

Public Assistance in Redevelopment of Historic Goodell Mill in Antrim, New Hampshire



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I. ABSTRACT

This project spearheaded the local community's involvement in redeveloping the privately owned Goodell Mill and attempted to secure funding for a renovation that addresses the needs of small businesses and residents in the neighborhood, town, and region. It was initiated by the Downtown Antrim Tax Increment Finance (TIF) District, with labor and input from neighborhood and town residents. To provide meaningful and necessary assistance to the private redevelopment project, the TIF District Administrator applied for a feasibility study and identified construction funding sources. The administrator and board, serving as the town's agent, will now seek funding from regional, state, federal, non-profit, and private business-development and historic preservation organizations while continuing to work in close partnership with the owner. The TIF district also investigated whether to recommend purchase by the town or a non-profit. The project would be deemed successful if the feasibility study, ownership recommendation, and funding for redevelopment were delivered by April 2004.

EXECUTIVE SUMMARY

The project was initiated in fall 2002 to jump-start an effort to redevelop a historic 19th-century mill that has been 90-percent vacant since the last corporate owner vacated in 1989. A 1998 design charrette had led to no significant follow-up action, and it was determined that significant local assistance and public subsidies were necessary to encourage private investment in the mill.

After analysis, research into model mill projects, and consultation with SNHU faculty and alumni, the following project objectives were identified as the necessary catalysts to redevelopment:

- 1. Identify reuse concept**
- 2. Study feasibility of concept**
- 3. Recommend necessary changes in ownership structure**
- 4. Secure public funding**

Bringing back the 30,000-square-foot mill would provide a major boost to the modest downtown of Antrim, a hilly, heavily wooded small town of 2,449 people in southwest New Hampshire. The mill was not only the largest employer in town, it was by far the biggest business, in the largest building on the largest parcel on Main Street. With the closing of the second-largest employer, a small college, also in the 1980s, Antrim had reached a nadir in which the town government was itself the largest employer. The situation improved when the mill owners moved their manufacturing business to an abutting parcel in 1999, bringing nearly 150 jobs, and the town's official unemployment rate has been below 5% in the past decade. But those numbers obscure the fact that most of the jobs are out of town: 88.6 percent of Antrim workers commute to work, with the average travel time being 28.5 minutes, according to the 2000 United States Census. A serious secondary impact of the Goodell vacancy is the unattractiveness of the derelict

building in a downtown that has otherwise undergone impressive beautification and renovation in the past decade.

One objective—identifying the design concept—was clearly achieved. A second objective—the recommendation on the ownership structure—was for all practical purposes achieved, though not delivered as a formal study and recommendation. Instead, a closely related and equally critical objective was achieved: informal brokering of contacts between the town and three non-profit organizations interested in purchasing sections of the “condo-ized” building. This objective evolved from a somewhat simplistic notion of full purchase of the entire property by a single buyer, to a more realistic purchase of sections of the building by for-profit businesses, the town, and non-profit housing and economic-development agencies. In addition, the decision on a town purchase never needed to reach a formal vote of the TIF board, Selectmen, or Town Meeting, because it was never a realistic option, and became less so as the owners made more good-faith efforts to redevelop the building. In the meantime, non-profits with more resources and development know-how began to step forward as potential buyers.

Unfortunately, only a small portion of actual funding—the most important of the four original objectives—was secured when the town agreed to provide property tax abatements for the eventual project, or at least for the existing property while the redevelopment is in progress. In late February, the owners took the host organization’s advice and applied to the Selectmen for the first abatement.

The project participants intend to continue seeking full funding from both public and private sources in the coming year. The other major remaining task is for the owners to prepare a formal site plan and present it before the Antrim land-use boards for approval. In February, they took the first step by presenting a preliminary design to the Antrim Planning Board with the host organization’s assistance. In March, they received variances for exceeding the allowed number of units per dwelling, and for lot-line setbacks, in a hearing before the Zoning Board of Adjustment.

In evaluating the project’s success, our conclusion is that it was generally successful at meeting most of its limited goals, which were only to provide public assistance, and serve as the catalyst for, a private redevelopment project. Less positively, one must also conclude that such an approach of arms-length assistance to community economic development may not be as effective at completing projects as might be achieved with full ownership by the municipal or non-profit entity. On the other hand, the latter, more rigorous approach to project management is also more risky and probably not realistic, assuming most of the human resources are volunteers, and much of the impetus comes from a small rural community that lacks the financial resources to manage the project.

We recommend that anyone undertaking such a project in the future take great care to secure an agreement or commitment from the owner to meet milestones within a prescribed time. All members of the host organization should be encouraged or required to participate in the early planning stages to ensure buy-in and capacity for executing later, more critical stages. Finally, alternative funding sources, including short-term loans

and lines of credit, should be lined up so that delays in funding for minor expenditures do not hold up the entire process.

COMMUNITY NEEDS ASSESSMENT

1. Community Profile

Antrim is a small town situated in a beautiful region of forests, lakes, streams, granite ledges, and picturesque, white-steeped villages. Its residents are overwhelmingly white, and the town is regarded regionally as a middle-income town of modest property wealth. It ranks in the bottom quarter of 234 incorporated places in the state in tax valuation per person (New Hampshire Office of State Planning, 2001). The regional economy, based until the mid-to-late 20th century on manufacturing, has since diversified into a broadly varied mix of manufacturing, services, light industrial, and tourism-related businesses.

Politically, registered Republicans outnumber Democrats by nearly 2 to 1, according to the latest voter checklist. There is a strong tradition of volunteer commitment in running town government and maintaining cultural institutions such as the Antrim Players theatre group, and the Antrim in the Evening summer concert series.

On the negative side, there exists strong sentiment against activist town government and increases in public expenditures, especially among native-born residents and newcomers who moved to New Hampshire for its relatively low overall tax burden. Thus, the town exhibits inadequate or delayed investment in public goods that could improve the economic vitality and social capital of the town, such as roads, sidewalks, public buildings, parks, and recreational facilities.

Demographic Summary: According to the 2000 United States Census, Antrim's mean household income is \$50,427. Its median household income of \$45,677 is significantly higher than the national median of \$41,994, but significantly lower than the state median of \$49,467. Median family income is nearly identical to the national figure, though town per capita income is far below the national average of \$21,587. The mean family income is considerably higher than household income, at \$57,794. Antrim's percentage of college graduates (bachelor's degree or higher) of 23.3 percent is much lower than the state percentage of 28.7 percent, and slightly lower than the national average of 24.4 percent. The median educational level is high school graduate (including equivalency).

The median age is 37, significantly higher than the national median age of 35.3 years, but close to the state median of 37.1. The mean age, as calculated from grouped census data, is 36. Nearly one-third of the population (31.3 percent) is under the age of 20. Informal observation suggests that the town has a relatively high percentage of children, and the under-20 numbers confirm this: the U.S. percentage of people under 20 is just 28.6 percent. The elderly (age 65 and up) portion of the population of Antrim is 11 percent, slightly below the state and national averages (12 and 12.4 percent, respectively). These figures confirm Antrim's regional reputation as a relatively affordable town that tends to attract young families.

Statistical Profile of Antrim, NH

Source: Economic & Labor Market Information Bureau, NH Employment Security.

