

BCEDC
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Lawson & Persson, P.C.

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Retired Educator

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Laconia Daily Sun

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Greg Goddard
Gunstock Mountain Resort

David Haley
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Lakes Region Planning Commission

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Kate Miller
Belknap County Convention, Dist. 3

Sonya L. Misiaszek
Misiaszek Turpin LLC

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The Wilder Company

Jane Wood
Patrick Wood Law Office, PLLC

Staff

Eliza Leadbeater, *Interim Executive Dir.*
Lyn O'Callaghan, *Program Coordinator*

2010 ANNUAL REPORT



BELKNAP COUNTY ECONOMIC DEVELOPMENT COUNCIL

Proudly serving Alton • Barnstead • Belmont • Center Harbor • Gilford
Gilmanton • Laconia • Meredith • New Hampton • Sanbornton • Tilton

One Mill Plaza, Laconia, NH 03246

603-524-3057 | fax 603-524-0314
info@bcedc.org | www.bcedc.org

2010 Incorporators

City & Town Appointments (11)

Patricia Fuller, *Alton*
Michael Kowalski, *Barnstead*
Ronald Cormier, *Belmont*
Lee Woodworth, *Center Harbor*
John Ayer, *Gilford*
Nathaniel Abbott, *Gilmanton*
Henry Lipman, *Laconia*
Colette Worsman, *Meredith*
Kenneth A. Mertz, *New Hampton*
Nina Gardner, *Sanbornton*
Normand J. Boudreau, *Tilton*

Chamber of Commerce Appointments (2)

Karmen Gifford, *Lakes Region Chamber of Commerce*
Susan Cerutti, *Meredith Area Chamber of Commerce*

Lakes Region Planning Commission (1)

Kimou Koulet

Laconia Airport Authority (1)

Diane Cooper

Lakes Region Community College (1)

Mark Edelstein

LRGHealthcare (1)

Tom Clairmont

Industrial Manufacturing (2)

Kathleen Kraft, *All Metal Industries*
Wing Eng, *Contract Support Group*

Professional (2)

Scott Beane, CPA, *Dana S. Beane & Company*
Robert Dietz, *Normandin, Cheney & O'Neil, PLLC*

Service/General Business (2)

Donna Gaudet Hosmer, *AutoServ Tilton*
Diane LaBrie, *Mac-Durgin Business Systems*

Tourism (2)

Rusty McLear, *Hampshire Hospitality Holdings*
Amy Landers, *Lakes Region Association*

Community Economic Development (3)

Bonnie Ireland, *Greater Meredith Program*
Rick DeMark, *NCRC&D*
Gerry O'Neil, *CEDS/Meredith Main Street*

Banking (5)

Jeff Savage, *Franklin Savings Bank*
K. Mark Primeau, *Laconia Savings Bank*
John Malm, *Meredith Village Savings Bank*
Deborah Jordan, *Northway Bank*
Mike Toomey, *TD BankNorth, N.A.*

Executive Council (1)

Raymond S. Burton

County Commissioners (1)

Edward Philpot, Jr., Esq.

DRED Appointment (1)

Deborah Avery, Regional Resource Specialist

State Senators (2)

Kathleen G. Sgambati
Deborah Reynolds

County Delegation (5)

Dennis Field
Don Flanders
Kate Miller
Judy Reeve
Richard Stuart

At-Large (52)

