



**Northern Border
Regional Commission**

GUIDEBOOK

**MEASURING AND TRACKING LOCAL
EVALUATION METRICS**

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**IN COOPERATION WITH
ADG-Arnett Development Group**

Introduction and Purpose

A key gap in the Northern Border Regional Commission’s technical assistance programs is the limited capacity of local partners to track evaluation metrics. This guidebook provides information and strategies that address this need.

The Northern Border Regional Commission (NBRC) provides funding and technical assistance to municipalities, nonprofits, and small businesses in New Hampshire and northeast tier states along the US-Canada border. A September 2022 report by Arnett Development Group (ADG) evaluated the effectiveness of NBRC’s technical assistance program. A key finding of this report was that many local partners lack the knowledge and skill required to track evaluation metrics such as job creation, visitation, and local spending that are required as part of the NBRC grants. Therefore, ADG requested ConsultEcon, Inc., to prepare a guidebook that provides clear direction and real-life case studies to assist NBRC applicants with collecting and using such evaluation metrics.

This guidebook covers the following topics:

- 1. Evaluation Metrics and the Measurement of Local Impacts**
- 2. Descriptions and Types of Data**
- 3. Data Sources and Related Resources**
- 4. Case Studies: Use of Data Sources**

It can be daunting for the government of a small municipality to figure out how to collect and evaluate information on job creation or private investment, let alone to determine and collect additional measures for evaluating the impact of new projects. Yet, such information is vital for their economic and community development activities.

This guidebook aims to take the mystery out of the collection and analysis of evaluation metrics and to provide local officials with simple and practical guidance for this process.

1. Evaluation Metrics and the Measurement of Local Impacts

Why Use Evaluation Metrics?

The Northern Border Regional Commission is a Federal-State partnership for economic and community development in northern Maine, New Hampshire, Vermont, and New York. Each year, the NBRC provides Federal funds for critical economic and community development projects throughout the northeast. These investments lead to new jobs being created and leverages substantial private sector investments.

Source: NBRC website (<https://www.nbrc.gov/content/about>)

To fulfill its mission of creating jobs and leveraging private investments, it is necessary for the NBRC to track the impact of the projects that it funds. This evidence is meant to demonstrate how projects create both quantitative and qualitative benefits at the local level. This information is then used by the NBRC to determine the effectiveness of its investments and to fine-tune its criteria for future investments in local economic and community development initiatives. There are many different ways to measure the impact of a particular project on a local economy, as discussed in Section 2.

Envision your region's economy as a giant pinball machine. A grant for a new project is like a metal ball ricocheting around the playfield. If it falls straight through the drain, there is little impact. But kept in play, the balls rack up the score. The case study of a nursing home in Section 5 illustrates the various ways in which a single investment can positively impact your local economy.



Photo credit: PublicDomainPictures.net

What Does NBRC Require?

Recipients of NBRC grants are asked to complete Form 1003, the Government Performance & Results Act (GRPC) Data Collection Form. This form includes a section called **“Results of the Investment”** that asks for specific measures of project impacts. As shown below, Form 1003 lists only three specific performance measures: Jobs Created, Jobs Retained, and Private Investment. The form requests other types of Project Specific Performance Measures as well. The current form is shown below; an alternative format is presented as part of the Case Studies in Section 4.

Results of the Investment			
	Performance Measure Outlined in Grant Agreement	At Project Close Out	Three Years After Project Close Out
Jobs Created			
Jobs Retained			
Private Investment			
Project Specific Performance Measure #1			
Project Specific Performance Measure #2			
Project Specific Performance Measure #3			

Source: Northern Border Regional Commission, Form 1003

The following sections of the guidebook provide detailed descriptions of the types of data that can be used to measure local impacts, as well as direction on how to collect these data items and how to use them to populate the above form. Both NBRC and the New Hampshire Department of Business and Economic Affairs (BEA) are committed to offer technical assistance and coaching to local partners and will work with your project team to determine which measures to select and to ensure that the cumulative impacts of all like projects will be measured.