DEMOGRAPHICS

Total Population:

2001: 2,483

2000: 2,449

1990: 2,360

1980: 2,208

1970: 2,122

2000 Census Demographics:

Population by Gender

Male: 1,215; **Female:** 1,234

Population by Age Group

Under age 5: 141

Age 5 to 19: 625

Age 20 to 34: 352

Age 35 to 54: 819

Age 55 to 64: 242

Age 65 and over: 270

Median Age: 37.4

Total Households: 932; **Average Size:** 2.6 persons

Total Families: 624; **Average Size:** 3.2 persons

Educational Attainment, population 25 years and over

High school graduate or higher: 84.9%

Bachelor's degree or higher: 23.3%

ANNUAL INCOME, 1999**Per capita income:** \$18,978Median 4-person family income: **\$50,650****Median household income:** \$45,677**Median Earnings, full-time, year-round workers****Male:** \$36,033**Female:** \$24,312**Families below the poverty level:** 8.3%**Annual Town Budget (2003):** \$3,853,421**PROPERTY TAXES****2002 Total Tax Rate:** \$23.49**2002 Full Value Tax Rate:** \$22.89**2002 Property Valuation:****Residential:** 90.0%**Commercial:** 7.6%**Other:** 2.4%**HOUSING****2001 Total Housing Units:** 1,174**2001 Single-Family Units:** 919**Building Permits Issued:** 4**2001 Multi-Family Units:** 197**Building Permits Issued:** 0**2001 Manufactured Housing Units:** 58**2000 Census Housing Costs****Median Value, Owner-Occupied Housing:** \$96,100**Median Gross Rent (monthly):** \$482**TRANSPORTATION****Road Access:** Federal Route 202, State Routes 9, 31**Nearest Interstate:** I-89, Exit 5; distance 25 miles**DISTANCE TO****Manchester, NH:** 32 miles**Portland, ME:** 136 miles**Boston, MA:** 94 miles**New York, NY:** 251 miles**Montreal, Quebec:** 257 miles

LARGEST EMPLOYERS PRODUCT/SERVICE EMPLOYEES**Frameworks** (manufacturer of automotive lighting): 145**Town of Antrim** (municipal services): 22**Wayno's Supermarket** (groceries): 10**Edmunds Hardware** (hardware): 7**Maplehurst Inn** (inn): 6**Antrim Lumber** (lumber): 6**LABOR FORCE**

Annual Average	1992	2002
Civilian Labor Force:	1,282	1,351
Employed:	1,211	1,305
Unemployed:	71	46
Unemployment Rate:	5.5%	3.4%

COMMUTING TO WORK (US Census)**Workers 16 years and over****Drove alone, car/truck/van:** 80.2%**Carpooled, car/truck/van:** 8.4%**Public transportation:** 1.8%**Walked:** 3.6%**Other Means:** 0.0%**Worked at home:** 6.0%**Mean Travel Time to Work:** 28.5 minutes**EMPLOYMENT & WAGES 2001 2002****Goods Producing****Average Employment:** 127 118**Average Weekly Wage:** \$374 \$455**Service Providing****Average Employment:** 289 292**Average Weekly Wage:** \$405 \$403**Total Private Industry****Average Employment:** 415 410**Average Weekly Wage:** \$396 \$418**Government****Average Employment:** 40 40**Average Weekly Wage:** \$419 \$463**Total, Private plus Government****Average Employment:** 456 449**Average Weekly Wage:** \$398 \$422

2. Community Needs Assessment

Antrim residents and government officials have frequently cited the town's deteriorating old mills as a problem demanding serious action. In the early 1990s, the Board of Selectmen formed a special mill committee that met once and quickly disbanded. In May 1998, around 100 residents came together for Antrim Next, a weekend of brainstorming on community needs facilitated by Antioch New England Graduate School and the New Hampshire Charitable Fund, among other organizations. The resulting community profile identified Main Street beautification, and establishment of a business networking organization, as two of five top-priority projects; participants repeatedly mentioned the underutilized mills as both a problem and an opportunity for the town. A spinoff organization called the Antrim Arts & Business Council (AABC) briefly created a subcommittee on mill redevelopment and wrote a successful grant application for a PlanNH charrette, a design session facilitated by 17 engineers, architects, and builders that was held in June 1999. The charrette produced general design concepts for both the Goodell Mill complex and Main Street. The 2000 Town Meeting then voted to create a tax-increment finance (TIF) district in the downtown primarily to implement the streetscape improvements called for in the charrette, and to explore other improvements such as mill redevelopment.

In the months directly preceding the charrette, the Goodell property had been bought by Paul and Leslie Belliveau of Deering, NH, who relocated Frameworks Inc., their automotive lighting assembly company, from the adjoining town of Hillsboro to a modern building on the rear of the property. Their plans to redevelop the parcel's other historic brick building, a four-story structure that sits 30 feet from the expanded Frameworks building, were dropped when their financial backer and customer, Osram Sylvania (a unit of Siemens AG, the German electronics company) withdrew funding.

The mills have also been formalized as a town priority in the 2001 revision of the Master Plan, which identifies as an official objective the implementation of the 1999 PlanNH charrette concepts, and lists as its top two goals to "encourage development of light industry, offices, retail, and other similar business to provide local jobs and increase the Town's property tax base," and to "enhance the appearance and economic vitality of the Downtown by upgrading its public infrastructure and encouraging fuller utilization of more Main Street properties."

Regional and state economic-development officials have toured the main building and discussed redevelopment with town committees. Few concrete steps have yet been taken. A business plan for reuse submitted by the first tenant, Brian Beihl of Family on Board, was considered. It centered on a fulfillment cooperative for dot-com and mail-order vendors, but was not given the attention it deserved, and with the subsequent contraction in e-commerce, now seems unfeasible. In that year, however, the Belliveaus expanded Beihl's space and upgraded windows, other interior features, plumbing, and heating.

II. Problem Identification/Solution

1. Problem Statement

The Goodell Mill is the largest, most historically significant industrial building in Antrim, a rural community of 2,449 people in the hilly Monadnock Region of southwest New Hampshire. It has been 90-percent vacant for 14 years, ever since General Housewares Corp., an Indiana company, closed the Antrim branch of its Chicago Cutlery division and put more than 100 people out of work. Since that time, the building has fallen into disrepair. There is water damage from a failing roof, and frequent vandalism has left it virtually devoid of intact windows. Most of the building is unheated and does not meet current building codes.

The mill property, which spanned seven acres until the Belliveaus subdivided it into two parcels in 1999, is by far the biggest piece of land in the generally high-density, half-mile-long Main Street district. The largest building, an irregularly shaped, elongated, 30,000-square foot brick and wood structure, sits close to the road, though large portions of it are hidden from view. Casual observers, however, can easily see the unkempt state of the mill and that of the second brick mill building that sits a few feet across Great Brook, the original power source when the mills were built in the mid-19th century.

The entire town, but most acutely downtown businesses and to a lesser degree neighborhood residents, are affected by the mills' underutilized state. The owner of the only full-size grocery in town said his business dropped noticeably the day Chicago Cutlery closed. Several nearby buildings have had difficulty retaining business tenants, and investments in physical improvements to private property in general have been sub-optimal in the immediate vicinity.

By leaving the mills underutilized, the town is failing to capitalize on an opportunity to inject traffic into a downtown area that seems a few well-chosen businesses short of vitality. For example, the local breakfast shop, an important center of social capital in many local towns, closed in 2001, was reopened as an upscale restaurant, but closed again in 2003. A nationally famous blues club and restaurant stopped serving lunch in the late 1990s, and then left town altogether in 2003, and a 1790s inn closed its restaurant in 2002. Breakfast and lunch choices in town have gone from respectable to virtually nonexistent in three years.

On some levels, the Goodell Mill vacancy has had a manageable impact on the local economy. The regional unemployment rate has been around 3 percent for several years, and Antrim has become a commuter town, with 81.9 percent of residents driving to jobs elsewhere, according to New Hampshire Employment Security. People have clearly found alternative employment.

But town history books make it clear that the downtown area grew up, in large part, around the mills in their heyday, when they were occupied by the Goodell Co., a cutlery manufacturer owned by David Goodell, a leading Antrim citizen and one-time

Democratic governor of New Hampshire. Since the factory closed, the level of local foot and vehicular traffic declined below a sustainable level for many convenience businesses. In a sense, the neighborhood business infrastructure is running at below capacity because it was built for a level of activity that was taken away when the mill workers left.

In addition, since New Hampshire relies mostly on the property tax to fund education, property-poor towns like Antrim must take every opportunity to improve their tax bases, and redeveloping the mill would help achieve this. The town's 1998 tax valuation per person of \$40,295 ranked near the bottom sixth of New Hampshire municipalities, according to the state Department of Revenue Administration, much lower than all but one town in the nine-town cooperative school district. Finally, a significant number of blue-collar jobs were lost when Chicago Cutlery closed. According to an early-1990s Planning Board survey, residents would like to see the mills redeveloped and providing local jobs.

