

ECONOMIC RECOVERY & EXPANSION STRATEGY

2023 CALENDAR YEAR END REPORT AND UPDATE

GOAL 1: RETAIN AND RECRUIT A MODERN WORKFORCE

OBJECTIVE 1: Formalize the relationships and importance of the triangle of business, academic institutions and policy makers to create access to a vibrant pipeline of qualified talent that is sustainable for the next decade and beyond.

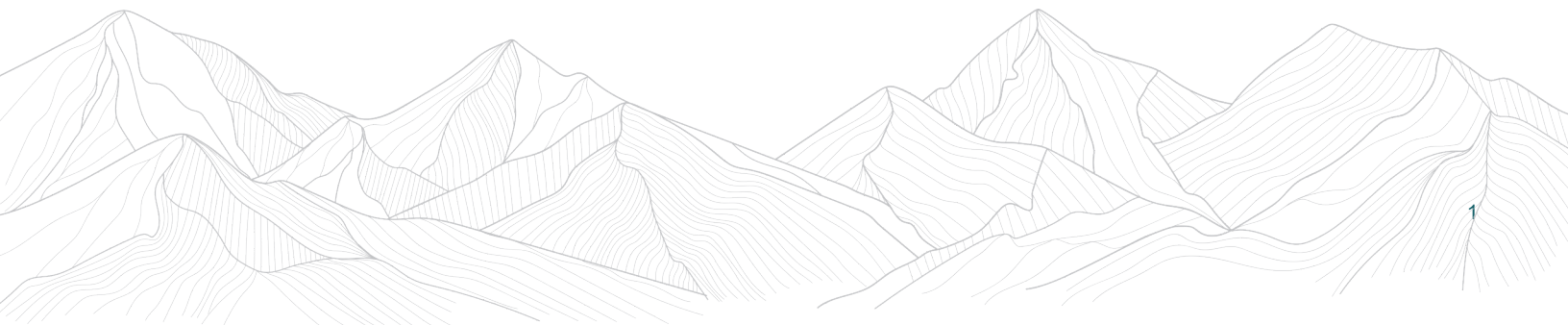
1. Focus on Advanced Skills and Training (K-12 and post-secondary upskilling opportunities to match needs of employers)
2. Customize Curriculum
3. Debt Relief
4. Internships and Apprenticeships

Progress:

The Department of Business and Economic Affairs (BEA) this year took several steps to formalize relationships in the triangle and reinforce its importance, especially as it pertains to developing a quality workforce pipeline.

At its inaugural NH 2023 EconForum in November, BEA brought together nearly 200 municipal, academic, and economic development leaders at a daylong summit, which served as a unifying event. The event provided comprehensive updates on BEA initiatives and progress, such as development of its [Economic Recovery and Expansion Strategy](#), creation of four Collaborative Economic Development Regions (CEDRs), as well as the rollout of a multiple reports highlighting key data and strategies, including an assessment of the state's workforce in critical industries.

Breakout sessions, networking, and information exchange united the participants and highlighted the importance of aligning state and regional strategies to move forward with economic opportunities.



Furthermore, connecting the agency's efforts in workforce development, business technical support, and business recruitment and expansion to the state's academic institutions remains a key focus. From the structure of CEDRs to align with the regional distribution of educational institutions to the expansion of those institutions into fields and subject matter supporting industry sectors like life sciences and advanced manufacturing, BEA increased its engagement of the entities responsible for training and education across New Hampshire, such as the University of New Hampshire (UNH) and UNH-Manchester, Keene State College, Plymouth State University (PSU) and Dartmouth College, as well Career and Technical Education (CTEs) centers and community college campuses.

BEA continued to leverage the Council of Partner Agencies (COPA) to coordinate efforts and strategy. COPA includes:

- BEA
- New Hampshire Business Finance Authority (BFA)
- New Hampshire Community Development Finance Authority (CDFA)
- New Hampshire Housing Finance Authority (NHHFA)
- Community College System of New Hampshire (CCSNH)
- University System of New Hampshire (USNH)

