

ECONOMIC DEVELOPMENT

Executive Summary

The Economic Development Plan represents Jaffrey's commitment to strive toward continuous economic sustainability. The plan begins with a history and current assessment of where we are now, and concludes with an overview of the policies, objectives, and activities that will lead us into the future. The following vision statement was adopted as a guideline:

To provide the Town of Jaffrey with a plan for economic opportunity and development that promotes a dynamic, diversified economic base consistent with our small town character.

The Plan is based upon data that are continuously being revised. It should be amended as new information becomes available. Major recommendations of this Plan are as follows:

- Support existing businesses to grow the tax base by managing the Towns' TIF Districts and by conducting business visitations in cooperation with the State and Monadnock Business Ventures in order to promote various financial and consulting services.
- Promote Jaffrey as a place to locate a business by vigorously advertising the 'JaffreyBusiness.com' website.
- Promote Jaffrey as a tourist attraction.
- Actively manage and support *strategic* economic growth based upon a clearly articulated vision that is reflected in Jaffrey's zoning ordinances.
- Schools: Resolve the inadequacies of the physical plant by constructing a new school and fix the inadequacies in curriculum and instruction.
- Create and maintain a business friendly environment through an active Economic Development Council that strongly influences Town policy.
- See that the Town's water and wastewater problems are solved.

Background

The Town of Jaffrey is located in the Monadnock Region on the eastern border of Cheshire County in Southwestern New Hampshire. A full 20% of Jaffrey consists of Mount Monadnock and its surrounding land base. Incorporated in 1773, Jaffrey began as an agricultural community with a small industrial base that evolved over time. Founded in 1871, the White Brothers Mill manufactured woolen, rayon and denim cloth in the center of what is now downtown Jaffrey. During the early half of the 1900's, other manufacturing operations were started including DD Bean and Sons Match Company, WW Cross tack factory, Bean and Symonds box factory and Annett Forest Products. Jaffrey became more industrialized and commercial activity quickly followed. Access first by stagecoach, and then the railroad that opened in 1871, helped create an active summer tourism business. As the automobile became more popular, residents began to travel outside of Jaffrey to shop at larger malls and stores. This led to a gradual decline in retail business that lasted into the 1990's. Today there are many new retail businesses that have opened in the downtown area, leaving little space for expansion. In keeping with the changing economy, the Jaffrey Mill is in the process of converting to housing units and retail spaces. Industrial zoned areas were formed in 1981 with new industries that began to occupy these areas, offering a diversified industrial base for the community. Major employers today include Millipore, Teleflex, Johnson Abrasives, New England Wood Pellet, Atlas Pyrotechnics, Printegra and DD Bean.

Population & Growth

Population Growth Rate Comparison

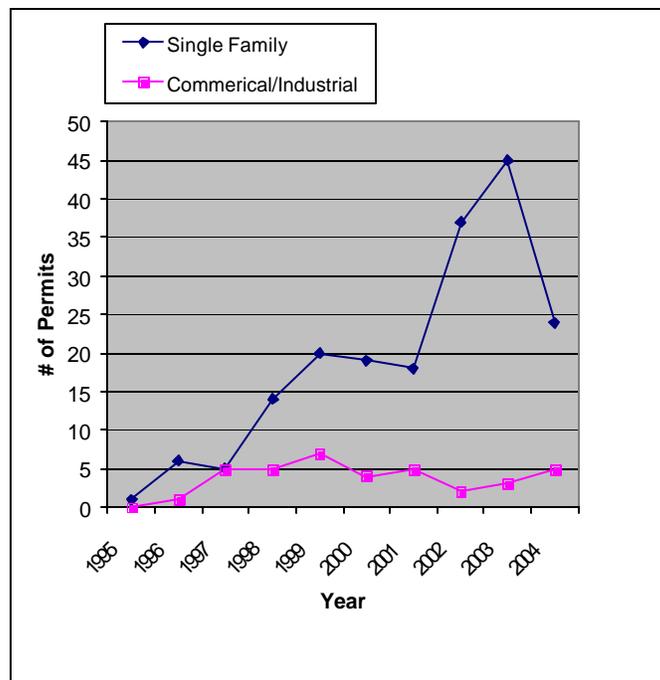
The population of Jaffrey has grown more slowly than a majority of the surrounding communities (see chart). The OEP's 2004 population estimates there are 5,733 residents in Jaffrey. Growth in Jaffrey is slower than the State and County levels. Jaffrey has an impact fee ordinance that may explain some of the disparity in growth figures.

