



FROM: Suzi Pegg, Economic Development Director

DATE: November 2019

SUBJECT: November Economic Development Report

Recommendation

Accept this report.

On the local front in economic development....

HRKNSScowork is the name of a new 2,400 sf co-working space which will open by the start of 2020 on the second floor of the Capital Commons building in Concord. The name "HRKNSS" is a play on Phillips Exeter Academy's Harkness method, which involved students sitting around a table discussing issues in a collaborative fashion. The developer is a graduate of Phillips Exeter. Jamie Simchik presented this to Council a couple of months ago as this concept was based on the incubator study which was originally initiated by Council a couple of years ago.

The New Hampshire Office of International Commerce has received a \$241,233 grant through the federal Stated Trade Export Promotion or STEP, program, which is tasked with helping small businesses enter the international marketplace. Companies based in NH who meet the SBA's criteria for small and medium sized businesses can use these grants for international market research, attending trade shows/missions, developing international marketing materials and international marketing consulting services. Further details can be found on this website: <https://nhexportassistance.com/faa-step/>

The City along with the Greater Concord Chamber has entered into a memorandum of understanding (MOU) with the Small Business Development Center, to host an advisor both at the City Community Center and at the chamber once a month. This will kick off at the Community Center at 10am, Thursday 7th November. Please contact the EDD if you come across any enquires from anyone wishing to take advantage of this opportunity.

Attended:

Greater Concord Chamber Breakfast Forum: 10th October. EDD was one of the panelists at the forum. Video of the event can be found on the following link:

<https://youtu.be/LLy8P3gawAc>

International Economic Development Council Conference: 11th – 16th October
EDD was appointed to the board of directors for another two year term.

Governors Advanced Manufacturing and High Tech Summit – 31st October

Social Media/ Marketing

Continuing to use various platforms to push out information on the City and investment opportunities.

City of Concord Podcast

This month the EDD hosted two guests from the Concord Young Professional Network and the Greater Concord Leadership program. You can listen to this via our sound cloud using this link: <https://soundcloud.com/user-128591994>

Measures:

Economic Development Director Target Visits/Leads for FY2020: 150

Total number of visits/leads generated this month: 7

Total for FY2020 to date: 30

Background

Each month I will seek to provide Council with insight into different trends or areas of interest in the economic development world as well as a synopsis of Concord-specific activities and data. This is the fourth report in this series.

Discussion

Are 'Pretty Cities' more successful?



A recent study has found that the more aesthetically pleasing a city is, the more successful its economic development prospects (*Publication in Route Fifty by Richard Florida City Lab- May 16, 2019*). Researchers defined beauty through tourism data and photos of picturesque locations. City size did not have an effect; many small and medium-sized cities with parks, historic buildings, and good weather are perceived as beautiful.

According to the study, a city with twice as many picturesque locations as another city enjoyed a 10 percent or higher growth in population and jobs from 1990 to 2010. Urban beauty tied with lower taxes as the most important predictor of overall population growth. Cities in the top 25 percent of picturesqueness saw nearly 3 percent higher growth in the number of college graduates than those in the bottom 25 percent.

Urban beauty results in higher housing prices and greater housing appreciation as well; housing values were 16 percent higher in the top quartile of beautiful cities than the bottom.

Investing 10 percent more in parks is associated with a 2.3 percent increase in leisure visits and a 1.3 percent increase in employment in the tourism industry.

In another case, researchers Gerald A Carlino of the Federal Reserve Bank of Philadelphia and Albert Saiz of Massachusetts Institute of Technology (*April 1st 2019*) looked at the relationship between a city's beauty and key growth indicators. The study built upon traditional measures of the importance of amenities for urban development, such as the prevalence of parks, restaurants and tourist attractions. The study found that Urban population growth in the 1990–2010 period was about 10% points higher in a metro area that was perceived as twice more picturesque

Of course, some cities are blessed with natural beauty, but many beautiful cities are the result of public policy. Concord, for example, has made investments in parks, and protecting landmarks and historic spaces. The investment on Main Street alone is already paying dividends as we are seeing an increase in pedestrian traffic and interest in downtown living.

In the paper “Six Ways Cities Can Reach Their Economic Potential,” Bruce Katz (June 2016) of the **Brookings Institution** highlighted profound demographic, market, and cultural changes taking place in the United States which are increasing diversity, broadening consumer demand, and dramatically altering the rules of economic prosperity. These changes give cities their best chance in decades to compete for business, workers, and residents. To many prospective city dwellers, the advantages of well-established educational and health institutions and distinctive downtowns, neighborhoods, and amenities look better than ever. These changes are already spurring an urban resurgence, as well as changing the suburban landscape in some distinctly urban ways.

Only last month **Smart Asset** named Concord as the highest-ranked New England Capital for livability coming in their top 10, and also one of three cities (along with Honolulu, Hawaii and Madison, Wisconsin) tied for the study’s lowest unemployment rate, at 2.1%. Concord also has the third-lowest violent crime rate and the second-lowest property crime rate – around 277 and 1,919 crimes per 100,000 residents, respectively.

Also in August, **Smart Asset** tracked where millennials were moving to and for the first time NH cracked the list. Our state was the only location north of North Carolina. Concord is becoming a strong contender to attract these millennials. We have a beautiful city with many of the assets identified in the reports. We are on the right track and doing the right things to make us an attractive destination to live, work and play.