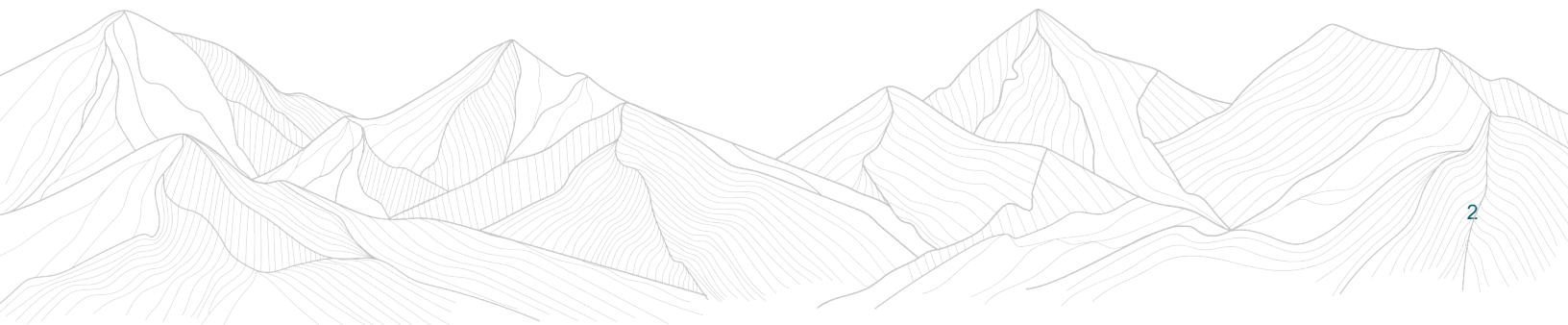
The BEA commissioner continued engaging chambers of commerce leaders across the state during the Business and Industry Association (BIA) biweekly chambers meeting, of which it is the host.

BEA also kicked off a new initiative called BEA Day, which deploys staff to regions of the state to share what resources, assistance, and access are available to partners, stakeholders, and the business community. In 2024, BEA will launch a BEA Biweekly Partner call, ensuring regular, ongoing open channels of communication.

The culmination of these relationships and areas of focus enables BEA to work closely with its CEDR network to develop employer-oriented workforce development tools, collaborate with CCSNH and USNH on curriculum and training development and awareness, and advocate for and support various uses of federal funding focused on workforce support and development.

OBJECTIVE 2: Investing in the next generation of workforce is required for the type of economic trajectory the state is on with high-tech jobs being at the core of this growth.

1. Leverage Existing Programs
2. Explore All Talent Pools
3. Educational Partnerships
4. Upskill labor



Progress:

This objective focuses on marketing and promotion efforts aimed at workforce recruitment, community revitalization, retaining students, expanding existing programs that address employer needs and establishing opportunities for employee upskilling.

As part of this focus, BEA issued several reports in 2023, including an updated [New Hampshire Workforce Assessment](#), which included a talent attraction and retention strategy. It defined the data and needs of the state's workforce and led to the development of creative assets to be used by partners in their own recruitment efforts, using high quality products that are consistent with BEA's current marketing. As BEA continues to act on the strategy, it will continue developing marketing efforts, tools, and creative assets that will be made available as a free benefit to employers, partners, and stakeholders, as well as champion programs and sources of assistance from sister agencies and other partners.

BEA's Office of Workforce Opportunity continues to be a point of emphasis for training and upskilling the workforce, and it enrolled over 800 people in three Workforce Innovation and Opportunity Act (WIOA) programs (Adult Program; Dislocated Worker Program, and Youth Program).

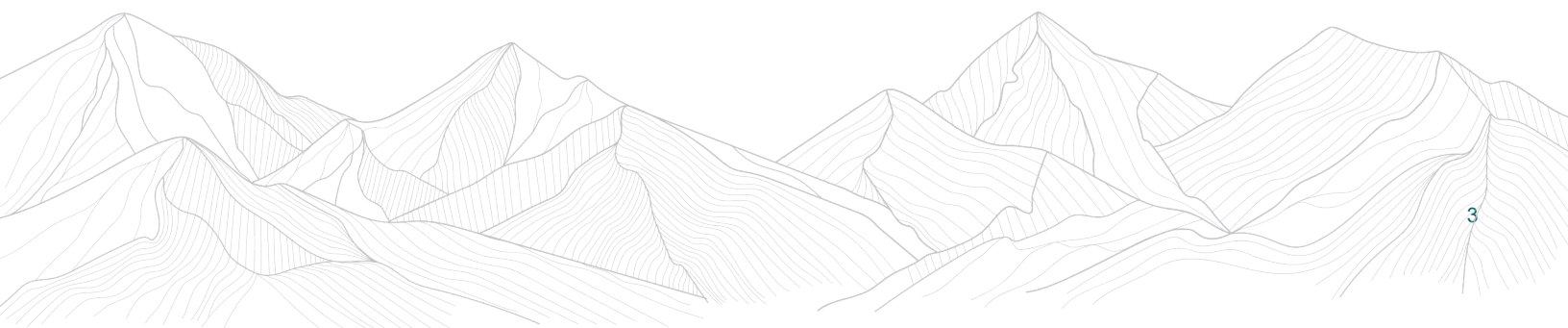
OBJECTIVE 3: For all types of workforce housing (market rate, multi-family, single family homes, etc.), a healthy economy demands healthy vacancy rates. New Hampshire must address the supply and demand issues for housing product throughout the state as the economy continues to grow.

1. Increase Housing Availability and Affordability
2. Improve Predictability
3. Connect Economic Expansion and Housing Availability
4. Maximize Use of Programs

Progress:

BEA launched its InvestNH Housing program in 2022, providing an investment of \$100 million to encourage and construct affordable housing and enable municipalities to plan for the future of housing in their communities.