The recent increase in building permits suggests that population growth for Jaffrey is accelerating (see

	1990	2000	2004	% change 1990-2004
State	1,109,117	1,235,550	1,306,000	17.8
Cheshire	70,121	73,825	76,830	9.6
Jaffrey	5,361	5,476	5,746	7.2
Peterborough	5,239	5,883	6,125	16.9
Rindge	4,941,	5,451	5,970	24.2
New Ipswich	4,014	4,289	4,919	22.5
Dublin	1,474	1,476	1,548	5.0
Troy	2,097	1,962	2,023	(3.5)
Keene	22,430	22,563	23,015	2.6

Source; US Census Data/ NH OEP Population Estimates

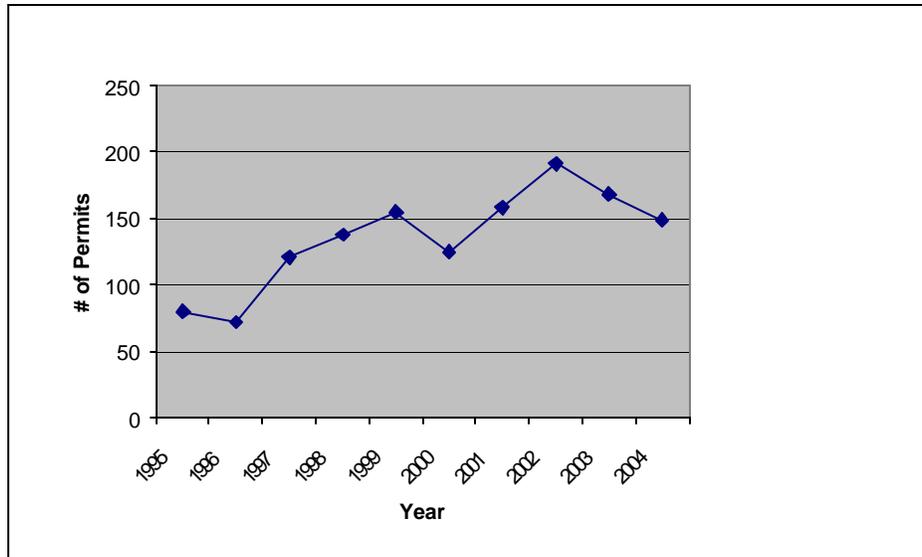
BUILDING PERMITS



The total number of building permits issued by the Town of Jaffrey has more than doubled over the past nine years. In addition to single family and commercial buildings, this total includes additions, barns, remodeling work, sheds, decks, and other structures. A number of factors may have contributed to this

increase, but population growth clearly isn't one of them. It is generally a positive economic sign when increasing numbers of residents have the necessary income to engage in property improvement projects.

BUILDING PERMIT TOTALS

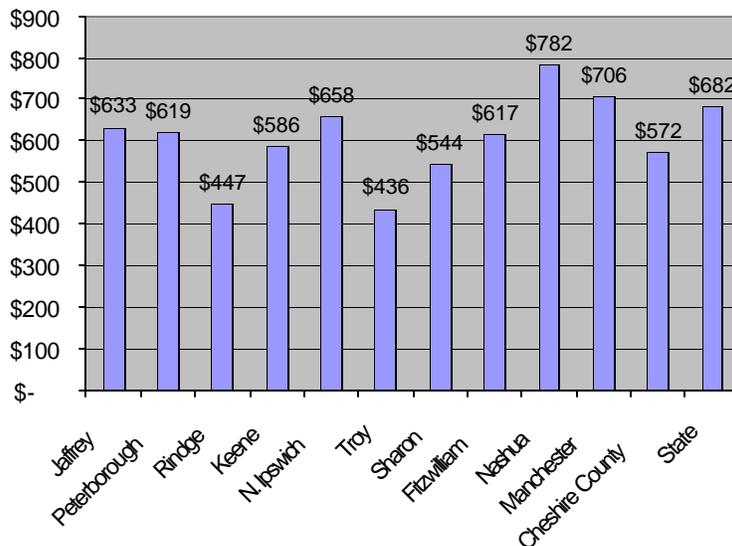


Employment & Wage Structure

Workforce Goal: Plan to provide diverse employment opportunities for the Region's workforce.

