



CLAREMONT, NEW HAMPSHIRE, **LOOKS TO THE FUTURE**

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CITY OF CLAREMONT, NEW HAMPSHIRE

By focusing on public-private partnerships, an interdisciplinary approach to development, innovative financing, and fundamental zoning changes, a town can rebuild.

“A once thriving mill city” is a phrase that starts many stories about New England communities. The next chapters usually describe job losses, vacant buildings, economic decline, and gradually, damage to the social structure.

Claremont, a city of 13,300 in the western part of New Hampshire, used to be such city. But in the last decade, Claremont has started to rebuild through a collaborative process that may hold lessons for other older communities.

Returning to Life

The original challenges were daunting. Between 1980 and 2000, Claremont saw a 9 percent decline in population. (See “Population Characteristics.”) By 2002, it had had to demolish dozens of blighted

buildings and remove 150 housing units that threatened health and safety. At one point, the municipal fund balance was down to \$4,303.

The drive for change came from the citizens. Blight, vacancy, and general deterioration were not how they remembered this once-thriving town. In 2000, the Claremont Development Authority decided to invest in the center of town, purchasing the Farwell Block from the city. The goal was to fund new commercial space in Opera House Square and entice private-sector investment. In the same year, New Hampshire Main Street in Claremont called a meeting that drew more than 200 people.

“We all felt dismayed by the condition of the City Center,” recalls one participant, “but it wasn’t until that meeting that we realized so many others felt the same.”

Attendees organized the Main Street Claremont coalition, which spearheaded initiatives such as the purchase of the Oscar Brown Block, a building in the heart of the city. The coalition got the rehabilitation going, then sold the project to the Monadnock Economic Development Council, which ultimately created 10,000 square feet of commercial space and six apartments.

In 2004 and 2005, the city put out a Request for Developers for several Monadnock Mills buildings it owned. The selection cri-

teria weighted economically sustainable end use, developer experience, and financial stability. Three companies ended up getting involved—Red River (an IT business), the Common Man Inn & Restaurant, and Sugar River Mills Redevelopment LLC. By project completion in 2009, the city had extended its center by a block and had restored historic landscape along the Sugar River.

It helped that the city took a long-term view. Claremont knew it had to invest in roads, aging water and sewer infrastructure, parking capacity, and brownfield remediation to attract private investment. So instead of a building-by-building, or sidewalk-by-sewerline approach, the city considered the future of the whole district, approaching it as a unit. The city council created a downtown tax-increment-finance (TIF) district to support the bonding for infrastructure improvement. Today, there are promising signs that the TIF district will continue expanding the tax base. In other positive news, Red River, the Common Man, and National Field Representatives (a mortgage field servicer) have created 160 local jobs since the mills opened; other building owners have invested in upgrades, energy projects, and residential units; and city population increased in 2010. The impact on restaurants and shops is also promising, with several small businesses opening in recent years.

Says City Manager Guy Santagate, “We decided we were going to remain a full-service city and put structure, vision, and direction into practice so that a stable financial environment could support future growth.”

When those entities share
a common goal and move in
the same direction, good
things happen.



Ongoing Partnerships

Partnerships continue to be critical to support both existing companies and new development. To address confusion about local permitting, Santagate pulled together staff from the Economic Development, Planning & Zoning, Building & Health Codes, and Project Management departments to create one entity. A business is now able to move through informational stages to any required permitting within this unit, and staff members work as a team from initial contact.

If a review from the Planning Board or Zoning Board of Adjustment is indicated, a technical review team meets informally with the developer or owner, bringing in public works, police, fire, and legal review. When building development, brownfields, or infrastructure work is occurring on one project, having an internal partnership saves businesses from answering the same questions over and over.

The private sector has warmly welcomed the streamlining.