The InvestNH Capital Grant program made \$60 million available to expedite the completion of housing developments, while \$40 million was available for municipalities engaging in demolition making way for housing, land use and master planning, and quickly permitting affordable housing units.



At the close of 2023, nearly 30 affordable housing projects were underway through the InvestNH Capital Grant Program, across all 10 counties, that are expected to produce nearly 1,500 new housing units, and on course for reaching the 3,000-unit goal across the InvestNH Program.

BEA coordinated development of a housing toolbox for local governments, offering models and strategies for municipalities to learn how to develop housing strategies that meet their local expectations and needs, providing in-depth information related to zoning updates or financing options. BEA also spearheaded public education and training opportunities by conducting monthly webinars attended by 2,715 people in 2023.

BEA's Housing Champions program provides direction and resources to communities advancing local housing initiatives. This optional program assists 'communities of the willing' in implementing strategies for public and private investment, which can help provide housing to residents to fuel and revitalize their communities

OBJECTIVE 4: To make New Hampshire more attractive to a younger workforce, the state must address the availability of quality and affordable childcare as a means of workforce retention and recruitment

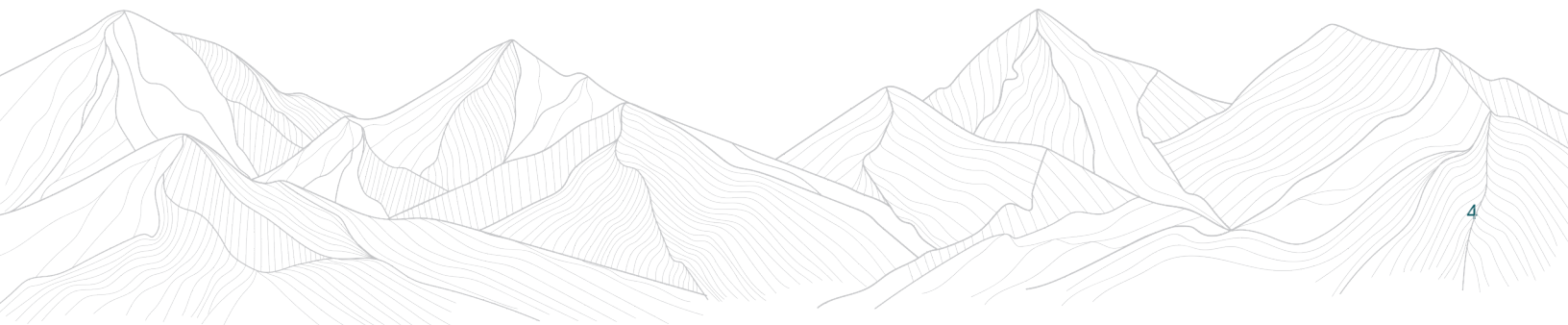
1. Develop Resources
2. Utilize Data to Increase Availability
3. Reward Innovation
4. Develop Professionals

Progress:

The agency recognizes childcare as an issue with direct economic impact, given its connection to workforce needs and the ability of employers to attract and retain employees, akin to affordable housing. Addressing childcare related issues, such as availability and affordability, is also essential to other objectives and strategies centered on recruiting and retaining younger workers. BEA seeks to utilize relationships built through CEDRs, engaged partners, and employers to find solutions that recognize the goals of the Economic Recovery and Expansion Strategy (ERES) and the agency.

For example, BEA connected with the Department of Health and Human Services (DHHS) as that agency manages federal funds focused on childcare. BEA continues to collaborate with the recipients of awards by DHHS actively surveying and engaging businesses and facilitating pilot programs.

BEA also participated in efforts funded through the American Rescue Plan Act (ARPA) that worked to reduce costs to workers using childcare services, including programs that offset one-time or infrastructure costs, which can reduce the cost of doing business for childcare facilities, enabling those facilities to engage in efforts to retain or add staff.



GOAL 2: CONNECT NEW HAMPSHIRE'S WORLD CLASS TOURISM ASSETS TO TALENT RECRUITMENT

The natural beauty of New Hampshire has attracted visitors from all over the world for centuries. For tourists, the state offers hundreds of activities for all seasons and interests. Visitors must be converted to full-time residents through collaborative marketing and public relations programs focused on lifestyle and quality of life messaging reinforcing the assets enjoyed on vacation are available year-round to residents.