The New Hampshire Economic and Labor Market Information Bureau reported in 2004 that Jaffrey's labor force encompassed 2,958 people with an unemployment rate of 4.5%. The occupation breakdown for this labor force is as follows:

Weekly Wage Comparison - 2001



32.4%: Management, professional, and related occupations

22.4%: Sales and Office occupations

21.0%: Production, transportation, 12.7%: Service occupations

and material moving occupations

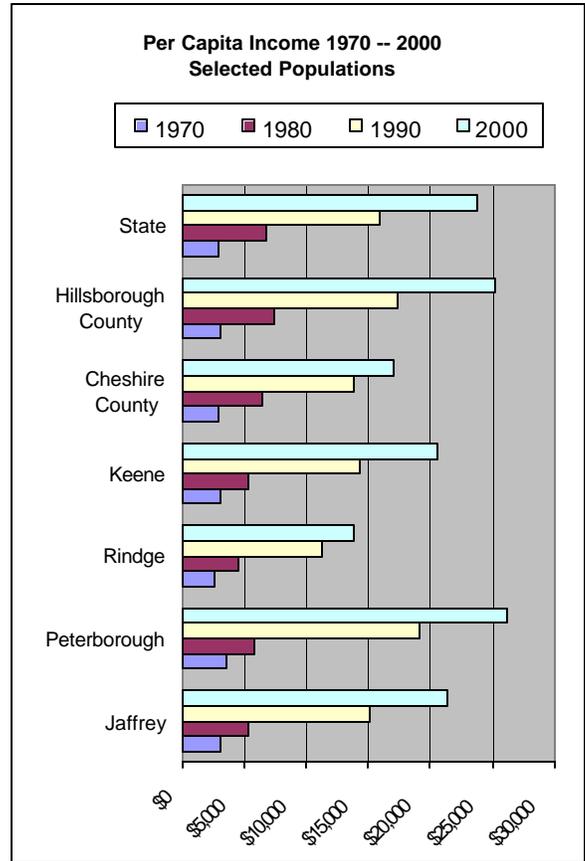
10.8%: Construction, extraction, and maintenance occupations

0.7%: Farming, fishing and forestry

In Cheshire County, recent job growth has been in the service and local government sectors. Manufacturing growth has been flat, while wholesale trade occupations have decreased 14%. The largest growth area for Cheshire County has been in the transportation and public utilities sectors.

Per Capita Income is a measure of the total income of a particular population divided by the number of people within that population. For example, if a town of 5000 people earned \$100 million a year as a group, that town would have a per capita income of \$20,000. Analyzing per capita income over time, either controlled for inflation or in comparison with other populations, is one way to measure fluctuations in the average standard of living. Per capita income for the Town of Jaffrey increased 41% between 1990 and 2000, and 575% between 1970 and 2000. This compares to 49% and 724%, respectively, for the State as a whole. Though income growth has lagged behind New Hampshire's growth overall, Jaffrey's performance is strong compared to regional rates. Comparative data based upon the chart at right is as follows:

	<u>Growth '70-'00</u>	<u>Growth '90-'00</u>
Jaffrey	575%	41%
Peterborough	643%	37%
Rindge	420%	22%
Keene	557%	44%
Cheshire County	495%	23%



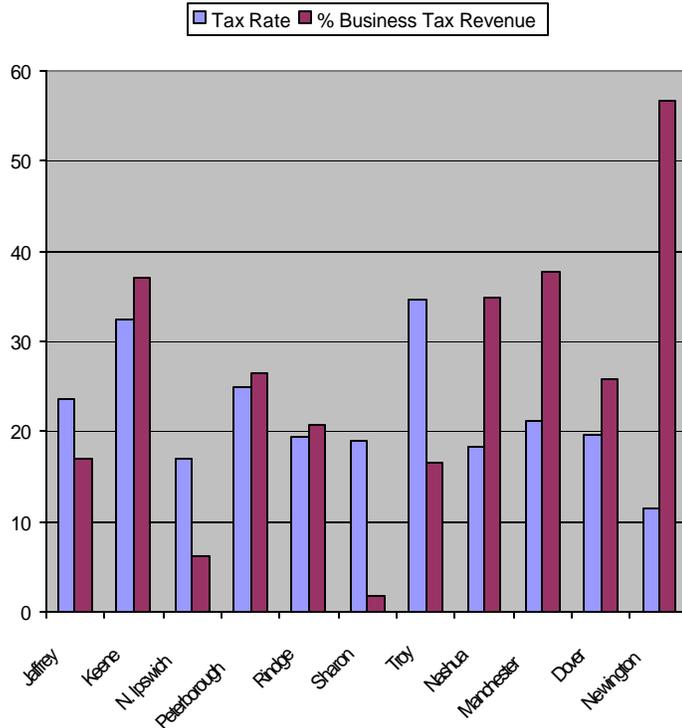
There are approximately 300 businesses in Jaffrey. These businesses range in size from single proprietorships to large manufacturing plants. An electronic list of all known businesses in Jaffrey is posted on the Town's Economic Development website. Keeping this list current is the first step in helping to grow the economic base of Jaffrey. Some of Jaffrey's largest employers include:

<u>Employer</u>	<u>Product</u>	<u>Employees</u>
Millipore	Industrial Filter	315
TFX Medical	Medical Tubing	252
Jaffrey/Rindge School District	Education	300
DD Bean & Sons	Matches	125
Good Shepherd Nursing Home	Nursing Home	115
Printegra	Business Forms	89
Belletetes	Hardware Store	89
Town of Jaffrey	Government	65
Medefab	Medical Devices	50
Johnson Abrasives	Coated Abrasives	40
Reds/Monadnock Disposal	Fuel/Trash Removal	30

Tax Base Goal: Encourage and support a diversity of businesses that contribute to Jaffrey’s property tax base in order to reduce the burden of residential taxes on the community

A higher proportion of business tax revenue does not always mean lower residential taxes (see chart). In Sharon and New Ipswich, there is far less business revenue than in Jaffrey, yet residential taxes are lower. Keene, on the other hand, has considerably more business tax revenue than Jaffrey combined with higher residential taxes. Larger towns in the State tend to have proportionally higher business tax revenue than Jaffrey with slightly lower taxes. Newington is an extreme case demonstrating that when a huge part of the tax base is made up of businesses, residential taxes do in fact decline steeply. These data do not invalidate our Tax Base Goal. The chart does suggest, however, that economic growth is but one of many variables that can influence the residential tax rate.

Tax Rate as a Function of Business Tax Revenue



Land Use

Land Use Goal: Encourage land uses that allow a viable economic base to be maintained. Establish a committee to examine the efficacy of local zoning ordinances in terms of economic development.

As of April 2004, Jaffrey had been subdivided into approximately 2,517 parcels and zoned into six districts:

- Rural, without Town Water
- Rural with Town Water
- Residence A
- Residence B
- Commercial and General Business
- Industrial.

Jaffrey also has three overlay districts – Mountain, Elderly, and Historic.

One component of land use in Jaffrey is strip zoning for the commercial sector. Strip zoning is a dated concept that damages aesthetics, impedes walking and biking, and contributes to sprawl. It needs to be replaced by the concept of nodal development, where commercial density increases with open green and residential space located between the commercial “nodes”. One change that is contributing to this vision is the development of the Jaffrey Mills. Here, residential, commercial, and office space will be built with a density that will greatly increase the economic vitality of Jaffrey while having no impact on parks and other open spaces. Another important renovation for Jaffrey will be the WW Cross Building. This site is ideally located in the downtown area, yet is also far enough from Route 202 to begin to get away from the strip zoning concept. Currently, a business incubator is planning to purchase the building with a focus on manufacturing. This initial activity could evolve into mixed uses for this and surrounding properties. Another likely area for growth is the land around Blake and Union Streets. This would be a natural extension of the downtown area whose initial focus would be the Multi-Use Trail and a possible Community Center. A major contributor to economic vitality will be the full occupancy of buildings and land in Drumlin Industrial Park. This can be accomplished by promoting Jaffrey to outside manufacturing firms and by helping to grow existing Jaffrey businesses to the point that this space is needed for expansion. Each of these changes should be managed to conform to the land use vision that Jaffrey develops. Land uses in Jaffrey are analyzed in greater detail in the Land Use Chapter of this Master Plan.

Infrastructure

Water/Wastewater Goal: See that the Town’s water and wastewater problems are solved.

Water and Wastewater: The Jaffrey water and wastewater systems currently serve approximately 1500 and 800 customer accounts respectively, which include commercial, industrial and residential users. Current rates for water are \$42.00 for the first 4000 gallons and .80 cents for each 100 gallons thereafter. Current sewer rates are \$42.00 for the first 4000 gallons and .60 cents for each 100 gallons used thereafter. These rates rank among the highest in the State. Since there are no special rates for high volume users such as industrial plants, companies such as DD Bean and Millipore have installed wells on their properties. Meaningful economic growth through new construction is not going to occur unless and until the Town solves its water and wastewater problems.