Warren Bailey, *Comcast Spotlight*
Gail Batstone, *The Inns and Spa at Mill Falls*
Rusty Bertholet, *Leisure Time Rentals*
Gary Bloom, *Belmont*
Mark Borrin, *Preferred Rentals*
Carol A. Cantin, *N.H. Employment Security*
Fred Clausen, *Lakehouse Cottages*
John Cook, *Mame's*
David Detscher, *Wilcom, Inc.*
David Dobbins, *Simply Imagine, Inc.*
Charlotte DuBois, *Laconia Housing Authority*
Rod Dyer, *Wescott, Dyer, Fitzgerald & Nichols, PA*
B. J. Eckardt, *Walnut Street Productions*
Bob Ewell, *Huot Technical Center*
Margaret Franckhauser, *Community Health & Hospice*
Linda Frawley, *Cotton Hill Consulting*
Gary Groleau, *New Hampshire Ball Bearings*
Louis H. Guevin, Jr., *Laconia Savings Bank*
Bryan Halperin, *Winnepesaukee Playhouse*
Kate Hamel, *Community Matters*
RJ Harding, *Meadowbrook Musical Arts Center*
Linda L. Harvey, *Laconia Area Community Land Trust*
Peter Herz, *Lakes Region VW Audi*
Will Hirsch, *High Road Biomedical. LLC*
Jeff Hollinger, *EPTAM Plastics*
John Howe, *The Citizen*
Erika Johnson, *St. Vincent de Paul*
William Johnson, *NH House of Representatives*
Renee Kievit, *Gourmet Food Barn*
Bev Lapham, *Village Canvas*
Stuart LaSalle, *Laconia Area Community Land Trust*
Suzanne Lee, *chi-lin arts & antiques of asia*
Kenneth Malone, *Malone, Dirubbo & Company*
Abigail Mercer, *Bi-State Primary Care Association*
Alida Millham, *Gilford, Representative District 5*
Peter Millham, *Wescott Dyer Fitzgerald & Nichols, PA*
Jim Morash, *Mount Washington Cruises*
Michael Moore, *The 1875 Inn Restaurant*
John Moulton, *Moulton Farm*
Ann Nichols, *Laconia Savings Bank*
Dave Pelletier, *Annalee Mobilitee Dolls*
Alan Robichaud, *Lakes Region United Way*
Dr. Leo Sanfacon, *Gilford*
Norm Soucy, *Aavid Thermalloy, LLC*
Curtis Stafford, *Stafford Oil*
Adrienne Stevens, *Southern NH University*
Leslie Sturgeon, *Women Inspiring Women*
Kristian Svindland, *HRO Plus*
Hans Voeller, *Madeira USA Ltd.*
Chris Williams, *Christopher P Williams Architects*
Tom Winkelmann, *White Mt. International Group*
Mark Woglom, *Opechee Construction Company*
Christian Zimmermann, *Pike Industries, Inc.*

Incorporators Emeriti

Bill Seed
Ken Canaway
Greg Dickinson
Stewart Lamprey
Jim Dirubbo
Don Morrissey

2010 Investors

Aavid Thermalloy, LLC
Ambrose Brothers, Inc.
Annalee Dolls, Inc.
Anthony Ferruolo Hospitality Consultant
Applied Economic Research
Bonnette, Page & Stone
Brox Industries, Inc.
Byse Agency, Inc.
Christopher P. Williams, Architects
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City of Laconia
Coldwell Banker Commercial Weeks Associates
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Fireside Inn & Suites
Foundry Financial Group
Franklin Savings Bank
Thomas & Gail Garfield
Hart's Turkey Farm Restaurant
The Home Beautiful, Inc.
Kovio's K-9, LLC
Laconia Airport Authority
Laconia Clinic, PC
Laconia Daily Sun
Laconia Gilford Economic Advisory Committee
Laconia Savings Bank
Lake Opechee Inn & Spa
The Lakehouse Cottages
Lakes Region Association
Lakes Region Chamber of Commerce
Lakes Region Community College
Lakes Region Planning Commission
Lawson & Persson, P.C.
Leisure Time Rentals
Nancy LeRoy, Realtor
Levasseur Precisions, Inc.
LRGHealthcare