Photo credit: New Hampshire Division of Travel and Tourism

2. Descriptions and Types of Data

There are multiple ways to measure the impact of a new project or investment in your community. The following points summarize the most common types of data used in these analyses.

Job Creation / Retention

Employment and wage growth from businesses either directly affected by the initial investment or due to ancillary opportunities created by the new investment.

Private Investment

Capital investments by the private-sector sponsor of the specific project impacted by the grant or by businesses that were started or expanded as a result of the new investment.

Consumer Spending

New economic activity in the region generated by attracting purchases from visitors from outside the area and/or by retaining local resident spending that otherwise would be spent elsewhere.

Business Startups/Expansions

The number of businesses that were started or expanded as a result of the new investment.

Property Values

Increased commercial or residential property valuation resulting from the new investment, either directly or indirectly.

Local Tax Revenue

Property, sales, lodging, and other tax revenues generated to local governments that are then reinvested in the area or used to lower tax rates to local taxpayers.

Visitor/Traffic Counts

The change in the number of visitors and/or vehicles to local attractions and roadways.

Workforce Development

Investments made in local employment training programs or facilities as a means of increasing the pipeline of labor needed to serve new and growing industries

Attraction of New Residents

New residents drawn to the area by investments in recreation, natural resource enhancement, and other quality of life improvements.

3. Data Sources and Related Resources

There are many sources for some of the data items discussed in the previous section. Below are descriptions of different data sources and links to their websites, if any.

Employment and Wages by Industry

The simplest way to determine job creation in an area is to track employment growth over time. The New Hampshire Economic + Labor Market Information Bureau (ELMI) tracks quarterly and annual employment and wage change by 20 major industry groups¹ for all cities and towns in the state. However, some data points are suppressed at the local level due to concerns about disclosing data on private employers. In these cases, ELMI also reports data for 29 labor market areas in New Hampshire, as well as for all counties and regional planning commission areas.

Link: <https://www.nhes.nh.gov/elmi/statistics/qcew-data.htm>

Employment and Wages by Occupation

The New Hampshire Occupational and Wage Statistics report is issued annually by ELMI. This report includes job counts and wage estimates for about 600 different occupations for the state and 17 substate wage regions. This information can be used either to supplement industry data or in place of any industry data that may be suppressed.

Link: <https://www.nhes.nh.gov/elmi/products/oes-prod.htm>

Local Labor Force and Unemployment

High-impact projects can often result in the addition of new workers living in a given area and/or a reduction in the local unemployment rate. Monthly data on labor force, resident employment, and unemployment are reported by ELMI for all municipalities and counties in New Hampshire.

Link: <https://www.nhes.nh.gov/elmi/statistics/laus-data.htm>

¹ Data are reported for all 2-digit categories in the North American Industry Classification System (NAICS). More information on NAICS definitions can be found here: <https://www.census.gov/naics/>

Consumer Spending Data

Unlike most states, New Hampshire does not permit local sales taxes and therefore does not report retail sales at the municipal level. The best source of consumer spending data is the Retail Goods and Services Expenditures published by ESRI. These proprietary reports, which cost \$50 each, profile the total amount of spending by retail category for the current year for any geographical area. The user can select the area of analysis by town, region, or a radius or drive time from a specific location. To access this data, visit the link below, select “Consumer Spending” and then choose the Retail Goods and Services Expenditures Report” option.²

Link: <https://www.esri.com/en-us/arcgis/products/data/reports/configure>

Visitor Counts

For a tourism or recreation related project, actual visitor counts are the most accurate means of determining changes in activity. Many visitor attractions already count their visitors via ticket sales, counting vehicles in parking lots, or using automated people counting equipment on their properties. For any such project, the initial investment and planning should include a mechanism for counting visitors.

Vehicular traffic counts can be obtained by placing a traffic counting device at the entrance or exit of a parking lot. These devices are relatively inexpensive, and many municipal governments and regional planning commissions already have them available for this purpose.

