

**CONWAY PLANNING BOARD
AND MASTER PLAN STEERING COMMITTEE**

MINUTES

MAY 11, 2023

PAGES

1

Work Session

**CONWAY PLANNING BOARD
AND MASTER PLAN STEERING COMMITTEE**

MINUTES

MAY 11, 2023

A meeting of the Conway Planning Board and the Master Plan Steering Committee was held on Thursday, May 11, 2023 beginning at 4:30 pm at the Conway Town Office, Conway, NH. Those present were: Chair, Benjamin Colbath; Vice Chair, Ailie Byers; Selectmen's Representative, Steve Porter; Bill Barbin; Eliza Grant; Mark Hounsell; Alternate Ted Phillips; Jac Cuddy; Ben Wilcox; Kate Richardson; Jason Gagnon; Deb Haynes; Barbara Lyons; Planning Director, Jamel Torres; and Planning Assistant, Holly Whitelaw.

WORK SESSION

The Board and Committee followed the attached Meeting Agenda.

The next meeting is July 13, 2023.

Meeting adjourned at 6:00 pm.

Respectfully Submitted,

Holly L. Whitelaw
Planning Assistant



MEETING AGENDA

4.27.2023

5:30 – 7:00 PM

CONWAY MASTER PLAN STEERING COMMITTEE – MEETING #3

Conway Town Office
23 Main Street
Conway, NH

MEETING OVERVIEW & PREPARATION

Meeting Purpose

- To review findings from SE Group's analysis of economic development trends and needs in Conway.
- To receive feedback on the draft Master Plan Vision Statement.
- To hear reflections from Steering Committee members on analysis results and potential areas of focus for the Master Plan. This will be a high-level discussion on potential focus areas. The feedback received will inform our next steps for discussion, public engagement, analysis, and strategy development on these topics.

Pre-Meeting Preparation

Since we have limited meeting time and many voices to hear from, we are expecting that Steering Committee members will have completed the following tasks prior to the meeting.

- Review the economic development memo. Each memo contains a high-level summary of key findings and takeaways, as well as detailed analysis.
- Review and provide feedback on the draft Master Plan Vision Statement here:
<https://survey.alchemer.com/s3/7319024/Conway-NH-Master-Plan-Vision-Statement>
 - Please provide your feedback on the draft Master Plan Vision Statement by **Wednesday, 4/26.**
- Sign up for one of the upcoming focus groups.

AGENDA DETAILS

NOTE: This meeting is a work session of the Town of Conway Planning Board and is open to members of the public. Steering Committee members should plan to arrive 5 minutes early to ensure a prompt start.

5:30 – 5:35 pm Review of Agenda & Meeting Procedures

5:35 – 5:45 PM Overview of Upcoming Focus Groups

5:45 – 6:00 pm

Draft Master Plan Vision Statement

1. Review of draft statement and survey feedback (5 mins)
2. Additional discussion as needed (10 mins)

6:00 – 6:50 pm

Economic Development Memo: Review & Discussion

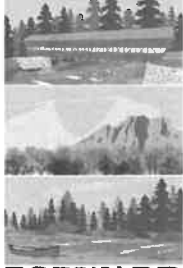
1. Highlights of existing conditions memo (5 mins)
2. Discussion (45 mins)

6:50 – 7:00 pm

Wrap Up & Next Steps

Proposed next steering committee meeting: May 25th, 2023

CONWAY



FORWARD

MEMORANDUM

4.21.2023

CONWAY MASTER PLAN FOCUS GROUP ENGAGEMENT

TO: Steering Committee

CC: Jamel Torres, Town of Conway Planning Director

FROM: SE Group Planning Team (Gabby Voeller, Alex Belenz, Julia Randall)

PURPOSE

The purpose of the focus groups would be to provide discussion space for a deeper dive into key Master Plan topics. This will provide an opportunity to bring in additional voices and have in-depth conversations on challenges, opportunities, and strategies – something that will be difficult to achieve within a typical Steering Committee meeting.

STRUCTURE

The focus groups will include Town Planning Staff, members of the Steering Committee, and additional invited participants from the community at-large. Each Steering Committee member will be permitted to sit in on one focus group. We anticipate each session being a blend of a workshop and a focus group in order to incorporate existing research into the discussion and identify tangible ideas at the conclusion.

Once the focus groups are completed, a summary of the discussion and key takeaways will be shared for consideration by the Steering Committee.

SIGN UP!

The focus groups are proposed to be held during on-site field visits by SE Group staff on May 10th and 11th, 2023. Two hours will be allotted for each focus group. Steering Committee members should sign-up for one focus group. **Sign-ups will be on a first-come, first-serve basis.** To ensure balanced participation, we have capped each focus group at 5 total Steering Committee members. Please sign up by Thursday, April 27th.

Commercial Development Focus Group

Wednesday, May 10th
5:30 – 7:30 PM
Conway Town Hall

Sign up here: <https://www.eventbrite.com/e/622713872957>

Housing Focus Group

Thursday, May 11th
9:00 – 11:00 AM
Conway Town Hall

Sign up here: <https://www.eventbrite.com/e/622712288217>

Water/Wastewater Infrastructure Focus Group

Thursday, May 11th
11:30 – 1:30 PM
Conway Town Hall

Sign up here: <https://www.eventbrite.com/e/622714645267>



ECONOMIC DEVELOPMENT ANALYSIS MEMORANDUM

4.21.2023

EXISTING CONDITIONS: ECONOMIC DEVELOPMENT

TO: Steering Committee

CC: Jamel Torres, Town of Conway Planning Director

FROM: SE Group Planning Team (Gabby Voeller, Alex Belenz, Julia Randall)

About the Analysis

This memo summarizes existing conditions for economic development in the Town of Conway. This analysis will serve as a basis for the recommendations of the updated Town of Conway Master Plan. This memo complements the *Housing Analysis Memorandum* and *Zoning & Land Use Memorandum* that covered housing and land use conditions and issues in Conway.