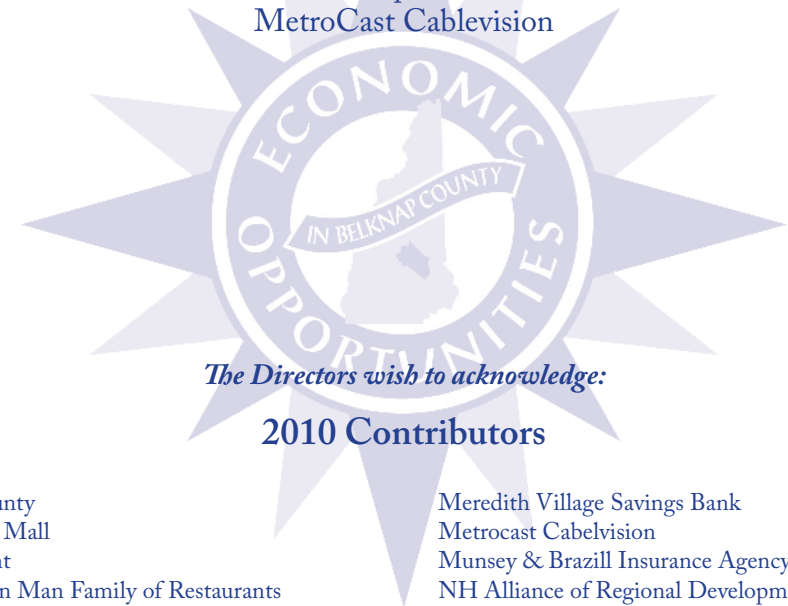
LRL Enterprises, LLC.
Mac-Durgin Business Systems, Inc.
Madeira USA Ltd.
Malone, Dirubbo & Company, P.C.
The Margate on Winnepesaukee
Meadowbrook Musical Arts Center
Melcher & Prescott Insurance Agency
Meredith Area Chamber of Commerce
Meredith Village Savings Bank
MetroCast Cablevision
Munsey and Brazil Insurance Agency
New Hampshire Ball Bearings, Inc.
New Hampshire Business Sales, Inc.
New Hampshire Made
New Hampshire Motor Speedway
Normandin, Cheney & O'Neil, PLLC
Northern Design Precast, Inc.
Opechee Construction Corporation
Orthopedic Professional Association
Patrick Wood Law Office, PLLC
Patrick's Pub & Eatery
Pike Industries, Inc.
Profile Bank
Sanders Management Consulting Group
Dr. Leo Sanfacon
Bill Seed, Commercial Broker
Southern NH University
Stafford Oil Company, Inc.
Tanger Outlet Center
Town of Alton
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Town of Center Harbor
Town of Gilford
Town of Gilmanton
Town of Meredith
Town of New Hampton
Town of Sanbornton
Town of Tilton
Tylergraphics, Inc.
Wescott, Dyer, Fitzgerald & Nichols, PA

2011 Annual Meeting Sponsors

Gold Level
Northway Bank

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Cross Insurance/Munsey & Brazil Insurance Agency
J Maze Design
Laconia Savings Bank
Meredith Village Savings Bank

Bronze Level
Franklin Savings Bank
GPS: Finding Your Way to Healthcare Savings,
a program of Melcher and Prescott and LRGHealthcare
Gunstock Mountain Resort
The Inns & Spa at Mill Falls
MetroCast Cablevision



The Directors wish to acknowledge:

2010 Contributors

Belknap County	Meredith Village Savings Bank
The Belknap Mall	Metrocast Cabelvision
Lyvie Beyrent	Munsey & Brazill Insurance Agency
The Common Man Family of Restaurants	NH Alliance of Regional Development Organizations
Community Partnerships for Affordable Healthcare	Northway Bank
Denoncourt, Waldron, & Sullivan, PA	One Mill Plaza, Inc.
Franklin Savings Bank	Scott Ouellette, Magic Foods Restaurant Group
Mr. & Mrs. Thomas E. Garfield	Patrick's Pub & Eatery
Gunstock Mountain Resort	Primex ³
Harvard Pilgrim HealthCare	The Red Parka Steakhouse & Pub
Kevin Holligan, Laconia Village Bakery	SCORE Lakes Region
The Inns & Spa at Mill Falls	Southern NH University – Laconia Center
Laconia Savings Bank	Russ Thibeault
Mr. & Mrs. Newbold LeRoy	The Wilder Companies
LRGHealthcare	The Winnepesaukee Playhouse
The McKenna Family of Gilford Gardens	

2010 GRANTS

Citizens Bank
NH Community Development Finance Authority

2010 TAX CREDITS

Laconia Savings Bank
Northway Bank

Together We Make a Difference

Board of Directors

Annual Report 2010

Since establishing its offices in July of 1992, the Belknap County Economic Development Council has been providing economic development and business assistance to municipalities and existing, new, and prospective businesses on a request basis without charge. As a regional development organization, we strive for a “climate” that understands what sustainable economic development is and how it works, as well as the importance of planning and maintaining the economic infrastructure and well being of the community and a region. In our regional capacity, we have worked to unify the efforts of the region while ever mindful of the desire to preserve the uniqueness of our communities.

The organization is structured as a non-profit 501(c)(6) regional development corporation with 100 Incorporators representing Belknap County municipalities, businesses, organizations, and residents. The Incorporators elect a 21-person Board of Directors.

Most of the assistance provided in any year focuses on the needs of existing businesses, organizations, aspiring entrepreneurs, as well as the eleven municipalities comprising Belknap County.