The very existence of the Downtown Antrim Tax Increment Finance (TIF) District is another indicator of the mill problem. The district was started to improve the economic vitality of the downtown, and its 2000 founding documents list redeveloping Main Street buildings among its functions.

Admittedly, the town could get by if nothing is done to revive the mill, but it would be missing an opportunity to improve its physical appearance, inject new life into its business district, and bolster its tax base.

2. Target Community

The target community is the entire town of Antrim. The Main Street area where Goodell Mill is located is the town's sole commercial district, and the mill's appearance creates a misleadingly negative impression of the whole town. In addition, the property tax base would improve for all residents if the mill were redeveloped. The secondary target community is Main Street neighborhood residents and business owners who would mostly benefit from physical improvements and increased business activity, though the latter can be a double-edged sword that must be carefully managed to minimize negative impacts. The third most important target community is business owners and shoppers in abutting towns who drive to Antrim for basic necessities, or who might relocate their businesses to the mill for affordable space and the visibility of the mill's location on U.S. Route 202.

3. Stakeholders

The mill owners are the first major stakeholder. Their role is to implement the development plan by acquiring a site plan, getting regulatory approvals, securing all of the private funding (and most of the public funding), and managing the renovated building. Their concerns center mostly on financial risk, and to a lesser extent on time and other resources devoted to the project. Their expectations appear to be to develop a site that furthers their own financial and aesthetic goals while complementing the town's

revitalization effort, and that they will have some public assistance in accomplishing these goals. In addition to the Goodell Mill's owners, the municipal government of the Town of Antrim is a major stakeholder. Through its elected officials and volunteer boards, it is an informal development partner in the project, providing technical assistance, regulatory approvals, related public infrastructure improvements, and partial funding. Its concerns are that public funds might be spent to the detriment of the town and that the current project will not lead to significant and timely improvements. Its desires/expectations are to improve the appearance of the site and neighborhood, receive new property tax revenues, and improve business vitality in the town. The residents of the town (as the community at large) are the third major stakeholder, whose role in the project is to vote on matters that come before the Town Meeting, and to serve on the relevant volunteer boards. Their expectations are that the mills will be redeveloped, and their concern is that it be done in a way that maintains the town's rural character. The fourth stakeholder, the neighborhood residents, do not have a unique financial or managerial role, but they have veto power over the project because of their ability to mobilize at public meetings required for both funding and zoning approval. Their expectations are similar to those of other Antrim residents, but their concerns are more local and related to increased traffic, noise, and pollution.

The building's single tenant is also a stakeholder who will be concerned about construction and other inconveniences, but who expects to see an improvement in his work environment and could become an owner of condo space. Lesser stakeholders include Monadnock Business Ventures (MBV), which is charged with improving business conditions in Antrim and its region, the New Hampshire Community Development Finance Authority (CDFA), and the New Hampshire Housing Finance Authority (NHHFA).

4. Project Goals in CED Terms

The long-term goal is to renovate Goodell Mill and secure signed tenants for at least 90 percent of the renovated space by the end of 2005.

- (a) Goal: Renovate Goodell Mill and secure 90-percent occupancy by Dec. 31, 2005.
- (b) Definition of Goal: To solve the problem identified in the problem statement, the end state that will alleviate the problem (the "goal") is a completely renovated mill and a normal occupancy rate for a building of this type. The goal is different from the immediate project objectives (see below), which define the steps that the TIF District will take to see that the goal is achieved.
- (c) Assessment of Feasibility: Completion of an actual feasibility study (or at least the key elements of one) will be one of the major objectives. Such a study is needed to assist any owner of the building in choosing the levels of investment justified under various scenarios.
- (d) Verification: Reports to the SNHU faculty advisor, weekly use of Microsoft Project software, e-mail and phone communication with participants in the

project as well as SNHU peers, and monthly meetings and minutes of the TIF District Advisory Board will be the main monitoring indicators.

5. Project Objectives

A) Identification, by May 31, 2003, of a realistic concept for renovation and reuse that seems economically sustainable in the local market (the basic “idea” for use of the building); B) Demonstrating the feasibility of the concepts by analyzing local demand and estimating costs and potential return on investment (the feasibility study, to be contracted with a professional planning firm; now delayed until spring/summer 2004); C) Deciding by January 15, 2004 whether the most feasible plan requires a change to public or non-profit ownership; D) Approaching public and private funding sources and securing sufficient agreements by April 1, 2004 to cover all redevelopment costs (now also delayed until spring/summer 2004). The four objectives can be summarized as idea, feasibility, ownership, and funding.

III. Project Design

1. Review of the Literature

The most useful references have proved to be the feasibility studies of New Hampshire mill projects (see the bibliography). RKG Associates Inc. (2002) and Sherman Greiner Halle Ltd. (May 2000), studies of mills in Jaffrey and Peterborough, were especially relevant because they contain economic and real-estate data for Antrim’s market area that can be put to immediate use in the Goodell feasibility analysis. These studies, along with JSA Inc. Architects Planners, et al (1994), an analysis of a mill complex in Newmarket, on the other side of the state, made it clear that proactive New Hampshire towns tend to center their redevelopment efforts on formal feasibility studies that include detailed financial projections and architectural and structural analysis. Newmarket Community Development Corp. (2002) demonstrated that towns sometimes take such studies a step further by packaging them in marketing campaigns to attract developers. These insights, along with other guidelines on how similar towns structured partnerships or took ownership, will be directly relevant to the outputs of the Goodell Mill project.

The article on New England mill towns by Mullin and Kotval (1997) offers a historical and land-use planning framework for fitting mill redevelopment into the community context, especially downtown revitalization efforts like Antrim’s. This document, and a March 26, 2003 talk by Mullin in the New Hampshire mill town of Somersworth, provided ideas for property reuse that were used in the brainstorming sessions and early feasibility analysis for Goodell Mill. For example, Mullin said community colleges are successful uses for old mills, in part because demographics suggest strong demand for associate’s degrees in many mill towns. He also favors artists’ lofts (now part of the owner’s plan for Goodell Mill), citing the Newmarket project as an example. Mullin cautioned against placing subsidized housing and social-service agencies in mills because they can create a negative impression to visitors who hold the much-sought-after discretionary income. The last point may be true of efforts to attract higher-income

investments, but it has moral and practical implications that argue to the contrary: affordable housing or social-service agencies may fill a more important need in the community and be more feasible because they can attract non-profit and government grants not available to for-profit uses.

The project reports by SNHU CED graduate students (Ortiz, 1983, and Smith, 1993) are useful not so much for their insights on redevelopment, but for giving a general idea of how previous students addressed their real-world projects and academic requirements.

The Web sites are the most convenient references for news, background information, and formal documentation of the state and federal programs that are the Goodell project's most likely funding sources. The most frequently visited is the Web site of the New Hampshire CDFA, which seems to be the most promising state source for feasibility and construction funding and is more aware than other agencies of the Goodell opportunity.

2. Program

a) The TIF District Administrator and Goodell owners will investigate and secure the most likely funding sources for the preferred reuse concepts (objective "D"); will work to secure from a professional consultant a feasibility study that analyzes renovation and reuse scenarios (as called for in objective "B" above). The Administrator collaborated with the owners, community members, and government on objective "A" (generation of ideas for reuse), with the owners eventually choosing a mixed-use plan that includes commercial space and subsidized rental/condo townhouses for artists. The TIF Board and Administrator discussed "C" (deciding whether the preferred scenarios necessitated purchase by the town or a non-profit organization). These last two objectives are inherently collaborative processes that require participation and input from the board, which itself is legally mandated to represent residents from the district and outside the district, and town residents.

b)

Mission Statement: *The Downtown Antrim TIF District will spearhead community participation in redeveloping the former Goodell Mill by securing the necessary studies and funds to ensure that future uses respect the property's historic value while meeting the town's social and economic needs.*

3. Participants

Roughly 15-20 people were at least periodically involved in the project. They included the five members of the TIF District Advisory, the District Administrator (myself), the three-person Board of Selectmen, the building's owners (Paul and Leslie Belliveau), the tenant, (Brian Beihl, owner of Family on Board, a mail-order and Internet catalog company, Gary Armstrong, president of Monadnock Business Ventures (MBV), and staff of CDFA. Architect Richard Monahan also consulted on the project.