Key Takeaways

- Conway is the primary economic center of Carroll County and the Mount Washington Valley.
- While there are many organizations involved in economic development in Conway and the Mount Washington Valley, the Town currently lacks a clear, overarching vision for future economic development that can guide local policy decisions and investments.
- At present, Conway lacks some level of local control over some of the largest determinants of its economic development, such as tourism promotion (largely managed by state and regional entities) and large-scale hotel development (limited controls in local zoning regulations). Current land use regulations around commercial development permit large-scale developments to occur in locations and forms that are generally unpopular with the community.
- Conway's long-term economic development depends on the community's ability to house a diversity of residents making a variety of incomes, including seasonal workers, families, and older residents.
- Conway's village centers are critical to Conway's community character and economic success. At the same time, current land use regulations may also limit the viability of smaller-scale, village-style commercial and mixed-use development, and there are no protections for historic buildings.
- Recreation, public lands, historic resources and scenic values are all important drivers of Conway's visitor-based economy and the development & retention of other local businesses.
- New Hampshire municipalities are limited in their ability to collect tax revenue from visitors and tourists, which could help offset the costs of local services and infrastructure and

support investments in economic development strategies and projects. Creative approaches are needed if the Town wishes to generate additional revenues from its tourism economy.

What is Economic Development?

The U.S. Economic Development Administration defines economic development as “creating the conditions for economic growth and improved quality of life by expanding the capacity of individuals, businesses, and communities to maximize the use of their talents and skills to support innovation, job creation, and private investment.”

This definition reflects the idea that economic development is a community-wide project that extends far beyond individual commercial developments. Community economic development also involves:

- Raising incomes (including disposable income)
- Creating jobs
- Improving infrastructure
- Providing basic necessities and enhancing quality of life (access to transportation, housing, and recreation)
- Building a strong sense of community

Community Health & Economic Development

Community health and economic development in Conway, NH are closely linked. A strong economy can support community health by providing job opportunities and increasing access to resources such as healthcare, education, and housing. Community health is also a necessary ingredient for a strong economy – Conway's local economy is supported by the health and wellbeing of its workforce and residents. In a healthy community, residents have access to jobs, transportation, housing, medical care, education, parks, and recreation.

Background

Conway is part of the larger economic region of the White Mountains and the Mount Washington Valley. As a small town with premier recreational access, Conway's economy is primarily based on tourism and small business activity.

Tourism is a major driver of the local economy, particularly in the summer and winter seasons. Visitors come to Conway to enjoy the scenic beauty of the surrounding White Mountains, which offer hiking, skiing, snowmobiling, and other outdoor recreational activities. There are also several popular tourist attractions in the area, such as the Conway Scenic Railroad, Mount Washington Observatory, and the outlet shopping centers. According to the Mount Washington Observatory and Conway Scenic Railroad, Conway sees high visitation annually.

Conway contains a substantial amount of large-scale commercial development. Most large-scale retail development is concentrated along the White Mountain Highway corridor. Shopping centers in this area include Settler's Green, Saco Crossing, Northway Plaza Shopping Center, and Mountain Valley Mall. Settler's Green consists of mostly outlet clothing stores. The other shopping complexes contain a mix of big box stores, such as T.J. Maxx, Christmas Tree Shops, REI, L.L. Bean, Lowe's, and Hannaford. There are several large hotels and restaurants in this area. There is also general strip commercial development along the White Mountain Highway corridors and other primary highway corridors in Conway. The demand for these large-scale commercial businesses is likely driven by Conway's role as a regional employment and service hub.



Much of Conway's commercial development conforms to design standards that reinforce the historic character of the area. As shown in this image, the Saco Crossing complex mimics the colors and architectural features of the Conway Scenic Railroad Station.

Small businesses are another important facet of the economy in Conway. North Conway is a vibrant downtown area with shops, restaurants, and other services that cater to locals and visitors alike. Many of these businesses are family-owned and operated, and they contribute to the town's unique character and charm. Many of these businesses rely on tourism to maintain their operations.

In 2001, Memorial Hospital opened in North Conway. This created new job opportunities and helped to diversify the local economy. However, Conway's economy remains highly reliant on tourism and retail businesses.

Economic Assets & Trends

Assets

In addition to its labor force, Conway's primary economic assets include:

- Scenic & natural environment
- Wide array of quality recreation opportunities in Conway and close by, including Cranmore Mountain Resort, Attitash, Wildcat, the Saco River, & the White Mountain National Forest
- Historic architecture & cultural attractions, such as the Conway Scenic Railroad
- Retail businesses, including outlet stores, restaurants
- Visitor-facing businesses, such as hotels
- Agricultural lands
- Municipal water and wastewater systems
- Location at the confluence of multiple state and federal highways

Trends

- There have been recent increases in the number of large hotels in Conway. According to local estimates, 500 hotel rooms were built in Conway in the last two years. As permitted under current land use regulations, recent hotel development has been scattered across different areas of town. In response, a one-year moratorium on hotels and commercial buildings greater than 50,000 square feet has been approved by voters at Town Meeting 2023.
- Big box retail is generally considered to be increasing, with a large grocery store currently under construction in the Settler's Green area.
- Some businesses have closed recently. Recent businesses that have been lost include tech companies, such as ECHO, Rapidinsight, Animetrics and Online Assistance.
- Businesses have been struggling to retain employees because employees cannot find or afford housing nearby. Anecdotally, a local bank branch closed because they could not keep tellers. Most employers cannot offer housing to their employees, but some do,

including Flatbread Company, Cranmore Mountain Resort, Moat Mountain Brewing Company, and Delaney's Hole in the Wall.

- As a recreational tourism destination, Conway's economy is elastic to changes and trends in recreation and tourism. Increased interest in winter sports (particularly backcountry skiing) and downhill mountain biking have likely led to increased participation in those activities in Conway.
- Cranmore Mountain Resort has expanded its offerings to reflect changing market demands for recreational tourism. The mountain has been investing in new condo-style on-mountain residences, a bike trail, downhill mountain biking, among other projects. The newest condominium accommodations, which are currently under construction, sold out extremely quickly.
- Climate change threatens several aspects of Conway's tourism industry. Warming associated with climate change threatens to reduce the number of ski days each winter. A loss of 10-20% of ski days in NH represents a loss of \$42 million in direct spending and \$84 in indirect spending. Warming also threatens sugar maples and the vibrancy of fall foliage, which would jeopardize the nearly \$300 million impact of visitor spending associated with fall foliage. Recent research has documented the impacts of reduced snowpacks, increased drought, and increase severe precipitation events on stream flow and flooding in northern New England, with a host of potential impacts to water-based sports and community infrastructure.¹

Current Economic Development Organizations & Strategies

While there are numerous organizations that play some role in economic development in Conway, there are several with significant involvement:

- **Mount Washington Valley Economic Council:** The Mount Washington Valley Economic Council is a non-profit organization that promotes economic development in the Mount Washington Valley. The council offers a range of services to businesses, including technical assistance, a revolving loan fund, a business incubator program, and business visibility assistance. The organization manages the Technology Village Business Resource Center, which offers commercial office space and coworking spaces along Route 16.
- **Mount Washington Valley Chamber of Commerce:** The MWVCOCC is a non-profit organization that promotes economic development and tourism in the Mount Washington Valley region, including Conway. The Chamber promotes the region as a year-round tourism destination through advertising, social media, and other marketing efforts. They also provide marketing and promotion opportunities for local businesses, such as advertising in their publications and on their website. The Chamber also provides support to local businesses by offering networking opportunities, educational programs, and resources. In addition, the Chamber operates a visitor center in North Conway, where they provide information to tourists on local attractions, events, and lodging options.
- **White Mountains Community College:** White Mountains Community College offers a range of workforce development programs and training opportunities to support economic development in the region. WMCC offers two primary forms of training: Business & Talent Development Training and customized business training. The college works closely with local businesses to identify their workforce needs and develop training programs and identify funding mechanisms to meet those needs.
- **Mount Washington Valley Career & Technical Center:** MWVCTC promotes workforce development by assisting students in developing technical knowledge, real-world

¹ Sources: Climate Change in Northern New Hampshire: Past, Present, and Future; Wake, Burakowski, Wilkinson, et al; The Sustainability Institute, UNH, 2014. Global Climate Change and Its Impact on New Hampshire, New Hampshire Department of Environmental Services, 2008, <https://home.dartmouth.edu/news/2023/04/warming-climate-affect-streamflow-northeast>

experience, and soft skills to prepare for high-wage, in-demand careers. The Center currently offers 12 programs ranging from manufacturing technology to outdoor recreation.

- **Town of Conway:** The Town of Conway does not have specific staff or committees dedicated to economic development. However, town staff and local representatives frequently work on initiatives related to economic development. The Town also offers a business guide on the Town website that helps businesses understand local requirements. The Town does not have a formal economic development strategy and has few specific economic development policies.
- **North Country Council:** North Country Council (NCC) is the regional planning commission serving 50 towns and cities in northern New Hampshire, including Conway. The Town of Conway is not a member of NCC and does not receive most of its services. However, NCC is also a federally-designated Economic Development District, and administers the regional Comprehensive Economic Development Strategy (CEDS), both of which influence how federal economic development programs and dollars are spent in the region.

Policy Context

This section provides an overview of Conway's policy context related to economic development in Conway.

Town Policies

Town zoning and site plan regulations play a critical role in Conway's short and long-term economic development. Regulations on land use development in Conway directly control the building forms and businesses that can be built in Conway. The town's non-regulatory activities also influence economic development. For example, this master planning process will influence the town's future economic development strategy and initiatives.

The Town code includes provisions on the impacts of commercial amusements² in certain zoning districts, but no other language related to impact: "Because the Town wishes to maintain a character which protects the long-term, high-quality environment, which will ultimately protect tourism in the valley, commercial amusements are hereby regulated to prevent adverse impacts on the Town's character and environment." The Planning Board is currently pursuing a moratorium on hotels and commercial development over 50,000 square feet, along with reductions to height allowances in the Highway Commercial (HC) district.

State Policy Context

New Hampshire's tax structure is an important dimension of local economic development. New Hampshire has no sales tax and nearly no income tax. Property taxes are the primary source of public funding. Because of limitations on taxation, New Hampshire towns with high visitation have limited opportunities to collect revenues from those visitors in the form of taxes. Municipalities typically receive 20-30% of rooms and meals tax (RMT) revenue. Recent legislation has set this rate at 30%, and any surplus revenue can be shared with towns. According to state law, the rate should be 40%.³ Importantly, distribution of RMT revenue to towns is based on municipal

² Defined in the Town Code as follows: "Any commercial use which offers for hire or to the general public access to structures, vehicles, mechanical or electrical contrivances, or other facilities which are intended primarily to provide entertainment, amusement or recreation, and in which the patron is engaged on the premises as an active participant rather than as a spectator. This shall not include volleyball, tennis or basketball courts, baseball, football or soccer fields, other similar sporting fields, or commercial golf facilities as regulated in the underlying district, and shall exclude special events as permitted by the Board of Selectmen."

³ https://www.nhmunicipal.org/sites/default/files/uploads/workshop-materials/state_aid_2022.pdf (p. 17).

population, not the amount of rooms and meals tax collected by the municipality. In effect, Conway is likely a "donor town" when it comes to rooms and meals tax revenue sharing.

The state of New Hampshire determines the legality of business types, such as cannabis-related businesses. Cannabis is not legal for retail sale in NH, and as a result there are no cannabis retail or manufacturing establishments in Conway.

Conditions, Benefits & Challenges Overview

Housing & Demographics

Condition	Benefits	Challenges
<p>Lack of housing resources, lack of employer control over housing resources</p>		<ul style="list-style-type: none"> • Difficulty attracting and maintaining workforce due to high living costs, high commute times from surrounding areas, • Increased traffic congestion and carbon emissions associated with additional in-commuting • Difficulty filling job vacancies, high employee turnover rates and general inefficiency • General constraints on economic growth and quality of life
<p>Population dynamics (aging population, limited projected growth)</p>		<ul style="list-style-type: none"> • Threatens the long-term economic success of the community • Lack of housing and other resources to support aging populations • Lack of families and younger residents reduces the vibrancy of the town and causes attrition in the town's schools and other programs

Tourism, Recreation & Public Lands

Condition	Benefits	Challenges
<p>High levels of tourism demand; tourism-based economy</p>	<ul style="list-style-type: none"> • Revenue for local businesses, such as hotels, restaurants, and tourist attractions • Creates job opportunities for the local community in hospitality, tourism, and retail sectors • Supports local history and legacy as an outdoor recreation destination, helps cultivate a local brand 	<ul style="list-style-type: none"> • High tourism demand can lead to high visitation at peak times, which can affect the quality of life for the local community • Seasonal fluctuations: can result in uneven job opportunities and employment instability throughout the year • Service-level jobs tend to be low-wage • Tourism demand drives up demand for housing and other services and can lead to higher living costs for local residents • Issues with littering and crowding at trailheads and other recreation locations
<p>High demand and supply for hotels and lodging</p>	<ul style="list-style-type: none"> • Rooms and meals tax generation • Enables visitation and potentially reduces pressure on STR market 	<ul style="list-style-type: none"> • Community opposition to further hotel development due to housing pressures, scenic values, among other concerns
<p>Upwards of 800 STRs in Conway</p>	<ul style="list-style-type: none"> • Strong demand for lodging and visitation in Conway 	<ul style="list-style-type: none"> • Difficulty determining where STRs are appropriate in town • Potential volatility of the STR market • Potential for STRs to take away from long-term rental opportunities