1. Utilize Tourism for Talent Recruitment
2. Create Vibrant Communities
3. Leverage Office of Outdoor Economy
4. Develop a Convention and Visitor Bureau (CVB)

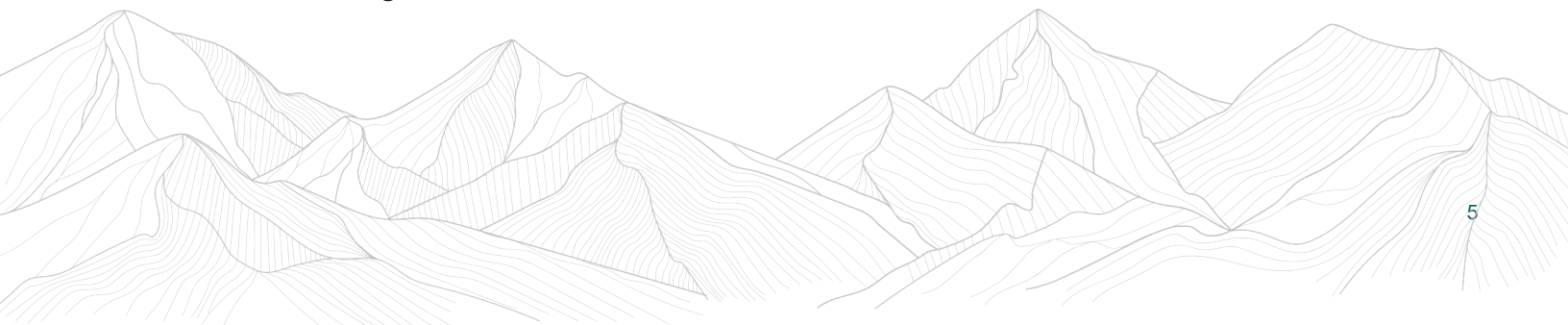
Progress:

BEA, largely through its Division of Travel and Tourism (DTTD), continues the tradition of promoting the Granite State's natural resources and attractions, and DTTD initiatives and campaigns are now interconnected with efforts by the Division of Economic Development (DED). This relationship assists in development of the Tourist to Talent pipeline used to support local communities and businesses. BEA custom-designed websites curated social media, advertisements, videography, and more tell the state's story and works to address labor force needs.

For example, BEA developed ChooseNH.com, which merges creative content developed by DTTD redirected to this website designed to mirror and complement BEA's tourism marketing website, VisitNH.gov. Instead of hotels and restaurant descriptions, ChooseNH.com includes direct hiring links to the state's top employers across high demand sectors, as well as a salary calculator that compares with other states how much one can save living and working in New Hampshire. BEA's How I Live Free short film series features stories from small business owners about how they found success and satisfaction in the state.

BEA continues working with Manchester-Boston Regional Airport to develop new routes for both leisure and business travel to grow this important transportation hub.

Recognizing the importance of outdoor recreation and its \$3 billion impact on the state's economy, BEA established the Office of Outdoor Recreation Industry Development (ORID) in 2017, which is dedicated to connecting one of our most valuable assets (outdoor recreation) to our target recruitment demographics as well as to employers seeking to retain the staff they already have. Through development of outdoor recreation assets, engagement of the outdoor recreation industry, and the collaboration of local government, outdoor recreation is an invaluable tool for state efforts under ERES.



Converting tourists into talent and creating vibrant communities includes helping set communities up for success. This is why BEA remains committed to helping communities plan, grow, and prepare for the future. Related, and further detailed in this report, through the Office of Broadband Infrastructure, BEA manages over \$100 million in federal funding to achieve 100 percent access to highspeed broadband across the state, meeting critical needs in health care, education, and be a game changer for rural communities connected to the state’s natural resources, as the era of remote work continues and grows. Its InvestNH Housing team manages programs assisting communities with essential planning for housing, community growth, and related land use regulations. The agency’s Office of Planning and Development also works closely with municipalities, offering training, technical assistance, and more.

Expanded Objectives for Goal 2:

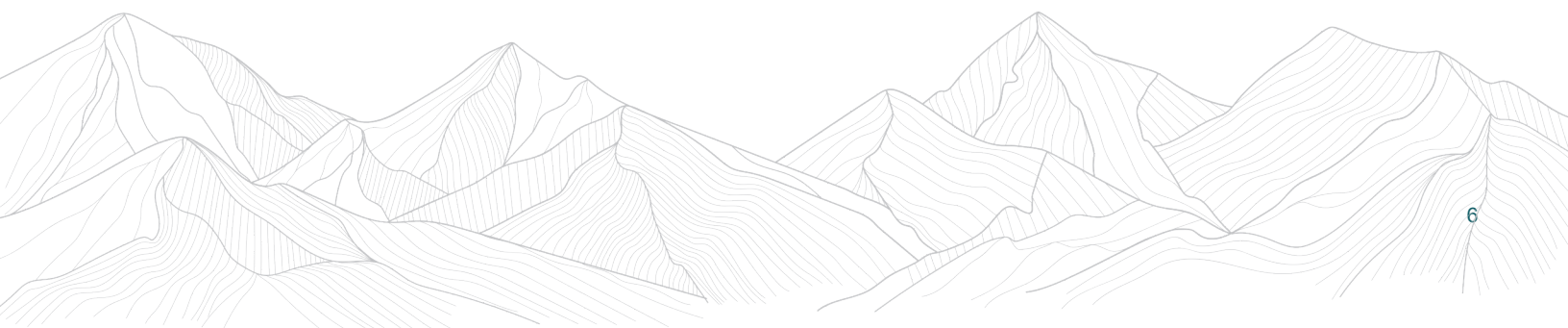
1. Develop defined international channels for tourism and workforce engagement.
 - With the existence of the New Hampshire-Canadian Trade Council and the newly created New Hampshire-Ireland Trade Council, opportunities for more proactive outreach and marketing appear likely to arise. For example, as international strategies and efforts become more refined as it pertains to business recruitment, marketing and promotion within those same regions could occur, encouraging tourism and potential employees in aligned industries, such as life sciences.