4. Community Role

The community, through its elected officials and volunteer boards appointed by them, is essentially a development partner in the project, though not in the legal sense of a partnership. It is required, at minimum, to hold hearings and public meetings to meet its own land-use and funding requirements. State and federal funding agencies will also be likely to require local public hearings. We will go further by taking a more proactive approach to involving neighborhood and town residents in the development process by holding brainstorming sessions and follow-up meetings once the site plan is made public.

Coordinated contributions of labor and financial assets from each of these stakeholders, especially the building's owners, the Town of Antrim, and regional and state economic development agencies, will be necessary to accomplish the final goal. No one stakeholder is likely to have sufficient resources; private owners have been understandably cautious about investing in Goodell Mill, the town is unlikely to go out on a limb to fund the entire project itself, and state agencies nearly always require partnerships with other parties before entering into funding agreements. The fourth stakeholder, the neighborhood residents, do not have a unique financial role, but they have veto power over the project because of their ability to mobilize at the public meetings required for both funding and zoning approval.

5. Host Organization

The TIF district is the host organization, but it is likely that the CDFA, NHHFA, and MBV will have formal roles.

The TIF district was founded to direct tax revenues to public expenditures that help revitalize Antrim's downtown. The CDFA is a state agency that provides loans and state tax credits for community development that generally benefits low- to moderate-income residents. MBV seeks to foster economic development in area towns through consulting and funding. NHHFA, another state agency; funds affordable housing projects.

Several stakeholders are the likely funding sources: the building's owners (Paul and Leslie Belliveau), TIF district, CDFA, and NHHFA. MBV will assist with funding and possibly be contracted to manage recruiting and assisting potential tenants.

The TIF District Administrator's role was to secure a feasibility study, identify funding, lead the TIF District's efforts to identify the best redevelopment scenarios, and secure the needed funding from the sources identified in the earlier step. The administrator's responsibilities are generally to perform administrative duties (grant writing, record keeping, communications, etc.), but specifically for this project, they include all actions needed to accomplish the objectives.

The organizational chart (next page) shows that the District Administrator, like the TIF District Advisory Board, is appointed by the town's Board of Selectmen. The two entities are roughly co-equal in authority, according to the state legislation for TIF districts.

6. Organizational Chart

TOWN MEETING (Legislative Body)



BOARD OF SELECTMEN (Governing Body)



TIF DISTRICT ADMINISTRATOR

(Administers TIF District)

David Essex

TIF DISTRICT ADVISORY BOARD

(Advises governing body on TIF expenditures)

Rick Davis

Rick Edmunds

Bob Edwards

Bill Prokop

7. Method

The District Administrator collaborated with the TIF District Advisory Board, the Goodell Mill owners and tenants, and MBV to identify a concept plan for the building. He will work with the TIF District Advisory Board, Board of Selectmen, CDFA, and NHHFA to identify and secure funding.

The TIF District Administrator and Advisory Board will be responsible both for submitting all formal proposals for town funding and facilitating all town meetings to solicit ideas and feedback on the project. The responsibility of MBV is yet to be determined, but will likely first on assisting with grant writing and other funding tasks, and later focus on managing a business recruitment and lending program for the renovated building. The two New Hampshire agencies will be responsible for their own funding processes.

8. Products & Outputs

The project was designed to generate the following outputs:

- Preliminary concepts for Goodell Mill renovation and redevelopment
- Feasibility analysis
- Funding, including:
 - A. Approvals needed for town appropriations
 - B. A brownfields tax abatement policy for the Board of Selectmen
 - C. List of best funding sources for the best scenarios identified in feasibility study
 - D. Grant writing for all regional, state, federal, non-profit, and private funding
 - E. Formal agreements for funding
- Recommendation on purchase by town or non-profit
- Microsoft Project files
- Monthly reports to Prof. Chris Clamp, SNHU peers, and TIF Advisory Board

IV. Implementation

1. Implementation Plan

Below is the original list of activities created at the beginning of the project, with progress updates as of March 14, 2004 shown in boldface.

Dec. 1, 2002: Reorganization of Downtown Antrim Tax Increment Finance (TIF) District Advisory Board and District Administrator. **Completed on schedule.**

Dec. 31, 2002: Submit brownfields tax abatement policy for consideration

by Board of Selectmen. **Postponed until fall 2003; completed January 2004.**

Jan. 15, 2003: Decide on any related warrant articles for vote at March 2003 Town Meeting. **Completed on schedule.**

March 31, 2003: Finish research on similar mill redevelopment projects. **Completed on schedule.**

March 31, 2003: Hold first brainstorming session with owners Paul and Leslie Belliveau. **Completed on schedule.**

May 15, 2003: Hold follow-up brainstorming session with owners and key invitees. **No formal brainstorming session was held. However, separate meetings in fall 2003 with architect, TIF administrator, engineering consultant, Armstrong of MBV, and Belliveaus, and in January with TIF Advisory Board, Armstrong of MBV, and Belliveaus served as informal brainstorming sessions during which numerous renovation and reuse concepts were discussed.**

May 31, 2003: Finish list of preliminary concepts for building redevelopment. **No formal list was created, but owners decided on the mixed-use concept described above.**

Sept. 30, 2003: Complete committee and public information meetings on redevelopment concepts. **Committee meetings completed at Jan. 14, 2004 meeting of TIF Advisory Board and building owners. Public information meetings postponed until spring or summer 2004 until formal site plan review before Planning Board.**

Oct. 1, 2003: Submit list of likely funding sources to TIF Advisory Board and Chris Clamp. **List submitted instead to New Hampshire CDFR in funding request for feasibility study.**

Dec. 15, 2003: Decide whether to recommend public or non-profit ownership. **No formal decision or vote was made by host organization. Instead, September 2003-February 2004 meetings and informal discussions were held with four prospective non-profit buyers. Project was not far enough along for town to make credible purchase proposal at March 2004 Town Meeting. Discussions continue with MBV, Contoocook Housing Trust, and Town of Antrim on possible purchase of condo units.**

Jan. 15, 2004: Decide on any related warrant articles for vote at March 2003 Town Meeting. **Completed on schedule. It was determined at Jan. 14 meeting with Belliveaus that no appropriations were needed this year.**

Feb. 1, 2004: Prepare all necessary warrants and other proposals for March 2004 Town Meeting. **Completed on schedule. (This step was deemed to be unnecessary.)**

Feb. 15, 2004: Acquire feasibility study. **Postponed at least until summer 2004. CDFA informed Armstrong on March 11, 2004 that a spending freeze would delay consideration of the application until July. Leslie Belliveau informed TIF Administrator that architect would proceed anyway, but she declined to fund full study. Administrator promised to seek matches from MBV and TIF Advisory Board, with majority of \$10,000 cost to come from owners.**

March 31, 2004: Complete all Town Meeting presentations and follow-up items. **Completed on schedule. Part of voter-approved \$10,000 TIF warrant for general business marketing and improvement purposes will be requested for \$1,000-\$2,000 match for feasibility funding. Armstrong promised also to put match request on agenda for April 12 MBV board meeting.**

April 1, 2004: Secure all funding. **Postponed to second half of 2004. Belliveaus said in March that need for public funding will depend on extent of bank financing.**

April 30, 2004: Submit final report to Chris Clamp. **This due date had been estimated. Draft submitted on March 14; final report submitted April 11.**

OBJECTIVE: *Identify reuse concept*

Activities	Project Month (last X=due date)												Resources Needed	Person Responsible	
	1	2	3	4	5	6	7	8	9	10	11	12			
TIF Reorg.	X													Administrator, Volunteer Labor	Administrator
Research				X										Administrator, Volunteer Labor	Administrator
1st Brainstorm				X										Administrator, Owner Labor	Administrator, Owner
2nd Brainstorm													X	Labor	Administrator, Owner, Architect, Consulting Engineer, MBV
Preliminary Concepts						X								Administrator, Owner Labor	Administrator, Owner