Land Area Characteristics

Condition	Benefits	Challenges
<p>Bordered by public lands (WMNF)</p>	<ul style="list-style-type: none"> • Provides residents and visitors with opportunities for outdoor activities such as hiking, camping, fishing, skiing, and snowboarding • Offers stunning natural scenery, enhancing quality of life for local residents and attracting visitors to the area • Draws tourism, which generates revenue for local businesses and creates job opportunities • Provides vital ecosystem services for maintaining water quality, and habitat for wildlife; can help to mitigate climate change by storing carbon and regulating water cycles • Supports a regional forest products industry 	<ul style="list-style-type: none"> • The popularity of some areas of the WMNF creates destination management challenges (i.e., crowding at trailheads, parking management issues, trail degradation and litter) • Lack of local control and input regarding land management and recreation programs
<p>Lack of adequate infrastructure support for industrial (manufacturing, agricultural, processing) uses</p>		<ul style="list-style-type: none"> • May contribute to lack of construction businesses • Limits the capacity & productivity of industrial businesses in Conway

Development Patterns & Local Economic Characteristics

Condition	Benefits	Challenges
<p>Strong emphasis on retail and service in local business mix</p>	<ul style="list-style-type: none"> • Creates a variety of job opportunities for area residents • Provides amenities, services, and experiences for residents and visitors 	<ul style="list-style-type: none"> • Lack of diversity in the local economy can reduce resiliency (i.e., the ability to recover from a negative economic change) • Service-level jobs tend to be low-wage
<p>Some areas of Conway command high property values</p>	<ul style="list-style-type: none"> • Generates property taxes to fund municipal operations • In theory, creates an opportunity for local investment in property 	<ul style="list-style-type: none"> • High property values can make housing unaffordable to local renters and buyers
<p>Substantial large-scale commercial development & strip development</p>	<ul style="list-style-type: none"> • Attracts visitors to Conway for outlet shopping • Provides regional hub for shopping and services • Creates job opportunities for area residents 	<ul style="list-style-type: none"> • Community opposition to further hotel development due to housing pressures, scenic values, among other concerns • Community ambivalence and/or opposition to further large-scale commercial development • Large-scale commercial businesses can preclude opportunities for small-scale, locally-owned businesses
<p>Established village centers with different economic niches and development patterns</p>	<ul style="list-style-type: none"> • Provides spaces that are suitable for small businesses • High taxable value per acre • Constitute the town's most walkable and accessible areas 	<ul style="list-style-type: none"> • Creates small, difficult-to-manage jurisdictions with the Town that make it challenging to pursue town-wide strategies related to land use and economic development • Zoning regs make it difficult to further develop village-style development

What Does Success Look Like in Conway?

In 10 to 15 years, how will we know if economic development initiatives in Conway have been successful? It will be possible to tell by tracking key indicators of success, which can be determined by the community.

Possible indicators of success include:

- Overall increases in income, particularly for lower-income residents, and increases in residents' financial health
- Incomes aligned with housing costs (workers in the area can generally afford housing in the area)
- A healthy proportion of businesses in town are locally-owned
- Village-style development continues to thrive and receive support
- There are adequate community supports for residents of all ages (e.g., senior services, childcare, youth programming)
- Transportation in Conway is safe, accessible, and reliable
- Health indicators (e.g., obesity, diabetes, high cholesterol rates, food insecurity)
- Other metrics for community health – fewer residents who are delinquent on paying taxes, fewer human services requests, fewer individuals experiencing homelessness or housing insecurity

Critically, some of these indicators of economic success can be influenced by local control and some cannot. The Town of Conway does not have exclusive control over wage stagnation and housing affordability. These factors are subject to regional and national trends.

How Economic Development Interacts with Other Topics & Goals

- **Zoning:** Zoning is an important economic development tool. Zoning ordinances can help ensure that a community has an appropriate balance of commercial and residential opportunities. Zoning can also support a community's core industries and values through the creation of special districts and standards.
- **Housing:** Housing is the backbone of any community's economy. Businesses need workers, and workers need places to live close to where they work. In this way, generating adequate levels of housing is a critical economic development strategy.
- **Transportation:** Transportation enables the movement of goods, services, and people. Effective and equitable transportation systems can help employees and customers get to businesses safely and efficiently. Inadequate transportation infrastructure can make it harder for customers to access businesses and for businesses to access resources, limiting economic development potential.
- **Infrastructure:** The availability of community water and wastewater infrastructure has a significant impact on business offerings. Water and wastewater infrastructure is also important for housing development.
- **Conservation & Sustainability:** Conway's tourism industry greatly depends on the scenic and natural qualities of the area. The health and prosperity of Conway community also depends on clean water, air, and soils. In these ways, conservation and sustainability are critical to the success of Conway's economy.

Community Goals & Public Input

The 2003 Plan provides the following objective statement related to economic development:
"Recognizing that the key economic character of the community is its tourism-based economy,

future economic development initiatives should strive to diversify the employment and business establishment base within Conway."

The 2003 Master Plan for Conway placed a strong emphasis on supporting the tourism industry, but it also includes several recommendations for promoting economic development and supporting the growth of other industries in the area. The last plan notes that tourism is a major economic driver for Conway and identifies the need to support and promote the tourism industry. It recommends developing new attractions and enhancing existing ones, as well as improving marketing efforts. The plan also identifies several areas for potential commercial development, including along the Route 16 corridor and in the town center. Generally, the plan recommends creating a business-friendly environment that encourages new companies and organizations to locate in the area. The plan also emphasizes the need to provide training and education opportunities for workers in key industries, as well as the need to attract and retain skilled workers in the area. Additionally, the Master Plan identifies several infrastructure improvements that could support economic development, including improvements to transportation infrastructure, water and sewer systems, and broadband internet access. Finally, the plan recommends creating partnerships among local businesses, non-profit organizations, and government agencies to support economic development. It notes that partnerships can help to leverage resources and coordinate efforts to achieve common goals.