GOAL 3: FOCUS ON BUILDING RESILIENCY IN HIGH- GROWTH SECTORS

New Hampshire’s economy is strong and focusing the state’s economic development efforts on specific industries will strengthen it. Its five key industries are: Advanced manufacturing, tourism, construction, healthcare, and technology and over the next decade, projects their significant growth and expansion.

OBJECTIVE 1: Business, government and academic collaboration is the centerpiece of New Hampshire’s economic development strategy. This “triangle” formed by the three will support high-growth industries with large workforce needs and establish a sustainable pipeline of talent and resources in these sectors.

1. Manufacturing
2. Tourism
3. Construction
4. Healthcare
5. Technology



Progress:

As part of the effort to shape and position the New Hampshire economy for growth following the global pandemic, BEA commissioned studies examining the economic depth of the state and what drives it. The initial reports include:

- [New Hampshire Life Sciences Industry Assessment and Strategy](#)
 - [Life Sciences Executive Report](#)
- [Business Recruitment and Expansion Executive Report](#)
- [New Hampshire Workforce Assessment](#)
 - [Workforce Assessment Executive Summary](#)

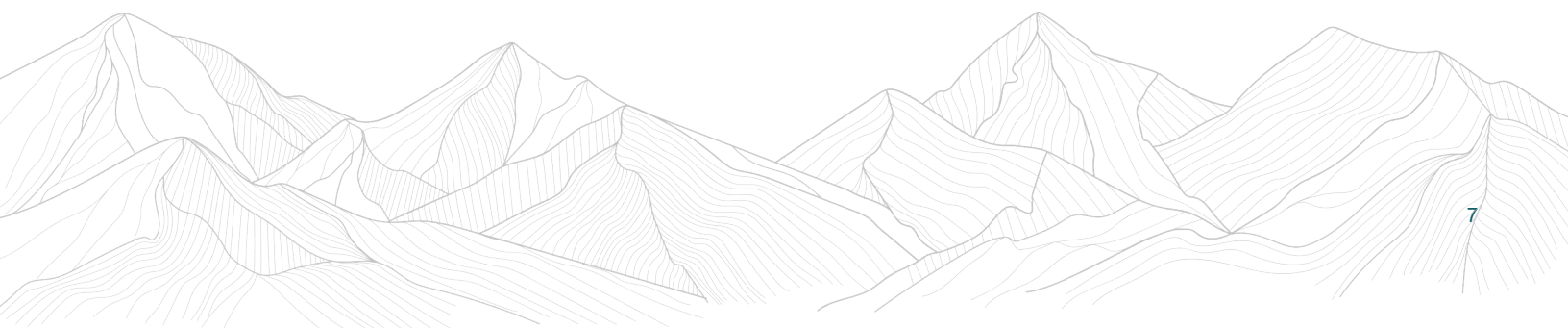
BEA anticipates additional studies and reports focused on the outdoor recreation industry, advanced manufacturing, and international commerce.

The data and strategies identified and proposed through such reports help drive collaboration and coordination within the triangle, equipping partners, stakeholders, and the business community with the information and data to make informed decisions and investments into the future of key industries. Of note, conclusions within these reports reinforced that New Hampshire's location, quality of life, tax advantages, business climate, and sound fiscal policies are drivers for innovation and opportunity.

As noted, BEA utilizes a variety of touch points, such as biweekly calls, formalized meetings with partners and stakeholders, and growing regional networks to maintain open lines of communication and increase access to state government, strategies, and resources, all of which serve to benefit the ecosystem supporting these five industries. Moreover, such communications frameworks help connect businesses to available training resources for their employees and provide critical feedback to educational and vocational institutions on the workforce related needs of these critical industries.

OBJECTIVE 2: Recognizing the value and potential of the Bioscience sector.

1. Create Life Science Accelerator
2. Expand Definition of Bioscience Sector
3. Leverage the Advanced Regenerative Manufacturing Institute (ARMI)
4. Collaborate with Clinical Healthcare



Progress:

BEA strongly supports the growth and development of this industry and the system that can be put in place to help provide long-term support and assistance. This includes its staff resources, grant and assistance programs like the APEX Accelerator, and vital partnerships with the New Hampshire Tech Alliance, New Hampshire Small Business Development Center (SBDC), and more.