OBJECTIVE: *Study feasibility of concept*

Activities	Project Month (last X=due date)												Resources Needed	Person Responsible
	6	7	8	9	10	11	12	13	14	15	16	17		
Secure Feasibility Funding				X	X	X	X	X	X	X	X	X	Administrator, Owners, TIF Board, MBV Labor	Administrator, Owners, TIF Board, MBV
Feasibility Study												X	\$10,000, Architect, Consultant Paid Labor	Architect, Consultant

OBJECTIVE: *Recommend necessary changes in ownership structure*

Activities	Project Month (last X=due date)												Resources Needed	Person Responsible
	6	7	8	9	10	11	12	13	14	15	16	17		
Study ownership options						X	X	X	X				Administrator Labor	Administrator
Discuss town purchase								X	X				Administrator, Owners, TIF Board, Selectmen Labor	Administrator, Owners, TIF Board, Selectmen
“Broker” with prospective non-profit buyers					X	X	X	X	X	X			Administrator, Owners, TIF Board, Town Administrator, Non-profits Labor	Administrator, Owners, TIF Board, Town Administrator, Non-profits Labor

OBJECTIVE: *Secure public funding*

Activities	Project Month (last X=due date)											Resources Needed	Person Responsible	
	6	7	8	9	10	11	12	13	14	15	16			17
Research construction funding				X	X	X	X	X					Administrator Labor	Administrator
Brownfields tax abatement policy	X	X						X	X				Administrator, TIF Advisory Board, Selectmen Labor	Administrator, TIF Advisory Board, Selectmen
Downtown Initiative application												X	Administrator, MBV, CDFA, NHHFA, Owners Labor	Administrator, MBV, CDFA, NHHFA, Owners
Other applications												X	Administrator, MBV, Owners Labor	Administrator, MBV, Owner

2. Inputs

To accomplish the activities in the project plan, the following **inputs** will be necessary:

- Volunteer labor, principally of the TIF Advisory Board and Administrator
- Data on area real estate market, business activity, population, etc.
- Information on historic preservation techniques, funding sources, real estate development, etc.
- Capital, public and private funding, in-kind goods and services, etc.
- Goodell Mill building and land
- Related public infrastructure
- Approval of town government and voting public for final site plan and town funding
- Feedback and ideas from neighborhood and town residents
- Cooperation of regional, state, and federal agencies, and building owners

3. Staffing Pattern

It was thought that given enough time, planning, and regular communication, it would be possible to complete the activities using only the volunteer labor of the TIF board and administrator, a modest budget for supplies, and in-kind assistance from Gary Armstrong of MBV. In retrospect, it is clear that a firmer commitment of labor from the owners, as well as from the CDFA staff, would probably have helped in generating a pro forma and beginning the process of applying for construction funding.

Besides attending all meetings, the following members of the TIF District Advisory Board are to handle the following tasks not done by the District Administrator:

Bob Edwards (Vice President, Granite Bank): Research and secure bank financing.

Bill Prokop (Selectman; Town Administrator as of Jan. 2004): Manage official actions by Board of Selectmen, town employees; handle all related financial transactions of the town.

The professional and community backgrounds of these volunteer “staff” members gave them adequate competency to perform their assigned tasks. However, they could also be asked to take on some tasks handled by the District Administrator, especially applying for grants. Their attendance at one-day and half-day workshops offered by the granting programs, including the Downtown Initiative and Community Development Block Grant program, will increase the ability of the host organization to secure funding in a timely manner by dividing up the labor.

4. Budget

Because the project will be managed mostly with volunteer labor, the budget consists of \$250 (half of the TIF District’s line in the town’s annual budget), for office expenses, such as postage and printing. The \$10,000 feasibility study was originally budgeted to be funded by CDFA, grants to MBV, and the Belliveaus.

5. Project Implementation Report

To reiterate, the original project objectives and milestones were the following:

- | | |
|---|---------------|
| 1. Identify redevelopment concept: | May 31, 2003 |
| 2. Study concept feasibility: | Nov. 1, 2003 |
| 3. Make ownership recommendation: | Jan. 15, 2004 |
| 4. Secure construction funding: | April 1, 2004 |

The first objective was achieved more or less on time in late spring and early summer of 2003, when the owners decided to pursue a mixed-use scenario that involves construction of approximately 10 low- to moderate-income townhouse-style residences, most of which will be marketed to artists and rented or sold as condominiums. The remaining half of the building would consist of business condos marketed as office, retail, and light industrial space.

The second objective, the feasibility study, was delayed for at least six months by unexpected holdups at CDFA, including the sudden death of its executive director, Rob Nichols, who was also a member of the Antrim host organization. CDFA feasibility funding is still technically a possibility, but to expedite the project, the TIF group and MBV will consider matching a contribution by the owners; failing that, a pro forma budget and redevelopment plan will be developed by the architect and owners, but there will be no market analysis unless the public funding comes through.

The third goal was informally met by discussions and site visits with several prospective condo owners, including the Antrim town library, the Antrim Girls Shelter, and Monadnock Business Ventures. The TIF Administrator and Town Administrator will continue to seek potential non-profit tenants, and MBV is still considering a joint venture with the NHHFA.

The final goal, that of actual funding, has not been met, in large part due to the delay in the feasibility study, which is a gating factor preventing submission of funding applications to grantors who require such an analysis. The project team is still investigating applying for a funding package offered by the state's Downtown Initiative, and the Town of Antrim agreed in principle in January 2004 to provide property-tax abatements once a formal site plan is approved by the Selectmen. These abatements constitute real funding, but they will represent only a fraction of the estimated construction costs of \$2 million.

The long-term goal, which was always anticipated to extend at least a year after the SNHU project, is still to renovate Goodell Mill and secure signed tenants for at least 90 percent of the renovated space by the end of 2005. That goal can still be met. In March 2004, the owners reported that they are in active negotiations with a medical practice that is eager to occupy the front-most section of the building. The owners are seeking loans from their existing banker, Citizens Bank, to renovate this section as soon as possible. The vast majority of the building would remain unrenovated, so the TIF Administrator will continue to encourage the owners to pursue their plan for mixed use office and residential, and will offer the town's and MBV's assistance in seeking state and federal funding for the later phases. In addition, the TIF group and Goodell owners have agreed to work closely during the engineering design phase of the upcoming Main Street Rehabilitation Project to better integrate a parking lot across the street into the main parcel, to discuss creating a public open space near a new entrance for the mill complex, and to explore shared parking and green space with the town library.

The annotated outline of implementation activities appears in Implementation section IV.1, above.

6. Project Implementation Gantt Chart

See printout after Appendix.

V. Monitoring and Evaluation

1. Management Information System

Microsoft Word and Microsoft Project were the two main pieces of software used to manage the project. The TIF District Administrator gave verbal status reports to the TIF District Advisory Board and e-mailed or posted online monthly reports to the graduate project advisor, Dr. Christina Clamp, as well as SNHU peers. These reports indicated

whether the activities listed in the Gantt chart were in process or had been completed. The four project goals were also tracked in Microsoft Project. Reports to the SNHU faculty advisor, weekly use of Microsoft Project project-management software (first, the 1998 version, then the 2003 version in October 2003), e-mail and phone communication with participants in the project, as well as SNHU peers, and monthly meetings and minutes of the TIF District Advisory Board were the main monitoring indicators.

Outlines and other textual items in the Microsoft Word project proposal were the tools actually used by the project manager on a daily and weekly basis to stay on track. Data entry in Microsoft Project, though relatively simple, was still tedious and likely to be avoided during time crunches. With few but the faculty advisor to report to, and with Word being adequate for that purpose, there was little need to employ Project as a groupware tool for generating schedules to team members. It was also not particularly useful as an individual resource- and time-management tool for the project manager. This may be the result of unfamiliarity with the full power and potential of Microsoft Project. It is also possible that the new, 2003 version of Project, which has much improved links to the Microsoft Office applications, including Word and Excel, could have been used to automate data entry and scheduling between Word (the manager's preferred MIS tool) and Project, avoiding the worry of entering information in both places. However, such an automated setup would have a learning curve of its own. All of these concerns suggest that SNHU CED faculty might consider making Microsoft Project proficiency a prerequisite for the CED project management courses, and offer a one- or two-credit required course for those who cannot demonstrate proficiency, rather than offering short optional seminars and informal tutoring, which is the current approach.