At the February 2023 Master Plan Open House, participants shared that they wanted limitations on large-scale commercial development, such as hotels. Participants indicated that this type of commercial development was not serving the Conway community. Housing was a top priority at the Open House. Participants unanimously agreed that Conway is facing a shortage of units that are affordable to low-income residents. Participants also seemed to recognize the acute effects of the regional housing shortage on economic development; without a supply of affordable and attainable housing, current and prospective employees in Conway are forced to live elsewhere.

Participants also wanted the plan to address the role of STRs in the community. Some participants suggested disallowing STRs in residential areas. When asked about their favorite things about Conway, respondents frequently highlighted the community's scenic beauty, natural environment, and recreational opportunities. At the meeting, participants were also asked to note areas they thought would be suitable for additional housing development and/or conservation. The results of that exercise, along with the full summary of feedback, is available in the **Open House #1 Summary Memo**.

Economic Development Issues & Areas of Focus

This section summarizes the primary issues related to economic development in Conway. The Areas of Focus are potential recommendations that the updated Master Plan could make. Each of these potential ideas will need further analysis. The Steering Committee is encouraged to provide feedback on these potential recommendation areas.

Align Land Use Policies with Local Vision for Economic Development

Conway's current zoning ordinance does not adequately support some of the most important drivers of Conway's economy, such as conservation, historic character, small-scale commercial development, and affordable/attainable housing. The ordinance should specifically support these land uses and features.

Potential Recommendations/Areas of Focus:

- Create a conservation/recreational tourism district (as opposed to relying on current overlay districts)

- Institute protections for historic buildings in Conway, such as a demolition delay ordinance
- Ensure that the dimensional standards and land use requirements for the town's village centers support village-style development, providing opportunities for small-scale commercial development and housing
- Expand the variety of housing types allowed in Conway and align density standards with infrastructure capacity to promote affordable housing opportunities for residents
- Legalize the existing land use pattern and form (village-style development) in the Town code
- Promote village-style development that has a high taxable value per acre, such as mixed-use development with ground-level commercial uses and upper-story residences.

Support Employee Housing in Conway

Conway is suffering from a housing shortage; workers cannot find places to live in Conway, let alone homes they can afford. The Town should support employee housing to ensure that the workforce can live affordably within the community and businesses can remain open.

Potential Recommendations/Areas of Focus:

- Consider adopting a commercial linkage fee program, in which commercial developments of a certain size must provide a certain number of workforce housing units or a fee-in-lieu of those units, with collected fees used to support future workforce housing development. This type of program can help ensure that large-scale commercial development does not place undue strain on the local housing market.
- Partner with regional organizations offering technical assistance to help local employers navigate the process of providing housing for employees.

Right-Size and Control Hotel Development in Conway

There has been substantial pushback from the community on new hotel developments in Conway. In general, the community is uncomfortable with the pace and scale of hotel development and is interested in creating guardrails around this type of development.

Potential Recommendations/Areas of Focus:

- Adjust design standards and identify the areas in town that are appropriate for new large-scale hotel development to align with community priorities
- Legalize the adaptive reuse of hotel buildings for residential or mixed-use development

Right-Size Commercial Development in Conway

As with hotel development, there is a need to right-size and place thoughtful limitations on commercial development in Conway. At present, certain kinds of large-scale commercial development can be built throughout town; this does not align with community goals to preserve the village centers and reduce landscape fragmentation.

Potential Recommendations/Areas of Focus:

- Reduce the size of Highway Commercial district so that it no longer includes the Intervale area
- Limit large-scale commercial development and hotel development to a discrete area, such as an overlay district
- Do not allow large-scale hotel development in village centers

Balance Tourism with Local Quality of Life and Capture Economic Benefits of Tourism

As outlined in the table above (Conditions, Benefits, and Challenges), the popularity of tourism can be a double-edged sword for a community. Conway should continue to support the local tourism economy while making concerted efforts to mitigate negative effects of tourism and preserve quality of life for residents.

Potential Recommendations/Areas of Focus:

- Promote sustainable tourism that emphasizes responsible recreation and stewardship of the natural landscape
- Encourage and promote locally-owned and operated tourism businesses to help keep tourism revenue within the community
- Ensure that investments in local infrastructure support the local community as well as visitors. Infrastructure improvements could include transportation improvements, enhancements to parks and public spaces, and water/wastewater service area extensions.
- Promote land use policies that maximize the taxable value per acre of tourism-oriented businesses, such as encouraging village-style, mixed-use development with ground floor commercial uses and upper story residences.
- Examine options for capturing additional revenues from the local tourism economy to offset the cost of local services and infrastructure in a way that does not discourage visitation.

Selected Zoning & Land Use Areas of Focus

The following areas of focus were recommended for the zoning & land use section but are equally relevant to economic development:

Lack of Differentiation Between Commercial Uses by Size

The current zoning code and use table does not differentiate between large-scale and small-scale commercial uses. This creates challenges in limiting large-scale commercial development (e.g., a hotel or large restaurant) in places where small-scale commercial development (e.g., a boutique or cafe) might be appropriate.

Potential Recommendations/Areas of Focus:

- Consider differentiating between different scales of commercial uses in the use table
- Consider restricting large-scale commercial development to the Settler's Green area
- Consider adopting a commercial linkage fee program, in which commercial developments of a certain size must provide a certain number of workforce housing units or a fee-in-lieu of those units. This type of program can help ensure that large-scale commercial development does not place undue strain on the local housing market.
- To ensure that new developments do not cause new transportation challenges, consider adopting new orderly development standards that encourage walkability and interconnectedness between new mixed-use developments

Misalignment of Highway Commercial District

The Highway Commercial district currently applies to areas with vastly different development characters. The scale of development in the Settler's Green area is much more intensive than the spirit of a typical "Highway Commercial" district. The Intervale area's current designation, Highway Commercial, is not appropriate for the area.