The [Life Sciences Industry Assessment and Strategy](#) is one of the reports commissioned by the agency. It had a catalytic effect on the creation of a life sciences association and identified the incredible level of impact of the industry on the state's economy.

Moreover, southern New Hampshire was designated by the US Economic Development Administration (EDA) as one of a handful of tech hubs across the country, opening the door for millions of dollars of federal investment to support and grow the work done by the Advanced Regenerative Manufacturing Institute (ARMI). This presents an incredible opportunity across the state for businesses that are part of the supply chain, as well as a strong recruiting draw for talent and new employers.

From the foundation set by BEA's life sciences report to the founding of NH Life Sciences and the growing work of ARMI and top-tier higher education institutions, like Dartmouth College and the R1 UNH, the state is well-positioned to foster growth in the bioscience sector and its workforce. New Hampshire also benefits from the expansion of Boston's renowned concentration of life sciences research and innovation, enabling a collaborative environment benefitting the entire region.

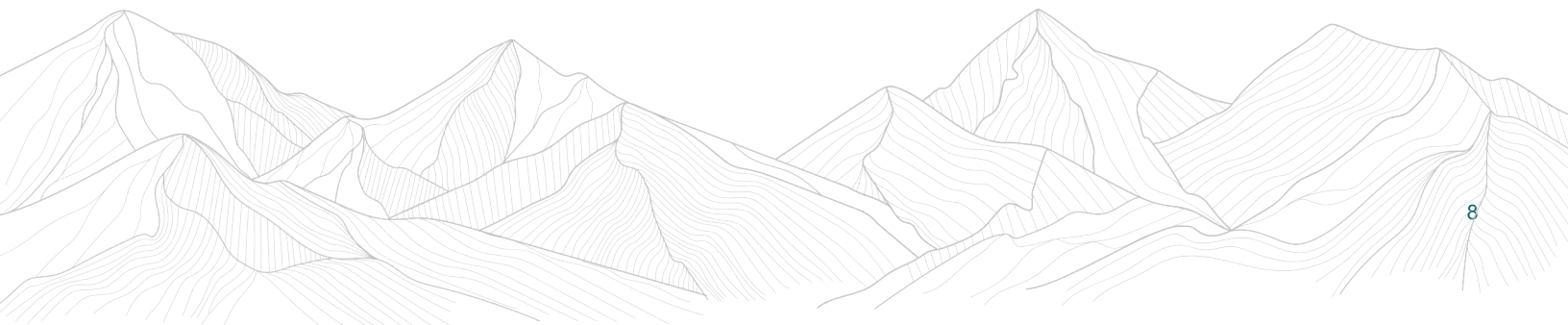
Of note, the life sciences cluster already represents over 11,000 jobs and nearly \$3 billion in Gross Regional Product.

OBJECTIVE 3: New Hampshire export numbers have been setting records for the last three years and are at an all-time high for the state.

1. Increase Foreign Direct Investment (FDI)
2. Build on Existing Trade Partnerships
3. Focus on Supply-Chain Diversification for New Hampshire Manufacturers
4. Foreign Trade Zone (FTZ)
5. United States-Mexico-Canada Agreement (USMCA)

Progress:

In each year since 2020, New Hampshire businesses selling in international markets have propelled the state into record export sales. In 2022, the value of the state's exports surpassed \$7 billion for the first time, totaling \$7.3 billion and reflecting a \$1 billion increase over the previous year. That figure rose to \$7.6 billion in 2023, and this trend is expected to continue.



This ongoing success of New Hampshire businesses underscores the state's ability and willingness to support businesses that want to expand into international markets. Such support is made possible through the federally funded State Trade Expansion Program (STEP) in partnership with the SBA. Since 2011, BEA's Office of International Commerce (OIC) has received and managed annual awards from STEP and used those funds to provide small grants to businesses interested in exporting and attending trade shows across the globe. In 2023 alone, funding supported 30 small businesses and resulted in a \$19 dollar return on investment for every dollar provided to New Hampshire businesses through STEP grants.

OIC is also exploring a partnership with SBDC to create an Export Accelerator in 2024.

New Hampshire continues to reinforce its relationships with trading partners through meetings, communications, and events with trade and embassy offices around the world, including through the existing New Hampshire-Canada Trade Council and the soon-to-be formalized New Hampshire-Ireland Trade Council. Canada is New Hampshire's top trading partner, and the state is eager to see where a partnership with Ireland will lead.

BEA works closely with PSU, which has analyzed the distribution of foreign subsidiaries in New Hampshire since 2017. In its latest [report](#), researchers in 2022 found nearly 180 foreign companies, headquartered in 23 countries, had over 360 subsidiaries operating in each of the 10 counties, across 50 industries. The report indicated there is room for growth and Foreign Direct Investment (FDI) is an essential component of the state's economy. This underscores why the agency is taking a proactive approach to building international relationships and encouraging FDI.