For pedestrian and bicycle counts, there are many different technologies available. The following report has detailed information about different means for collecting pedestrian and bicycle counts:

<https://altago.com/wp-content/uploads/Innovative-Ped-and-Bike-Counts-White-Paper-Alta.pdf>

A recent innovation in tracking visitors is the use of geofencing, which tracks the presence of location-enabled mobile devices (i.e., cell phones) that are within a certain boundary. Geofencing can also be used for marketing purposes by sending text notifications to the phones of people who are passing by a location that has been geofenced. This article explains how geofencing works and summarizes the many ways in which it can be used: <https://www.safegraph.com/guides/geofencing>.

² A sample Retail Goods and Services Expenditures report can be viewed here: https://downloads.esri.com/esri_content_doc/dbl/us/sample_reports/cex_retail.pdf

Visitor Surveys

Surveys of visitors to a site or business are often used in tandem with visitor counts to generate a more complete picture of the characteristics and spending habits of visitors. Information typically collected through surveying includes:

- Place of residence (Zip Code, city, state, country)
- Length of stay in the area (daytrip or number of nights stayed)
- Visitor demographics (age, race, size of travel party, number of children, etc.)
- Accommodation type for overnight visitors (hotel, private rental, campground)
- Activities participated in during trips
- Local spending by category (accommodation, food & beverage, transportation, retail, services)

An easy and low-cost way to administer a visitor survey is through an online survey tool such as SurveyMonkey (<https://www.surveymonkey.com/>). Access to the survey can be through multiple channels, including QR codes, text messages, emails, and on-site handouts. More information about usership surveys for recreational sites can be found in this article:

<https://www.urban.org/sites/default/files/publication/57656/311012-Understanding-Park-Usership.PDF>.

If collection of this information from visitors is not feasible, regional tourism impact data can be used as a substitute. The New Hampshire Division of Travel and Tourism conducts annual surveys of visitors to the state and reports spending data for each of the state's seven tourism regions.³ Information included in this dataset includes total visitor spending, spending by category, total visitor counts, and spending by person and by travel party.

Link: <https://www.travelstats.com/qimpacts/newhampshire>

Business Startups

Information on new business startups can usually be obtained from municipal governments, but only for businesses that apply for local licenses. For broader data on business startups, the US Census Bureau reports the number of businesses formed by year at the county level; the link is below.

Link: <https://www.census.gov/econ/bfs/data/county.html>

³ The seven tourism regions are: Dartmouth-Lake Sunapee, Great North Woods, Lakes, Merrimack Valley, Monadnock, Seacoast, and White Mountains.

Taxable Valuation

An impactful economic or community development project will often lead to an increase in the assessed taxable valuation of real property in the surrounding area. Each local government maintains and updates its database of taxable value, and this information is either available online or can typically be obtained by request.

Home Values

Successful projects often lead to community-wide increases in home values. The Zillow Home Value Index (ZHVI) is updated monthly at the city and Zip Code area for most areas in the United States and is an easy way of tracking residential property values at the local level, then comparing the change to a larger geography (typically the state).

Link: <https://www.zillow.com/research/data/>

Residential Building Permit Activity

Permit activity is an indicator of a successful development initiative, as job creation typically leads to increased demand for housing. The US Department of Housing and Urban Development (HUD) tracks the number of units permitted by month and year for most municipal governments. Local data can be accessed from the link below by selecting the “Show Counties and Jurisdictions for Selected States” and then scrolling down to the “Select Permitting Jurisdictions” list below.

Link: <https://socds.huduser.gov/permits/>

New Residents

There are many types of data available to measure the volume of new residents, including population change data from the Census Bureau,, new voter registrations, school enrollment data, and memberships in local organizations. Qualitative data regarding the motivations for new residents can be obtained from speaking with real estate agents and other service providers.

Link to “Explore Census Data” interface: <https://data.census.gov/>

Local Media Reports

Information about many potential indicators can be obtained by tracking articles in local newspapers and blogs. Such articles will often include information about private investment and pertinent quotes from business owners that can be used to support the case that their investment decisions were related to larger trends. An example of this is included in the bicycle trail case study in Section 4.