Potential Recommendations/Areas of Focus:

- Consider breaking up the HC district into multiple districts of different intensities
- Consider allowing larger mixed-use development in the Settler's Green area; ensure that shared parking is available for development of this type

Lack of Multi-Family Units & Opportunities for Affordable Housing

Multi-family housing is defined as residences with greater than 2 units. This definition is limiting; there are areas where triplex or quadplex housing might be appropriate, but a larger apartment building is not. This flattening of multi-family housing types has likely contributed to the overall lack of "missing middle" housing types. See the *Housing Existing Conditions Memo* for a discussion of missing middle housing.

The dimensional standards required for multifamily housing are extremely onerous and prevent multifamily development on all but very large lots. For example, in the North Conway Village Residential district, lots with municipal water or water and sewer are required to have at least ½ acre for the 1st unit and 10,000 sf for each additional unit on the same lot. Although MF is allowed in the district, these standards functionally allow a maximum density of 3 units/acre, but MF housing is allowed in the district.

Potential Recommendations/Areas of Focus:

- Consider itemizing different types of multi-family housing in the use table
- Consider amending dimensional allowances to functionally allow multifamily housing

Lack of Clarity Regarding STRs

Need a clear policy regulating and tracking STRs

Potential Recommendations/Areas of Focus:

- Consider limiting STRs to certain districts or with certain site standards

Lack of Village-Style Development Standards

At present, Conway's village areas are limited by the Town's onerous parking requirements and dimensional standards. As a result, variances are required for most traditional village uses.

Potential Recommendations/Areas of Focus:

- Consider amending lot size requirements in village centers to promote more compact development and complement existing development patterns
- Consider amending the unique village standards for the Town's village areas to better align with existing land uses and suitable mixed-use building types
- Consider performance-based zoning standards for village districts. Performance-based zoning is a more flexible form of zoning that focuses on the impacts of a development instead of the specific uses permitted. This kind of zoning can be especially impactful in downtown areas, where the performance standards can be tailored to goals for village-style development.

Address the Needs of Industrial Areas

The I-2 district is currently not served by water and sewer, which limits its capabilities as an industrial center. In addition, Conway's two industrial areas have some degree of residential development associated with them.

Potential Recommendations/Areas of Focus:

- Consider adopting performance-based zoning standards for the industrial district that aim to concentrate industrial activities in areas with water and sewer and separate residential uses from nuisances associated with some types of industrial activities (e.g., noise)

Onerous Site Plan Requirements

Conway's site plan requirements frequently conflict with town goals and the spirit of Town ordinances. As examples, the variable greenspace requirements have proved challenging for the village districts, since the small lots in that area often can't meet the requirement for greenspace. At times, developments cannot meet the greenspace requirement because of significant parking requirements.

Potential Recommendations/Areas of Focus:

- Consider adopting shared parking standards to encourage the efficient use of land, particularly in village and commercial areas
- Consider creating parking standards for all districts (not all districts currently have parking standards, creating discrepancies with the use table)

Conclusion

- At present, Conway's commercial development trends are at odds with the community's desired outcomes for economic development. As noted in the Zoning & Land Use memo, the community's lack of standards differentiating large-scale and small-scale commercial uses has led to an excess in large-scale commercial uses, including hotels.
- The Town should identify and pursue ways to capture local benefits from the tourism industry and act within its authority to support the needs of the local workforce

Addendum: Regional Socioeconomic Context, Demographics, & Industry Information

Regional Socioeconomic Context

The profiles below compare general socioeconomic conditions in the Town of Conway and Carroll County, NH.

Takeaways:

- As shown, socioeconomic conditions in Conway largely mirror those of Carroll County. Some metrics, such as median household size, median income, and education attainment, are roughly equivalent.
- Although Conway accounts for about 1/5 of the County's population, it supports about 1/3 of the businesses and jobs in the county.
- Median net worth is over 30% higher in Carroll County than in Conway.

- Conway has slightly (2%) more households earning less \$15,000 per year compared to Carroll County.
- Households earning \$75,000-\$99,999 per year make up a substantial share of Conway (23.7%) and the County as a whole (22.1%). Carroll County has 8.2% more households in this income bracket relative to the State of New Hampshire as a whole.

Town of Conway, NH

Carroll County, NH

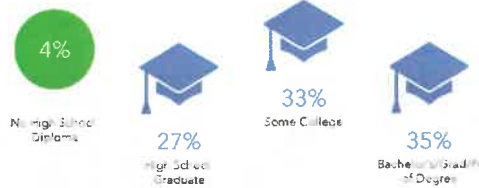
KEY FACTS



KEY FACTS



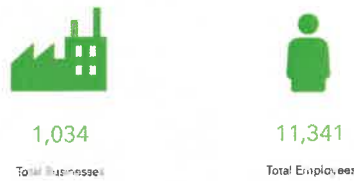
EDUCATION



EDUCATION



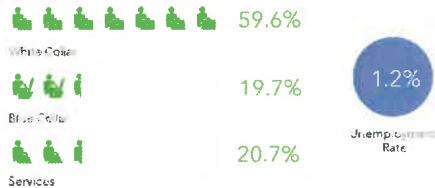
BUSINESS



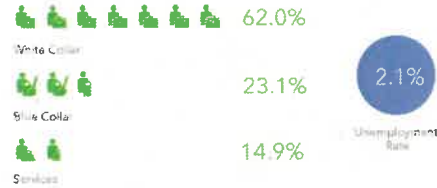
BUSINESS



EMPLOYMENT



EMPLOYMENT



INCOME



INCOME



Households By Income

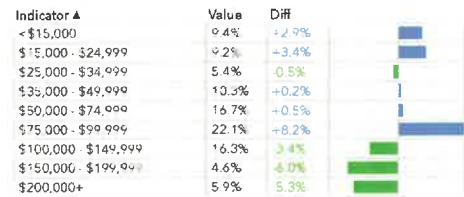
The largest group: \$75,000 - \$99,999 (23.7%)
The smallest group: \$200,000+ (3.1%)



Bars show deviation from Carroll County

Households By Income

The largest group: \$75,000 - \$99,999 (22.1%)
The smallest group: \$150,000 - \$199,999 (4.6%)