Of note, the agency also has a Memorandum of Understanding with the New Hampshire Manufacturing Extension Partnership (MEP). In addition to assisting manufacturers around the state, MEP is also part of a program mapping supply chains in the state through the Supply Chain Optimization and Intelligence Network (SCOIN). This data will make the supply chain more resilient, as well as help identify gaps for targeted recruitment and diversification.

BEA staff also attends the annual SelectUSA Investment Summit, hosted by the U.S. Department of Commerce. It draws thousands of investors, companies, and economic development organizations and gives staff opportunities to connect with companies considering expansion to the U.S. and generate leads for the Granite State.

Expanded Objectives for Goal 3:

1. Assess enhancing funding for the Economic Revitalization Zone (ERZ) tax credit program and other similar tax credit program, as well determine whether such programs should be revised or more targeted to achieve defined goals.
2. Develop an action plan for implementation of key studies and reports.

GOAL 4: BUILD ON NEW HAMPSHIRE'S ENTREPRENEURIAL LEGACY TO FUEL INNOVATION

New Hampshire has a history of firsts along with the “Live Free or Die” motto. By improving the alignment of R1 research universities, investors and innovators, New Hampshire will create an entrepreneurial ecosystem critical to providing a connected environment for the knowledge economy. While there are existing resources available, more needs to be done to collect the expertise of success, the investors of development and the creators of ideas together in a collaborative way to boost our numbers on start-ups and start-up survival.

1. Foster Entrepreneurship
2. Rural Entrepreneurship Program
3. Drive Innovation through Academic Centers
4. Encourage Incubators
5. Focus on Resource Attainment
6. Venture Capital
7. Learn from New Hampshire Success Stories

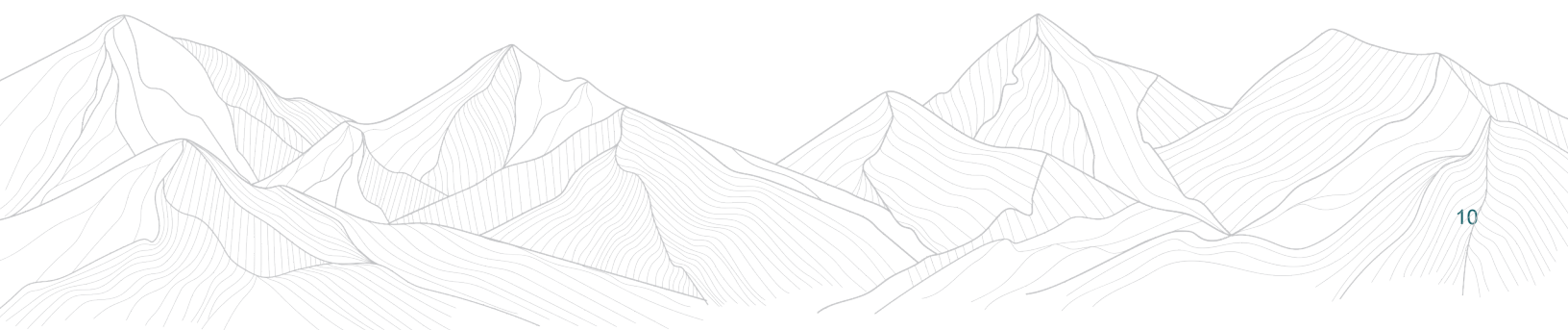
Progress:

BEA relies on collaboration with partners across the state to support the New Hampshire entrepreneurial ecosystem, such as the Hannah Grimes Center, the Dartmouth Regional Technology Center, the SBDC, and will work to leverage its Business Resource Specialists and CEDR network to connect entrepreneurs with assistance, resources, training, and more.

Perhaps the most significant recent investment in support of entrepreneurs is the agency's development of a multi-year, multi-million-dollar initiative to create a business services portal – a single location or hub for those seeking to start a business and those looking to grow or otherwise access resources. This portal will connect nearly a dozen state agencies and make starting a business in the Granite State even easier.

BEA's standard approach to interacting with new and expanding businesses is to discuss not only opportunities for assistance but also available financing, including through entities like the NH Business Finance Authority, and resources, such as the John Olson Advanced Manufacturing Center at UNH, which works directly with upstart manufacturing businesses.

BEA's Administrator of Rural Economic Development produces and implements strategies that supports and encourages rural entrepreneurship.



Expanded Objectives for Goal 4:

1. Assess whether a dedicated goal should be developed and added to ERES focused on Rural Economic Development.
2. Explore development of soft-landing programs for foreign companies looking to invest in the US by formalizing cooperation and collaboration with incubators, accelerators, universities, and other partners.
3. Develop a resource list, whether venture capital or otherwise, that can be provided to startups and growing businesses to help with fully understanding the financial resources and funding paths available.