2. Summary Monitoring Table

GOAL: Renovate Goodell Mill and secure letters of intent for 90-percent occupancy by Dec. 31, 2005

Objective	Monitoring Methods	Planned Finish	Actual Finish
Redevelopment concept	1. Verbal, e-mail, and online reports to: <ul style="list-style-type: none"> • Chris Clamp • SNHU colleagues • TIF Advisory Board 2. Microsoft Word proposal, outlines 3. Microsoft Project file 4. E-mail, phone with mill owners	May 31, 2003	May 31, 2003
Feasibility Study	1. Verbal, e-mail, and online reports to: <ul style="list-style-type: none"> • Chris Clamp • SNHU colleagues • TIF Advisory Board 	Nov. 1, 2003	Postponed to 2H 2004

	<ol style="list-style-type: none"> 2. Microsoft Word proposal, outlines 3. Microsoft Project file 4. E-mail, phone with mill owners, MBV, CDFR 		
Ownership recommendation	<ol style="list-style-type: none"> 1. Verbal, e-mail, and online reports to: <ul style="list-style-type: none"> • Chris Clamp • SNHU colleagues • TIF Advisory Board 2. Microsoft Word proposal, outlines 3. Microsoft Project file 4. E-mail, phone with mill owners, Selectmen, MBV, Lutheran Girls Shelter, Contocook Housing Trust 5. Site visits with mill owners, Selectmen, MBV, Lutheran Girls Shelter 6. Monthly meetings and minutes of TIF Advisory Board 	Jan. 15, 2004	Jan. 15, 2004 (in modified form)
Secure Construction Funding	<ol style="list-style-type: none"> 1. Verbal, e-mail, and online reports to: <ul style="list-style-type: none"> • Chris Clamp • SNHU colleagues • TIF Advisory Board 2. Microsoft Word proposal, outlines 3. Microsoft Project file 4. E-mail, phone with mill owners, MBV, CDFR, NHHFA, TIF Advisory Board, Southwest Region Planning Commission, Office of State Planning, NH Division of Historical Resources 5. Monthly meetings and minutes of TIF Advisory Board 	April 1, 2004	Partial Jan. 14, 2004; remainder expected mid-2004 through early 2005

3. Performance Indicators

Several near-term outcomes of the eventual redevelopment project are quantifiable and will be included in the annual TIF District report to the Town Meeting. The most important are the assessed value of the property after redevelopment, the number of new tenants, the approximate number of jobs provided by the tenants, and the net new jobs brought to Antrim.

Subjective outcomes will best be measured by structured personal interviews and a brief survey to be conducted after the redevelopment work is completed and the building is 90-percent occupied. The four groups most impacted by the project—project participants, mill tenants, neighborhood residents, and town residents and public officials—will be asked to rate the positive or negative impacts of the mill project on such factors as economic activity in the downtown district, the visual appearance of the neighborhood and town, traffic, shopping and other amenities, and the aesthetic quality and usability of the mill property itself.

Broader impacts on the community will be hard to quantify, and outside influences such as the national economy and state real-estate climate may make it difficult to attribute impacts directly to the project. However, comparison of changes in the demographic and financial measures of Antrim's economic health and status within its region and state—the same metrics addressed by the town economic-development efforts of which the Antrim Mill project is the latest manifestation—may show whether such projects meet their original goals. These measures, collected by the state, include:

- Town property tax base compared to others in the cooperative school district and state
- Comparative per capita and household incomes
- Largest businesses by number of employees
- Percentage of residents commuting out of town

The Baseline Project Operations Report for the mill project listed several expected outcomes (all but two of which are positive) that can be tested in the post-construction evaluation. They include:

- Renovated Goodell Mill building and land
- Affordable space for area businesses
- Revitalized Antrim downtown due to increased foot traffic, physical improvements, community pride
- Increased tax base
- Local jobs
- Possible traffic problems
- Possible pollution and noise problems

The expected impacts include:

- Improvements in neighborhood appearance and infrastructure
- Raising of town's image among town and regional residents
- Improvement in town's overall economic condition (tax base, business vitality, etc.)

The objectives of the evaluation will be to measure the existence and degree of each of these outcomes and impacts, and then to analyze the degree to which the results support the general hypothesis of the evaluation. This hypothesis is closely related to the hypothesis underlying the mill redevelopment specifically, and downtown revitalization investments generally.

Hypothesis

The tentative general hypothesis of the evaluation states the following:

Public investment in Goodell Mill will produce a positive return in the tax base, business activity, jobs, quality of life, and image of Antrim and its downtown neighborhood.

This hypothesis is a subset of the broader hypothesis that states, roughly, that public investment in real-estate and business development in depressed downtown neighborhoods is an effective and legitimate use of the state's power of taxation. While it is taken as an article of faith within the CED movement that such investments are, in principle, legitimate, there is likewise considerable doubt and concern among CED activists whether such investments achieve their objectives, especially if the money inures in part to private property owners and business people.

Methods and Indicators for Evaluation

The evaluation will employ a roughly even mix of objective data-gathering techniques and surveying of the subjective opinions of the people in the three domains of neighborhood, town, and local region. The latter domain, which consists of approximately a dozen towns in the Contoocook Valley in the eastern Monadnock Region of southwestern New Hampshire, is important to include because of its influence on the economic health of the town and its most populous neighborhood, the downtown/Main Street section.

By adapting the conceptual evaluation tools provided by AIMS (Assessing the Impact of Microenterprise Services) in SEEP's Learning from Clients: Assessment Tools for Microfinance Practitioners, it is possible to show the mill project's three levels and domains of impact in outline form (with each level subsuming the one below it):

- I. Contoocook Valley Region
 - Jobs
 - Shopping and entertainment opportunities
 - Business space
 - Cultural opportunities

- Property tax base and socio-economic and educational levels of regional cooperative school district

II. Town of Antrim

- Jobs
- Shopping and entertainment opportunities
- Business space
- Cultural, built, and natural environments
- Property tax base
- Socio-economic and educational levels of residents
- Attractiveness and efficiency of infrastructure
- Overall image

III. Downtown neighborhood

- Property tax base
- Socio-economic and educational levels of residents
- Cultural, built, and natural environments
- Attractiveness and efficiency of infrastructure
- Overall image
- Neighborhood pride and vitality

The town's most recent economic development and downtown revitalization effort was motivated in part to counteract an image that Antrim has, especially within its nine-town cooperative school district, as a relatively "poor" town for young, lower- to middle-income families with children, and with a run-down, anemic business district. It will be important to see whether the Goodell Mill redevelopment helps to change that perception of Antrim and encourage businesses to relocate there, and prospective homeowners to move in and invest in the town.

Objective data gathering will be facilitated in large part by a new geographic information systems (GIS) database and map of the downtown district that will take a snapshot of current property values and uses, providing a baseline before the mill project commences that can be updated and analyzed in the years after the mill is redeveloped. The TIF District Administrator and Advisory Board and Southwest Regional Planning Commission (the GIS provider) could perform field work to gather tax-roll data and information on the number and size of businesses in the district.

For the subjective portion, the TIF District Advisory Board and District Administrator are the likely evaluators who will design, distribute, and analyze a questionnaire, and conduct field interviews and possibly focus groups, to judge the perceptions of stakeholders and members of the general public in the three domains.