HIGHLIGHTS OF 2010

Area Assistance

To better understand the continued and varied needs of all the municipalities in Belknap County, the Directors orchestrated meetings with the administrators and/or select boards of every community. The findings from these discussions are being incorporated as priorities into our strategic planning. The requests focused on the recruitment of business and industry to provide quality employment opportunities and the filling of commercial property vacancies. Municipalities continue to request assistance with the revitalization of their town centers. Others would like the Council to renew its workforce development and training activities. The facilitation of high-speed internet to all corners of our County was another challenge the Council was urged to address.

Over the year, staff handled approximately 20 requests from area owners, realtors, and state industrial agents on sale/lease and reuse of existing property. This number is down considerably over other years as a result of the stagnant economy.



The Executive Director and members of the board participated with various community organizations on events, long-term initiatives, and economic development projects such as the Colonial Theater and Boys and Girls Club. Directors and staff also serve on the Lakes Business Park Commission.

Work continued to address long-term economic development planning. Directors and staff have taken a pro-active role in the development of a Comprehensive Economic Development Strategy (CEDS) under the

Left, Kerry Pfrimmer, SCORE Lakes Region; Marian Gill, Leadership Lakes Region; Karmen Gifford, Lakes Region Chamber of Commerce; and Mike Persson, BCEDC chair, joined forces to host a Business After Hours event at the Council's new headquarters.

direction of the Lakes Region Planning Commission. The Council continued to work with NH Employment Security on employer needs.

The Council serves as a liaison for the County on Community Development Block Grant projects attending required training programs to qualify for grants.

A project to redesign the www.bcedc.org website began in late 2010. The redesigned website, to be released in early 2011, will continue to focus on providing information to our three core users: businesses, municipalities, and the general public. The website will continue to assist those who are seeking additional details about the Council's services, financing options, topical published reports, or direct links to register a business, find traffic counts, search commercial property, or simply identify “who is who” in local and state government. Since the launch in late March 2006, there have been thousands of users of our original website, www.bcedc.org and its companion site, www.liveworkandplaynh.com, which promotes the region as a place to live and work. The new site is designed for easier maintenance and timely updates by our staff and authorized users.



SCORE Lakes Region counselors Frank Giebutowski, Leo Glasheen, and Marsha Felder

Business Assistance

Approximately 380 entities sought assistance varying from information on zoning in communities and rules on hiring workforce to extended counseling on starting business, financing expansion, etc. In addition, our two websites have created efficiencies in dealing with many more inquiries.

Nearly 275 businesses, organizations, or aspiring entrepreneurs received extended assistance from the BCEDC's professional staff or a counselor from the Lakes Region Chapter of SCORE, 381 cases were handled online, and 134 participants attended workshops. The Council continues to collaborate with SCORE to provide one-on-one extended counseling and business workshops.

Revolving Loan Fund

Since inception of the county-wide Revolving Loan Fund has made nearly \$9 million in loans to 66 businesses and organizations, leveraging an additional \$75 million in capital from other sources.

In 2010, the Council received more than 20 inquiries about borrowing from the Revolving Loan Fund, and acted on 12 applications totaling \$1,346,500; unfortunately, many of the requests were not eligible for financing for such reasons as cash flow, credit worthiness, or use of funds. Five loans closed, totaling \$483,000, leveraging approximately \$1.3 million in outside funds. The Revolving Loan Fund Committee reworked several loans for existing borrowers, who continue to struggle through the current recession. We are grateful to committee members Greg Goddard, Gunstock Mountain Resort; Lou Guevin, Laconia Savings Bank; David Haley, Munsey & Brazil Insurance Agency; Deborah Jordan, Northway Bank; Michael Persson, Lawson & Persson, P.C.; Robert Sargeant, Meredith Village Savings Bank; Michael Toomey, Franklin Savings Bank; and Sean Sullivan (chair), Denoncourt, Waldron & Sullivan PA, for their generous donation of time and expertise in reviewing loans and guiding the growth of the Revolving Loan Fund. We also thank SCORE Lakes Region Loan Reviewers for assistance: Lee Beachy, Pat Clarke, Walter Daub, Jim Garden, Bill Purslow, and John Wells.

The Council completed USDA/Rural Development annual audit. The Treasurer participated in USDA training for the new on-line reporting system.

Management

In July, following the closing of Southern New Hampshire University's Laconia Center and the sale of its building, the Council relocated to One Mill Plaza, Laconia. The office now provides better accessibility to clients and continues to provide administrative support and office facilities to SCORE Lakes Region and Leadership Lakes Region.

With a changing economy, the Council began to revise its Strategic Plan and reconfigured staffing and job descriptions for the organization in keeping with future needs identified in the organization's strategic plan, CEDS, and municipal conversations.