Bars show deviation from New Hampshire

Demographics & Income in Conway

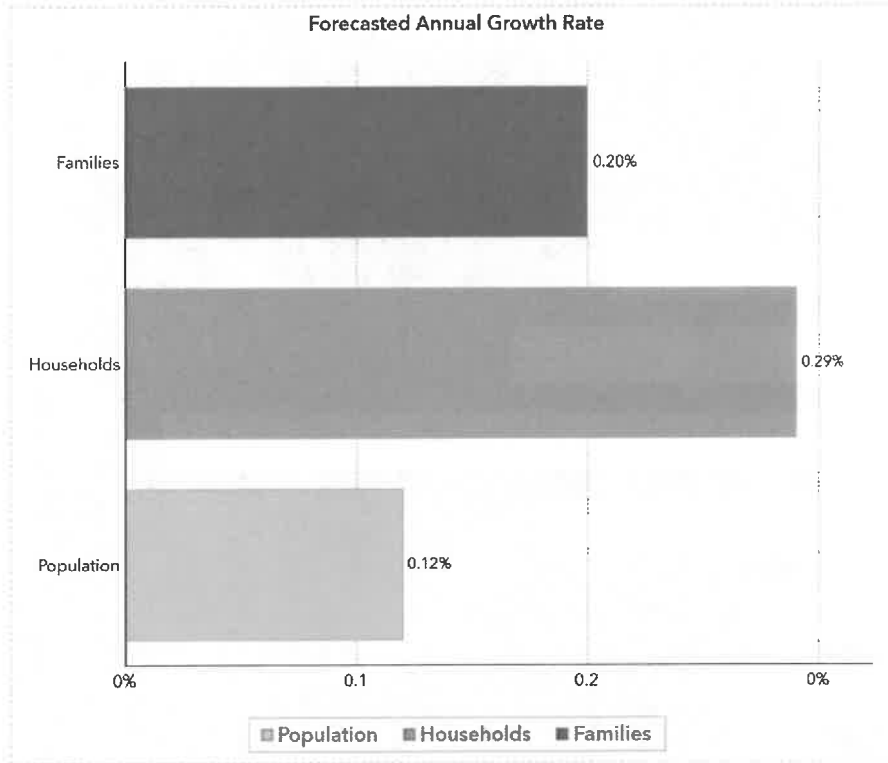
The following charts provide a snapshot of Conway's population demographics.

Takeaways:

- In general, Conway's population is aging. According to current NH population projections, Conway's population is expected to increase to a peak of 10,775 in 2035 before leveling off.
- Most residents are part of the workforce, and there is very little unemployment.
- Educational attainment is high in Conway.
- The largest share of households in Conway earn between \$75,000 and \$99,999 per year.
- This chart reflects full-time residents in Conway and may not reflect the true volume of service workers who live and work in Conway for a portion of the year.

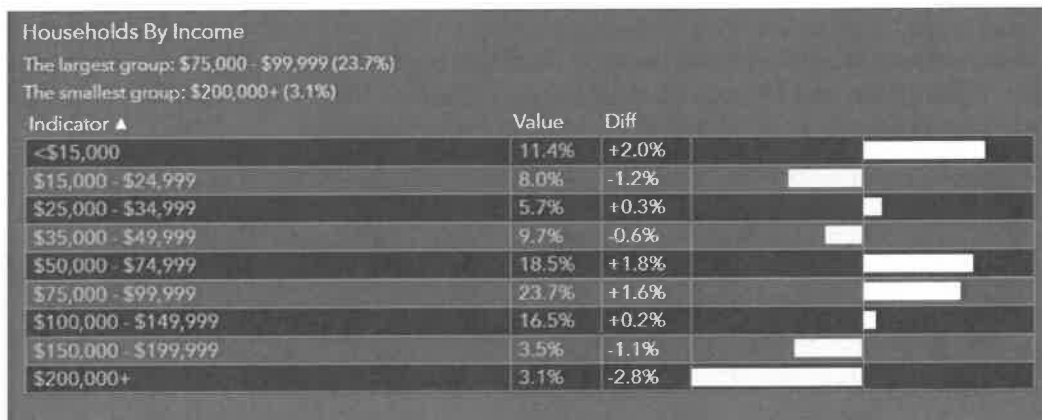


As shown in the chart below, Conway's forecasted annual growth rate in 2027 is 0.20% for families and 0.29% for households. This slightly higher projected growth rate for households reflects a broader national trend towards single-person households and households without children, which include empty nesters as well as younger couples electing not to have children. US Census population projections are generated based on an analysis of the current population's age ranges, birth rate, and in-migration patterns.