According to president and CEO of Hampshire Hospitality Holdings Rusty McLearn, “One of the primary reasons Alex Ray and I entered in the Claremont mills project was because we had faith that Claremont was not just giving

lip service to the term ‘public-private partnership.’ In order for this project to work, we indeed needed a true partner, one who would share in the expense, expedite the process, assist with the planning and coordination, and be there when problems arose. I’m happy to say that our faith was not misplaced. The city has been there every

photos courtesy of City of Claremont



step of the way, helping solve the tax-credit issues when we couldn't, and their cooperation in the planning process allowed us to save time and money. The city's work on the infrastructure, bridge, parking, sewer, and water [issues] made the project possible."

External partnerships depend on the nature of the need. Mill-project financing included private equity, bank lending, New Markets Tax Credits, historic preservation tax credits, Community Development Block Grant funding through Sullivan County and the Capital Regional Development Council, and lending from the New Hampshire Business Finance Authority through the Claremont Development Authority.

Public-sector work has included financing by bond through the TIF district, transportation funding from the New Hampshire Department of Transportation, two federal appropriations, and Environmental Protection Agency assessment funding. Many people are in the room, figuratively, but having multiple players has been critical. The value of the external partnerships was highlighted when, just before Monadnock Mills construction started, there was a delay in getting approval of the historic preservation tax credits through the National Park Service. The governor's office, the New Hampshire division of Economic Development, and all the Congressional offices provided valuable assistance to move the project forward.

Population Characteristics

Population					
	1970	1980	1990	2000	2010
Claremont	14,221	14,557	13,902	13,151	13,355
New Hampshire	737,578	920,475	1,109,117	1,235,550	1,316,470

Decennial population percent change				
	1970–1980	1980–1990	1990–2000	2000–2010
Claremont	2%	-4%	-5%	1.6%
New Hampshire	25%	20%	11%	6.5%

Source: U.S. Census

Other partners include Public Service of New Hampshire and River Valley Community College. On any given day, a company might have queries that can be addressed by such partners. The college has become increasingly important in workforce development and participates actively with local businesses to plan academic programming. The city holds all such relationships in high regard as these partnerships have evolved into mutual cooperation that supports economic growth.

A discussion of partnerships would not be complete without mention of the new Claremont Savings Bank Community Center. For 10 years, the city had been concerned about aging facilities and annual parks and recreation costs, but tight budgets were a barrier

to making changes. As Claremont Savings Bank considered how to celebrate its 100th year of service, it seized on the idea of a community center. The bank ended up donating \$3 million plus a parcel of land for a new building.

According to bank president and CEO Sherwood Moody, "The intention of the donation was to do something that all ages of the community could enjoy. One year after the opening of the Claremont Savings Bank Community Center, it has surpassed the original intention for both recreational enjoyment and community events."

More than \$500,000 in other private donations and a \$5.3 million dollar bond from the city supplemented the bank's generosity.

The Bigger Team

In municipal government, the bigger team is made up of community residents, elected policymakers, city management, and staff. When those entities share a common goal and move in the same direction, good things happen.

Some of the city's most important decisions have advanced the shared goals of adaptive reuse of existing buildings, new development, and job creation. Because Claremont's patterns of historic development were overlaid by incompatible zoning, the city sought and received a Department of Housing and Urban Development

Sustainable Communities grant to rewrite the city zoning ordinance and embrace the traditional, historic development in the city center. The rewrite completed with the 2010 grant also removed regulatory barriers to private investment.

In Claremont, we accept that the results we would like to achieve won't all happen quickly but will be a result of stability over time. There remains much work ahead. Balancing resource allocation with the local property tax rate continues to be a struggle, and the tax base needs continued growth. But we are happy

to see that, compared with 2001, the fund balance is up 126 percent, to \$542,000, and long-term debt has dropped.

Today, neighborhood stabilization and workforce development are at the top of our agenda as we create bridges between workforce needs and available skills and provide quality workforce housing. With good infrastructure and more opportunity for both adaptive reuse and new construction, the city has a lot to build on.

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