Again employing the AIMS tools, the following outline shows the three domains and several hypotheses to be tested by both objective and subjective information to be gathered in each:

Neighborhood:

Goodell Mill redevelopment:

- N1. *Increases actual neighborhood property values (measured from GIS data and other records)*
- N2. *Improves neighborhood appearance and quality of life (survey of residents)*
 - A. *No net negative impact from traffic, noise, and pollution*
- N3. *Increases the number of businesses and intensity of business activity (from GIS data and other records)*
 - A. *Number and variety of businesses*
 - B. *Total number of jobs*

Town

Goodell Mill redevelopment:

- T1. *Increases town's property tax base values (measured from GIS data and other records)*
 - A. *Net gain from town investment in mill*
- T2. *Improves neighborhood appearance and quality of life*
 - A. *No net negative impact from traffic, noise, and pollution*
- T3. *Increases the number of businesses and intensity of business activity (from GIS data and other records)*
 - A. *Number and variety of businesses*
 - C. *Total number of jobs*

Region

Goodell Mill redevelopment:

- R1. *Improves image and perceptions of entire town (survey of regional residents)*
- R2. *Improves neighborhood and town appearance and quality of life (survey of regional residents)*
 - A. *No net negative impact from traffic, noise, and pollution*
- R3. *Increases the number of jobs, businesses, and locations for businesses (from GIS data and other records, survey of regional residents)*
- R4. *Increases the desire of people in the region to:*
 - A. *Shop in Antrim (survey of regional residents)*
 - B. *Open or relocate a business in Antrim (survey of regional residents)*
 - D. *Move to Antrim (survey of regional residents)*

The evaluation process for the Goodell Mill redevelopment will require both objective and subjective data to judge the success of goals that are themselves a mixture of objective and subjective. The fact that both types of data appear to be easily obtainable bodes well for a manageable, affordable, and client-centric evaluation process that will both shape the mill project and increases its usefulness as a model—or a cautionary tale—for similar projects.

4. Summary Evaluation Table

	<i>Performance Indicators</i>	<i>Expected Outcomes</i>	<i>Actual Outcomes</i>
GOAL: 90% occupancy by Dec. 31, 2005	Antrim Mill Corp. records	<ul style="list-style-type: none"> • Renovated mill • Affordable business space • Revitalized Antrim downtown • Increased tax base • Local jobs • Possible traffic problems • Possible pollution and noise problems 	TO BE DETERMINED
OBJECTIVE: Redevelopment Concept	<ul style="list-style-type: none"> • Communications to project participants • Conceptual plans • Formal site plan 	Feasible concept for final redevelopment plan	Working concept, but with feasibility yet to be studied
OBJECTIVE: Feasibility Study	Feasibility study	Study of concept feasibility	Formal study delayed; possibility of informal partial study of architectural and construction costs, budget pro formas
OBJECTIVE: Ownership Recommendation	<ul style="list-style-type: none"> • Formal recommendation • Communications with project participants, prospective buyers 	Informed decision on whether to change ownership structure to meet final project goal	Informal discussions, site visits with prospective buyers
OBJECTIVE: Secure Construction Funding	<ul style="list-style-type: none"> • Letters of approval • Verbal approval • Bank loans • Other loans • Donations 	Sufficient funding for approximate \$2 million construction costs	Partial funding (brownfields property tax abatement); remainder expected mid-2004 to early 2005

5. Sustainability Plan

The main element of the sustainability plan is for the host organization to continue to monitor the private redevelopment project and to offer assistance to ensure that the resulting property is likely to hold its market value and remains near full occupancy. Besides the feasibility and construction funding already described, such assistance will include a district-wide business recruitment, retention, and marketing program already funded for 2004. In addition, the host organization will investigate offering the brownfields tax abatements as pass-through abatements available to prospective buyers of the condominium units, rather than being granted solely to the mill owners. Such abatements could be marketed by the town and the owners as incentives to relocate to the condominium units.

The project itself will be self-sustainable if the profitability projections in the feasibility study prove correct, and there is a sufficient number of tenants to keep the building 90-percent occupied. It is possible that the town's ability to continue or extend the brownfields tax credit (or any other public assistance to the project) will be compromised if an economic downturn leads to a drop in tax revenues. A severe downturn in the national and state economy could also impact the Goodell Mill's viability if it leads to a sharp reduction in business activity and rentals. It is hoped that such economic risks can be minimized by outfitting the building for a mix of uses.

Institutional Plan: The TIF board and administrator will address sustainability risks by monitoring the number of tenants at least through the current planned life of the TIF District, which ends in 2010. If rentals and condominium ownership decline so far as to jeopardize the mill's viability, the district could consider adding a business-lending program to attract or retain business tenants. The TIF group should also fight efforts to dissolve the district before 2010 if it completes its other projects before that date, and voters and town officials wish to release the tax increment normally earmarked for projects within the district.

Conclusions and Recommendations:

This Masters project, which was intended to be a catalyst, as well as a source of the public subsidies needed to make a private redevelopment a reality, has nearly failed because of its dependence on participants who had differing ideas of how vigorously to pursue the project plan. Accordingly, future project managers attempting such a public-assistance approach are well advised to avoid these pitfalls by formalizing the roles of key participants and ensuring adequate discretionary funding for contingencies.

To elaborate on the key recommendations:

- **Build in performance guarantees by the property owner.** It will be difficult to advance the project if the owner is not following the same timeline as the host organization. At a minimum, a memorandum of agreement should be signed before significant work is undertaken by the

host organization. It may help to take the formal agreement a step further with either a joint venture or a legal partnership that specifies what each participant will do, and when.

- **Involve the host organization in project planning as early as possible.** The project manager tried to execute too many of the critical steps himself. While that approach met with some success, the failure to secure funding within the original deadlines could possibly have been avoided if the TIF Advisory Board had been assigned specific funding tasks near the beginning of the project. (Admittedly, the delay was mostly caused by the delay in the feasibility study and the owners' reluctance to pursue other avenues in the meantime.) Others might avoid this problem by having the host organization involved in developing the project proposal to ensure ownership and buy-in before any of the implementation steps are undertaken. Team members will thereby be more likely to be knowledgeable about their roles and committed to fulfilling them.
- **Line up alternative funding sources for mission-critical tasks.** The Goodell project could have avoided a six-month delay if the project manager had had an alternative funding source for the feasibility study. In this case, none of the participants were willing to put money out for the study as long as there was a chance of the CDFR grant, but the modest cost of the study could easily have been fronted through a personal bank loan, line of credit, or some other credit mechanism.
- **Consider hiring a professional developer.** The architectural, feasibility, engineering, funding, and construction steps of such a project are all tasks normally handled by professional developers. In fact, the model for the Goodell Mill project, Jaffrey Mills, appears to have progressed rapidly because a decision was made to bring in an outside developer who will be paid a fee of several hundred thousand dollars. In contrast, in the current project, the owners are acting as the developers. While small municipalities or non-profits may balk at paying such exorbitant fees, they should nonetheless consider holding exploratory talks with developers early in the process. Focusing fundraising efforts on affording the developer's fee will almost certainly lead to quicker completion, and could even save money if earlier receipts of rental income, tax revenues, and so on more than make up for the fee.

The apparently marginal success of the academic project, which admittedly has yet to fully play out in the real world, does raise serious questions about the broader implications for CED practice. Some peers who have observed the project have argued for a "take the bull by the horns" approach that would have had the host organization or the town buying and developing the property. But this was not only beyond the professional abilities and personal goals of the District Administrator, it was at least as risky for the town to undertake as it has clearly been for the two well-financed private

owners of the Goodell Mill in the past 30 years, not to mention several prospective buyers. Nor has the one regional economic development agency charged with such undertakings—an organization with a small paid staff, operating budget, and relevant real-estate experience--seen fit to take on the project.

The less risky and ambitious program of *public assistance for* the mill’s redevelopment still appears to have been the rational choice given the resources available to the project manager and host organization. But it may ultimately prove ineffective, which raises serious questions about the effectiveness in redevelopment projects of CED agencies in general. The fact is that most ED or CED organizations do not buy or develop all of the underutilized properties in their communities. They try to assist the efforts of others, with grant writing, advice, marketing assistance, loans, limited partnerships, etc. In short, they try many of the things that the project leader and host organization did to assist with the Goodell Mill redevelopment.