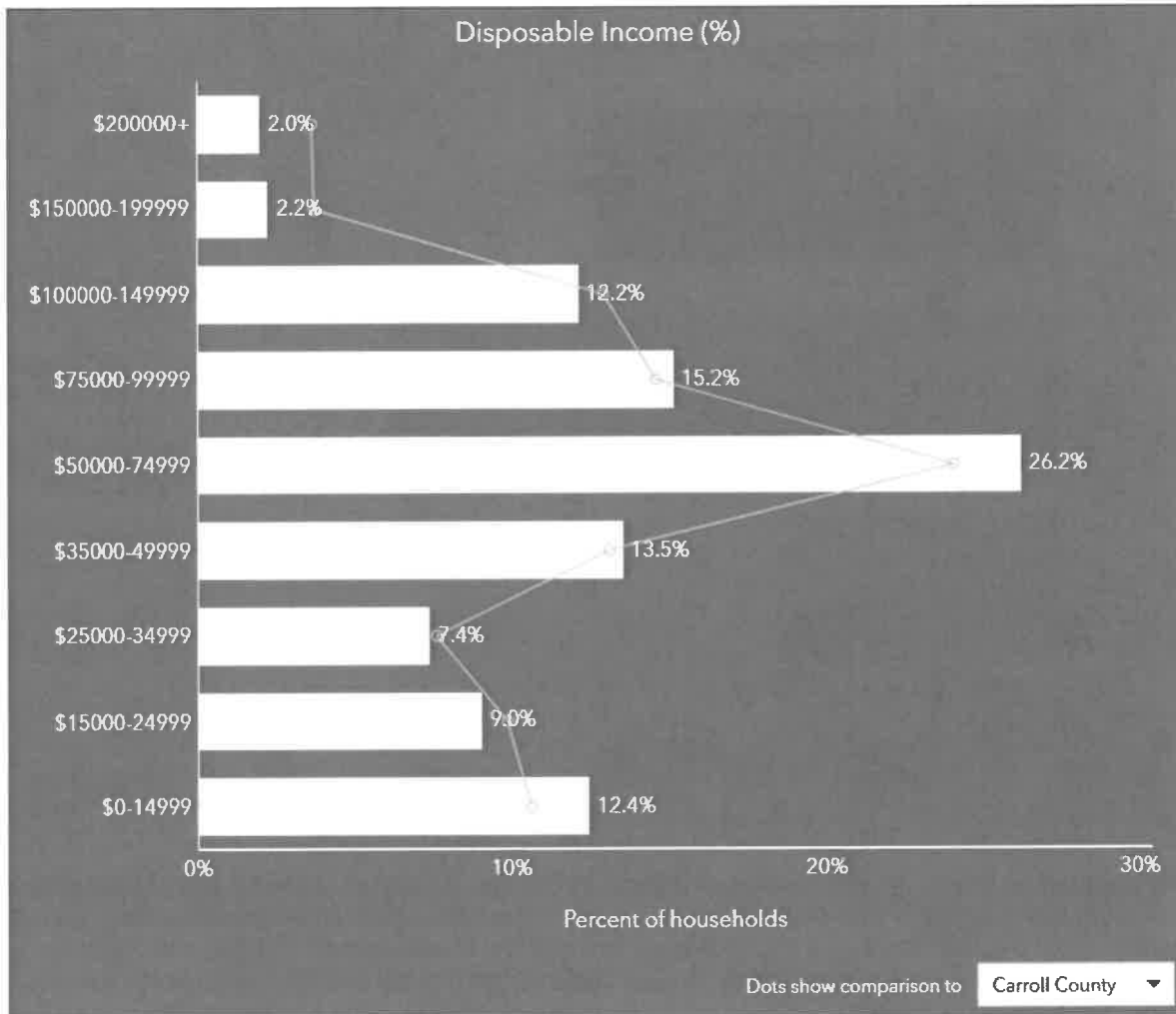


Source: This infographic contains data provided by Esri. The vintage of the data is 2027.

The chart below shows the distribution of income in Conway. As shown, close to half of households in Conway make between \$50,000-100,000 per year. The bars, which show deviation from Carroll County, show that Conway has a slightly larger share of the lowest earners (households earning less than \$15,000 a year) and a slightly smaller share of the highest earners (households earning more than \$200,000 a year).



As shown in the chart below, just over a quarter of households in Conway have disposable income between \$50,000-74,999. Disposable income is defined as the amount of money a person is free to spend after taxes. Because New Hampshire levies very little income tax, residents have a higher proportion of disposable income relative to communities in neighboring states.



As shown in the chart below, 747 households (about 17%) in Conway are below the poverty line. Impoverished households are most likely to be single householders, specifically single men. For context, 7.9% of the overall population of Conway is below the poverty line. This is compared to 7.9% in Carroll County at large and 8.1% in rural New Hampshire.

Household Poverty Levels (ACS)	Below	At or Above	Total
Total	747	3,762	4,509
Married Couple Families	12	1,678	1,690
Other Families w/Male Householder	0	204	204
Other Families w/Female Householder	165	327	492
Nonfamilies w/Male Householder	377	546	923
Nonfamilies w/Female Householder	193	1,007	1,200

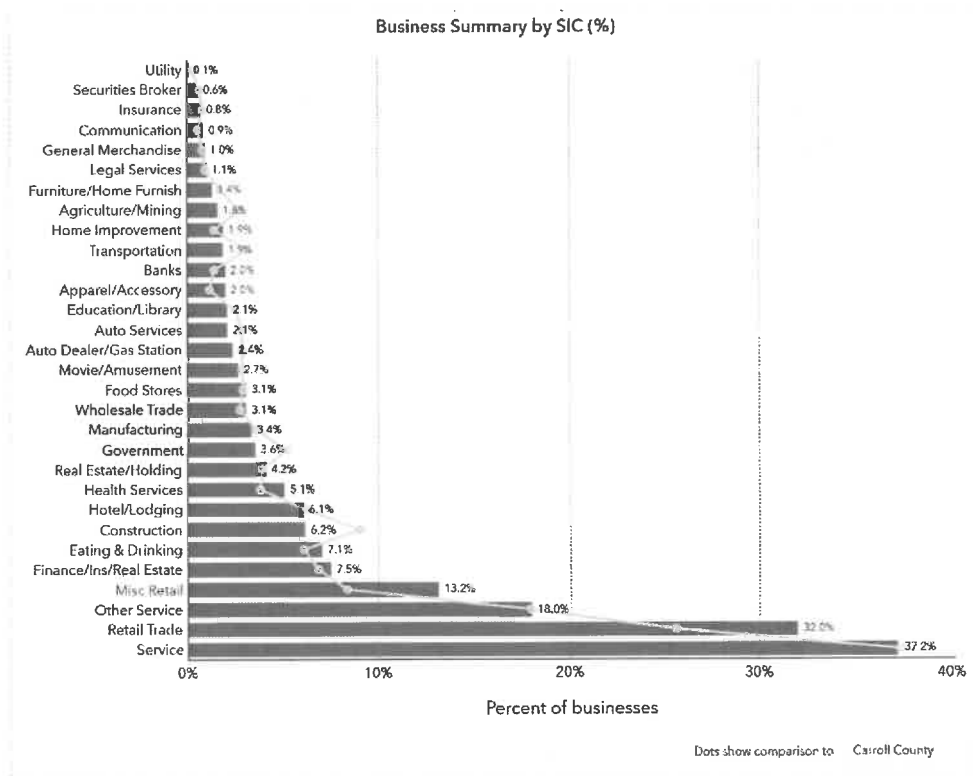
Source: This infographic contains data provided by ACS. The vintage of the data is 2017-2021.

Industry & Employment Breakdown

There are 1,034 businesses in Conway and 11,341 employees as of 2022. The following charts show a breakdown of industries and employment in Conway using Standard Industrial Classification codes (SIC).

Takeaways:

- In general, Conway's economy relies heavily on the service industry and retail businesses – nearly all businesses in Conway can be classified as service or retail businesses.
- Conway's distribution of business types mostly tracks with that of Carroll County.
- Conway is home to more retail businesses and fewer construction businesses compared to the County at large; Conway is home to more food preparation jobs than the County at large.
- Given the prevalence of public lands and agricultural lands in Conway and the surrounding, there are relatively few jobs in forestry and agriculture.
- In general, Conway's industries and employment reflect a service-oriented, visitor-facing economy relative to Carroll County.



Source: This infographic contains data provided by Esri-Data Axle. The vintage of the data is 2022.