GOAL 5: RECOGNIZE THE ROLE OF INFRASTRUCTURE IN DRIVING THE ECONOMY

Infrastructure investment is essential to economic growth. Access and safe condition of roads, bridges and utilities are factors considered when supporting business growth and job creation within the state. Access to reliable broadband is essential in today's remote work and school environment. Proper attention must be given to these assets to sustain business and population growth.

1. Modernize the Transportation Infrastructure
2. Explore Alternative Transportation Options
3. Diversify and Enhance Energy Infrastructure
4. Advocate for Water and Sewer Infrastructure
5. Broadband as an Economic Driver

Progress:

BEA facilitates investment in broadband and housing infrastructure, which will soon include other forms of infrastructure investment. As defined by the legislature, one of the grant programs that will be made available to Housing Champion designees is funding for certain eligible infrastructure projects. More detail will be provided as that program completes the administrative rulemaking process.

BEA's Office of Broadband Initiatives will manage more than \$300 million in funding for broadband infrastructure through ARPA's Capital Projects Fund (CPF) and the Broadband Equity, Access, and Deployment (BEAD) program. It will focus on providing access to unserved or underserved locations and will also manage funds allocated for digital equity related efforts. More details on those plans will be made available through public comment periods and final authorizations by the federal government of plans developed for use of those funds.

The office partnered with the UNH Cooperative Extension to craft its Digital Accessibility Plan and worked with Mission Broadband developing a five-year broadband action plan and proposal for use of the \$196 million allocated in BEAD funds.

Throughout 2023, the Office of Broadband Initiatives oversaw approximately one-third of the funding awarded to the state to bring highspeed broadband access to more than 50,000 locations in largely rural parts of the state, dramatically enhancing access statewide and moving closer to the larger goal of 100 percent access. This was accomplished through two significant contracts with internet service providers and the Broadband Matching Grant Initiative (BMGI), which was created by the legislature.

In recent legislation, BEA was designated as a member entity for committees and studies related to renewable energy and related workforce needs and will use such platforms as opportunities to better understand opportunities for the state, partners, and the business community.

Expanded Objectives for Goal 5:

1. Assess opportunities for connecting/strengthening forms of public transportation within and between urban areas as well as to and from key transportation hubs, such as the Manchester-Regional airport.

NEXT STEPS

In progress. The feedback collected in the development of this plan is recognized and serves as the basis of this strategy. The work is now underway for New Hampshire to realize this vision. Critical steps must continue to be taken by BEA, in partnership with state and local organizations, academic institutions, private companies and non-profits to successfully implement ERES including:

1. Convening the proposed CEDRs and statewide resource networks through collaboration with stakeholders and partners in economic development at all levels in New Hampshire.
2. Publishing New Hampshire's economic development dashboard to allow all stakeholders and partners to monitor progress toward COVID-19 recovery and implementation of this strategic plan.
3. Establishing and publicizing programs focused on education and training pathways to build workforce capacity in high-priority sectors identified by stakeholders and in this strategic plan.
4. Surveying stakeholders and partners (every six months) to measure effectiveness of collaboration, to identify areas of improvement and to keep New Hampshire on track to fulfill this strategic plan.
5. Hosting annual economic development conferences, open to all stakeholders and partners focusing on New Hampshire's long-term economic development priorities through collaboration and reporting progress towards those priorities.

Progress:

Four CEDRs were established (Seacoast, Northern, Central-Southern and South-Western), and were provided grants for either administration of the CEDR or specific projects. This resulted in the creation of tools and resources shared with stakeholders and businesses, as well as solidification of the initiative, which carried through 2023.

Although a dashboard is not yet implemented, ERES serves as a guidepost for agency activity and reports such as this help publicly measure progress.

Through BEA's Office of Workforce Opportunity and in partnership with other state agencies like the Department of Employment Security, ongoing programs for education and training pathways are promoted, and additional efforts are underway through partners in the community, such as the Career Pathways program orchestrated by the Hampton Chamber of Commerce, and such resources will be featured in future renditions of the business service portal that will be developed by the agency.

By virtue of hosting biweekly calls, in person engagements, and development of the CEDR network, BEA can receive feedback from stakeholders and partners in real time.

BEA launched its inaugural EconForum in 2023 at Plymouth State University, which brought nearly 200 partners and stakeholders together for discussion and collaboration. BEA plans to continue these economic development conferences annually.

As noted, and highlighted as next steps for 2024, the agency also embarked on a multi-year effort to develop a centralized business services portal and expects significant progress to be made within the next year.

Additional Next Steps for 2024 and Beyond:

1. Updating ERES to reflect expanded objectives.
2. Expanding the role and importance of the CEDR networks.
3. Make measurable progress on development of a business services portal.
4. Make measurable progress on newly created programs such as Housing Champions and establishment of newly created councils and committees, such as the New Hampshire-Ireland Trade Council.