In the final analysis, the Goodell assistance project was hobbled by inadequate, unresponsive state, federal, and private resources, by the lack of local technical know-how, and by the questionable business case for investing in the property. It would seem that CED agencies should continue to try to optimize their resources by leveraging their labor, money, and knowledge in ways similar to those attempted here. Yet this highly economical approach may be too diffuse to have much effect, especially when viewed at the individual project level. The other extreme—developing projects directly—seems to bring the unacceptable risk that putting all of one’s eggs in one basket could lead to a catastrophic failure that destroys the agency’s ability to serve others.

Is there a middle ground? Limited partnerships and joint ventures would seem to offer a workable compromise between risk and reward. But that is a discussion for another day.

VII. Appendices

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Microsoft Project Gantt Chart	After page 36

Staff Job Descriptions

The host organization, the Downtown Antrim TIF District, is an all-volunteer group with no paid staff. However, four people in the organization are expected to perform important tasks within the project. Following are general job descriptions for the four:

David Essex, District Administrator: Serves as project manager: monitors task completion; keeps records of tasks, communications, etc.; runs meetings. Is primary project contact for mill owners, neighborhood and town residents, and town, state, and federal organizations. Writes grants, takes all necessary steps to secure funding.

Bob Edwards, TIF Advisory Board Member: Researches and manages all bank and bond financing. Serves as contact with Granite Bank.

Bill Prokop, TIF Advisory Board Member: Until January 2004 a member of the Board of Selectmen, Prokop is now the paid full-time Town Administrator. He manages day-to-day activities of the town government. For this project, Prokop handles official town correspondence, communications, and management of town employees, as well as financial official financial transactions of the town.

Program/Budget Pro Forma

Pro Forma

Antrim TIF District

Goodell Mill Redevelopment

Expenses

Staffing \$0

Feasibility Study \$0

Office supplies, postage

Printing \$250

Total Expenses \$250

Income

Town Budget Appropriation \$250

Total Income \$250

Net profit/loss \$0

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ID	Task Name	November 21				January 11		March 1			April 21		June 11
		10/20	11/10	12/1	12/22	1/12	2/2	2/23	3/16	4/6	4/27	5/18	6/8
1	Funding	[Gantt bar]											
2	Identify	[Gantt bar]											
3	Decide	[Gantt bar]											
4	Apply	[Gantt bar]											
5	Downtown Initiative	[Gantt bar]											
6	Brownfields tax cred	[Gantt bar]											
7	New Markets Tax Ci	[Gantt bar]											
8	TIF	[Gantt bar]											
9	CDFA CDIP	[Gantt bar]											
10	LIHTCS	[Gantt bar]											
11	Banks	[Gantt bar]											
12	Secure	[Gantt bar]											
13	Concepts	[Gantt bar]											
14	Research	[Gantt bar]											
15	Discussions	[Gantt bar]											
16	Meetings	[Gantt bar]											
17	Decide	[Gantt bar]											
18	Feasibility Study	[Gantt bar]											
19	Apply	[Gantt bar]											
20	Receive	[Gantt bar]											
21	Ownership	[Gantt bar]											
22	Research	[Gantt bar]											
23	Discussions	[Gantt bar]											
24	Meetings	[Gantt bar]											
25	Decide	[Gantt bar]											
26	Town Meeting	[Gantt bar]											
27	Decide on articles	[Gantt bar]											
28	Prepare articles	[Gantt bar]											
29	TM presentations/followu	[Gantt bar]											
30	Project Wrapup	[Gantt bar]											
31	Submit SNHU Report	[Gantt bar]											

Project: goodellfundraising
Date: Wed 4/14/04

Task [Solid Bar] Milestone [Diamond] External Tasks [Dotted Bar]
 Split [Dotted Bar] Summary [Arrow] External Milestone [Diamond]
 Progress [Thick Solid Bar] Project Summary [Arrow] Deadline [Down Arrow]

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ID	Task Name	August 1				September 21		November 11			January 1		Februar
		6/29	7/20	8/10	8/31	9/21	10/12	11/2	11/23	12/14	1/4	1/25	2/15
1	Funding	[Gantt bar]											
2	Identify	[Gantt bar]											
3	Decide	[Gantt bar]											
4	Apply	[Gantt bar]											
5	Downtown Initiative	[Gantt bar]											
6	Brownfields tax cred	[Gantt bar]											
7	New Markets Tax Ci	[Gantt bar]											
8	TIF	[Gantt bar]											
9	CDFA CDIP	[Gantt bar]											
10	LIHTCS	[Gantt bar]											
11	Banks	[Gantt bar]											
12	Secure	[Gantt bar]											
13	Concepts	[Gantt bar]											
14	Research	[Gantt bar]											
15	Discussions	[Gantt bar]											
16	Meetings	[Gantt bar]											
17	Decide	[Gantt bar]											
18	Feasibility Study	[Gantt bar]											
19	Apply	[Gantt bar]											
20	Receive	[Gantt bar]											
21	Ownership	[Gantt bar]											
22	Research	[Gantt bar]											
23	Discussions	[Gantt bar]											
24	Meetings	[Gantt bar]											
25	Decide	[Gantt bar]											
26	Town Meeting	[Gantt bar]											
27	Decide on articles	[Gantt bar]											
28	Prepare articles	[Gantt bar]											
29	TM presentations/followu	[Gantt bar]											
30	Project Wrapup	[Gantt bar]											
31	Submit SNHU Report	[Gantt bar]											

Project: goodellfundraising
Date: Wed 4/14/04

Task [Solid Bar] Milestone [Diamond] External Tasks [Dotted Bar]
 Split [Dotted Bar] Summary [Arrow] External Milestone [Diamond]
 Progress [Thick Solid Bar] Project Summary [Arrow] Deadline [Down Arrow]

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ID	Task Name	Timeline											
		21	April 11			June 1		July 21		September 11		Nove	
		3/7	3/28	4/18	5/9	5/30	6/20	7/11	8/1	8/22	9/12	10/3	10/24
1	Funding	[Solid black bar from 3/7 to 9/12]											
2	Identify	[Solid black bar from 3/7 to 9/12]											
3	Decide	[Solid black bar from 3/7 to 9/12]											
4	Apply	[Solid black bar from 3/7 to 9/12]											
5	Downtown Initiative	[Solid black bar from 3/7 to 9/12]											
6	Brownfields tax cred	[Solid black bar from 3/7 to 9/12]											
7	New Markets Tax Ci	[Solid black bar from 3/7 to 9/12]											
8	TIF	[Solid black bar from 3/7 to 9/12]											
9	CDFA CDIP	[Solid black bar from 3/7 to 9/12]											
10	LIHTCS	[Solid black bar from 3/7 to 9/12]											
11	Banks	[Solid black bar from 3/7 to 9/12]											
12	Secure	[Solid black bar from 3/7 to 9/12]											
13	Concepts	[Solid black bar from 3/7 to 9/12]											
14	Research	[Solid black bar from 3/7 to 9/12]											
15	Discussions	[Solid black bar from 3/7 to 9/12]											
16	Meetings	[Solid black bar from 3/7 to 9/12]											
17	Decide	[Solid black bar from 3/7 to 9/12]											
18	Feasibility Study	[Solid black bar from 3/7 to 9/12]											
19	Apply	[Solid black bar from 3/7 to 9/12]											
20	Receive	[Solid black bar from 3/7 to 9/12]											
21	Ownership	[Solid black bar from 3/7 to 9/12]											
22	Research	[Solid black bar from 3/7 to 9/12]											
23	Discussions	[Solid black bar from 3/7 to 9/12]											
24	Meetings	[Solid black bar from 3/7 to 9/12]											
25	Decide	[Solid black bar from 3/7 to 9/12]											
26	Town Meeting	[Solid black bar from 3/7 to 9/12]											
27	Decide on articles	[Solid black bar from 3/7 to 9/12]											
28	Prepare articles	[Solid black bar from 3/7 to 9/12]											
29	TM presentations/followu	[Solid black bar from 3/7 to 9/12]											
30	Project Wrapup	[Solid black bar from 3/7 to 9/12]											
31	Submit SNHU Report	[Solid black bar from 3/7 to 9/12]											

Project: goodellfundraising
Date: Wed 4/14/04

Task		Milestone		External Tasks	
Split		Summary		External Milestone	
Progress		Project Summary		Deadline	