In October, the search for a new Executive Director began, following the resignation in September of Jennifer Boulanger, who served from April 2007. Founding Executive Director, Eliza Leadbeater, was engaged as part-time interim executive director.

Since inception, funding for our services has come from a mixture of public and private sources. In 2010, we received more than \$44,400 in grants and contributions to underwrite various activities. Seventy-four community investors help us maintain services and develop initiatives that enhance the region's economy. Belknap County provided \$75,000 in operating revenues for 2010, approximately 30% of our operating funds. We have received level funding of \$75,000 from the County since 2003. The balance of revenues needed for operating was raised through our revolving loan fund lending. The Council oversees more than \$3 million in assets for the benefit of Belknap County.

Summary

This has been a year of major transition for the Council. The challenges have been many and have affected our operations and services. These challenges have been compounded by the current national recession. It has forced a reassessment of our mission and goals and the level of technical assistance and services we can provide. Dwindling earnings from our Revolving Loan Fund, including poor repayment performance by even long-term, quality borrowers, have significantly decreased operating revenues. Compounding the declining earned revenues was the additional expenses incurred by the County's withdrawal of access to employee benefits, such as healthcare and retirement, as well as payroll services, which the Council had always fully reimbursed. It proved costly to replace benefits for our small organization. Declining earned revenues and the exorbitant cost of benefits prevented the refunding of a Loan Fund Manager position.

Since 2003, the Council and its partners, SCORE, SBDC, and Leadership Lakes Region, were accommodated rent-free by Southern New Hampshire University at their Laconia



Center; the accommodations provided us were previously rented for \$25,200 annually and, over the eight years, SNHU saved the Council in excess of \$200,000 in rental expenses. After an extensive search for new accommodations, the Council relocated in July to leased offices at One Mill Plaza, next to Laconia City Hall. The smaller office site resulted in the dismantling of our

BCEDC celebrated former loan client Laconia Athletic & Swim Club's financial fitness.

Business Information Center; the business books and materials were distributed between the Laconia Public Library and Belknap County House of Corrections.

Both of these changes have significantly impacted our overhead, forcing severe cuts in programs, marketing, and recruitment activities. We also have suffered from a lack of equity from private sector/individuals willing to collaborate; in this recession there are not the funds available for speculative projects or activities. Likewise, in the year ahead we will need to secure funds to replace both the Tax Credit Program and Capacity Building Grant that have been available to regional development organizations such as the BCEDC; these funds were unrestricted and represented almost 20% of our annual revenues.

Our success and contribution to the economic wellbeing of the region is to the credit and commitment of many people, all who have come together in a cooperative manner in the best interest of Belknap County. The quality of assistance the Council offers to Belknap County communities, businesses, and organizations could not be realized without the continuing financial contribution of the County, which we thank for its continued support.

Almost two decades have passed since three businessmen met on a cold January morning in 1991 to discuss possible solutions to the economic crisis that was gripping our region. They recognized that the region needed to find its own way of stemming the alarming flow of businesses, jobs, and private investment out of the area. Reaching out to other business, civic and elected leaders, they collaboratively envisioned the possibilities and began to chart a path to renewed prosperity for Belknap County. Through the years, the Council has met the challenges through good times and bad. As we reflect on nineteen years of service, be assured that our commitment to enhancing the economic vitality of Belknap County and the greater Lakes Region is as strong as ever. The Board of Directors and staff are prepared to meet current and future challenges. With the continued collaborative efforts of the public and private sectors, we recognize we are better positioned than ever to deal with the inevitable ups-and-downs of the region's economy.

As we move towards completing twenty years of service to Belknap County, we renew our commitment and determination to enhance economic opportunities for all our residents. Together we are making a difference!

Respectfully submitted,

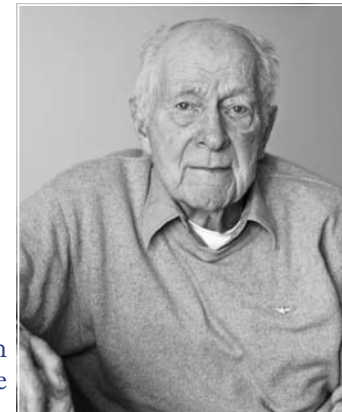
Board of Directors

In Remembrance

We will miss two special friends who supported the BCEDC and championed economic opportunities for the residents of their adopted home, Belknap County.



Carl R. Johnson
State Senator



Ralph J. Rosen
State Representative