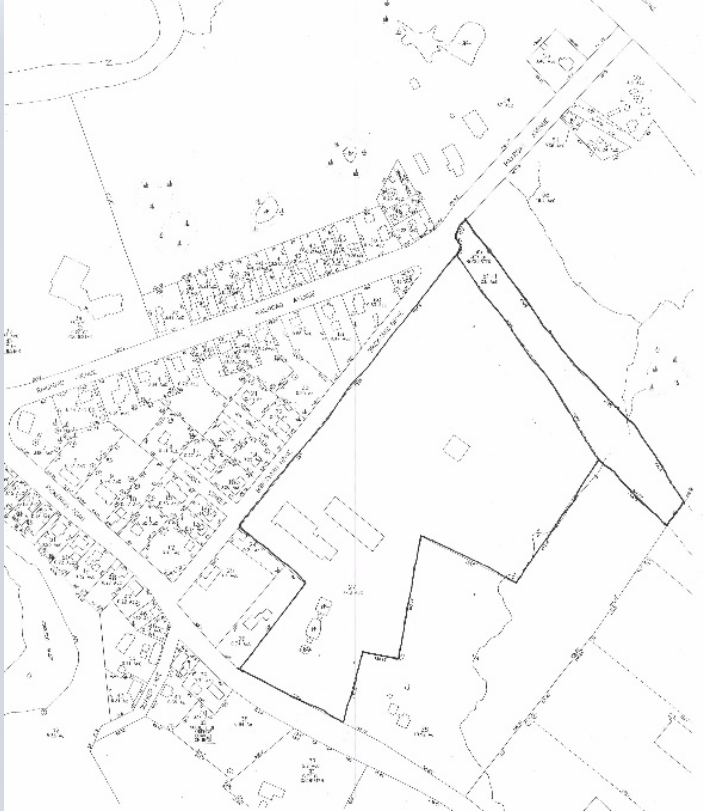
Photo: RMFA & Seacoast Media Group

Granite State Business Park

- Expanded to 400 Acres
- Anticipated Development
 - 47 Acres added in 2017
 - 55 Acres Under Agreement
 - Lot #37 Available,
 - Lot #35 Available, 7 acres with approved building
 - Water expansion approved for 2019 construction season
- 2003 Value \$5,128,800
- 2012 Value \$13,730,069 - *TIF District start*
- 2018 Value \$43,883,145 +219.6%
- 2030 Est. Value \$100,000,000 +628.3%



Gonic Brickyard



- City-owned property
- 17.8 Acres, reduced by some wetlands and a sewer interceptor
- Brick manufacturing until 1994
- Brownfields remediation site in 2000
- Small parcels for light industrial uses, such as tradespeople, assembly or low-impact manufacturing



Granite Ridge Development District



Old Navy Grand Opening June 2019!
Pepper's Landing Seafood Opens
Nov. 2019

- **1995 Value** \$28,145,137
with 186,372 ft²
- **2014 Value** \$60,431,438
with *TIF District start*
- **2018 Value** \$93,063,446
+54.0% over start
- **2030 Est. Value** \$222 mil.
+264% over start
- **Est. Buildout** 2,210,220
ft²



Major Subdivisions & Housing Developments

☐ Highfield Commons

Phases 1 & 2 are complete with 16 single family homes and 80 townhouses.

Phases 3 & 4 will be 174 apartments and 100 single family homes.

☐ Village at Clark Brook

144 apartments finished.

Presently working on 50 single family homes and 18 duplex units.

➤ **1197 Dwelling Units Listed**

➤ **1418 Total Dwelling Units**

Apartment Units

☐ Indian Ridge: 40

☐ Lemieux: 102

☐ Rochester Housing Authority: 8

Condominium

☐ Cheney Companies: 59

Duplex

☐ Goldstein: 114

☐ Jeremiah Lane: 14

Single Family Home

☐ Cheney Companies: 18

☐ Birchwood Residential, Makris Development, LLC: 51

☐ Jeremiah Lane: 36

☐ Old Dover Road: 17

☐ Rochester Association: 101

☐ Salmon Falls Road: 33

Townhouse

☐ Ekimbor: 42

☐ Fazekas: 16



Scenic Theater & Salinger Block



The city acquired both properties to combine them into one RFP for real estate developers.

A thorough investigation was conducted into both structures, which have suffered from years of neglect.

The city also consulted with historic and redevelopment experts on what options are available.

The City will be evaluating potentially having to remove all but the façade of the Scenic Theater and how to salvage the Salinger Block and capture the maximum positive impact.