Local Businesses

Information on job creation and private investment can be obtained by surveying businesses that have started or expanded in response to local development projects.

4. Case Studies: Use of Data Sources

The following case studies illustrate how to apply some of the suggested data sources to measure the impacts of multiple hypothetical development projects in the (fictional) Town of Smallville, New Hampshire.

Project 1: Sewer Expansion

The Town of Smallville’s comprehensive plan has identified a site just outside its existing village area as being suitable for high-intensity development, but this site is not currently served by public sewer. By extending sewer service to this site, the property owner will be able to proceed with a plan to develop a mixed-use project containing 20,000 square feet of commercial space and 50 residential units, representing a total investment of \$20 million. The Town has applied for a \$500,000 NBRC grant to pay for the sewer line extension.



Photo credit: PublicDomainPictures.net

Indicators used (other than jobs and private investment):

- Business Startups
- Taxable Valuation Increase
- Average Home Value Increase (townwide)
- Residential Building Permits (townwide)

Results of the Investment

Performance Measure Outlined in Grant Agreement	At Project Close Out	Three Years After Project Close Out
Jobs Created	25	30
Jobs Retained	5	5
Private Investment	\$19.5 million	NA
Business Startups	6	8
Taxable Valuation Increase	\$25.0 million	\$30.0 million
Average Home Value Increase	\$50,000	\$75,000
Residential Building Permits	50	NA

Project 2: Bicycle Trail

The Town of Smallville created an outdoor recreation plan that calls for building a paved bicycle trail that connects its historic downtown with a nearby state park along a river corridor. The Town obtained for a \$250,000 grant from the NBRC to fund the development of the trail. An article in the local newspaper quoted the owners of multiple new businesses that opened in response to the additional visitation from the new trail.



Photo credit: New Hampshire Division of Travel and Tourism

Indicators used (other than jobs and private investment):

- Annual Consumer Spending Increase
- Business Startups
- Visitor Count Increase (from outside the community)
- Average Home Value Increase (townwide)
- Increase in Residents of the Town

Results of the Investment

Performance Measure Outlined in Grant Agreement	At Project Close Out	Three Years After Project Close Out
Jobs Created	10	20
Jobs Retained	5	5
Private Investment	\$10.0 million	\$12.0 million
Annual Consumer Spending Increase	\$2.0 million	\$2.5 million
Business Startups	6	8
Visitor Count Increase	20,000	25,000
Average Home Value Increase	\$20,000	\$30,000
Increase in Town Residents	100	200

Project 3: Nursing Home

The Town of Smallville has an aging population and a need for quality residential care for its elderly population. A local nonprofit has developed a plan to build a 20-bed residential nursing care facility, with a total development cost of \$3.0 million. At current market rental rates, the project is not feasible, so the nonprofit has applied for a \$400,000 grant from the NBRC to develop the facility.



Photo credit: PublicDomainPictures.net

Indicators used (other than jobs and private investment):

- Increase in Average Annual Wage (townwide)
- Taxable Valuation Increase
- Average Home Value Increase (townwide)
- Enrollment in workforce development programs

Results of the Investment

Performance Measure Outlined in Grant Agreement	At Project Close Out	Three Years After Project Close Out
Jobs Created	20	25
Jobs Retained	NA	NA
Private Investment	\$2.6 million	NA
Increase in Average Annual Wage	\$5,000	\$10,000
Taxable Valuation Increase	\$3.0 million	\$3.5 million
Average Home Value Increase	\$20,000	\$25,000
Workforce Program Enrollment	20	40

Conclusion

The process for obtaining funding for local development projects need not be difficult. This goes for the ongoing monitoring of projects as well. We hope that this Guidebook will help you explain the need for local investments, strengthen your case for receiving public funding for those investments, and equip you with the necessary tools to effectively measure their ongoing benefits.

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