Water: The Town needs a third water source to supplement Contoocook and Turnpike Wells, our only two water sources. The Department of Environmental Services (DES) requires that the Town have a third source of water that will meet the demand if one of the other sources goes off line. Jaffrey’s average daily demand for water is approximately 343,000 gallons per day and our current maximum production capacity for the two wells combined is rated at 660,000 gallons per day. Due to our current production capacity, new hookups for residential and business customers are very limited. This problem needs to be solved for even modest development to occur.

Wastewater: The Town is currently under an administrative order from the NH DES and the US EPA to meet more stringent effluent quality standards. Jaffrey currently is permitted to discharge 1.25 million gallons per day into the Contoocook River. Due to the low flow of the Contoocook River, especially in the summer, a change in our treatment process is necessary. Jaffrey has recently explored a rapid infiltration site that has been found unsuitable. With only 800 users on the wastewater system, sewer rates are in danger of becoming unbearably expensive. The Town should make every effort to build a joint wastewater treatment plant with Peterborough to help contain costs.

Utilities/Communications: Verizon provides local telephone service to Jaffrey and Public Service Company of New Hampshire is our electrical supplier. High-speed internet access is widely available in the Monadnock region, with Adelphia providing both cable television and broadband internet access. Wireless Internet service is also becoming increasingly available, with NH WISP and USA Express.net

offering high speed access in the region. In addition, the Merton Group is conducting a study to examine the feasibility of extending fiber optic cable to Jaffrey and surrounding towns. Merton provides next generation data and video services to homes and businesses, providing transfer capabilities of 10 Megabits to 1 Gigabit per second. Future telecommunication infrastructure that offers high-speed voice, data and video capabilities will be an essential component of continued economic growth for Jaffrey and the region.

Transportation/Roads: Jaffrey is located approximately midway between Interstates 91 and 93. This location does not lend itself to the type of economic growth that relies on easy access to major highways. Jaffrey is served by State Routes 124, 137, and 202, all of which converge in the downtown area. Jaffrey does not have rail service but is served by a private airport, Silver Ranch, which offers charter service and hanger space for business and private use. Public transportation via bus or taxi is not available in Jaffrey. An inter-town public transportation system for the region needs to be explored and implemented.

Downtown

Downtown Goal: Provide a vibrant downtown that is financially healthy, pedestrian friendly, and culturally active.

TEAM Jaffrey is a group of citizens, business owners, and members of the Jaffrey Chamber of Commerce dedicated to improving and strengthening downtown Jaffrey. The group's activities include Riverfest, Scarecrows on the Common, and Winter Carnival. It is imperative that the Town and the EDC continue to support TEAM Jaffrey, since its various activities contribute a great deal to meeting the Downtown Goal.

The most challenging transportation need facing Jaffrey is a solution to the five-way intersection and "dogleg" that incorporates the heart of downtown. The current traffic configuration has nearly reached its capacity and strongly discourages pedestrians. This problem must be solved. A traffic study has been completed by the engineering firm VHB that recommends the construction of a bridge over the Contoocook River just south of the current Main Street Bridge and a roundabout to replace the five-way intersection. These improvements would move higher volumes of traffic through the downtown than traffic lights and would be much more pedestrian friendly. Looking forward, public meetings will be scheduled to discuss the VHB proposal and to arrive at a consensus. The project would then be submitted to Southwest Region Planning Commission and, if approved, would be placed on the State's 10-Year Transportation Plan. To achieve the Downtown Goal, it is vital that a practical traffic solution be implemented.

The Town is establishing a revolving loan fund in 2004 to assist small businesses. Loans from this fund will be combined with other resources to strengthen small and emerging businesses in our downtown. The successful management and growth of this fund will be another component of our strategy to achieve our Downtown Goal.

Education

Education Goal: Establish a strong working partnership between businesses and schools. Resolve by new construction the inadequacies of the physical plant and fix the inadequacies in curriculum and instruction.

For years, Jaffrey has shared a public education system with Rindge. Jaffrey is home to Conant High School, Jaffrey/Rindge Middle School and Jaffrey Elementary School, while Rindge maintains the Rindge Elementary School. Due to recent growth in Rindge, the student population is evenly split between the two Towns. In addition to the public school system, Jaffrey has a parochial elementary school, St. Patrick's School, which serves about 170 students in grades K-8. Students attending St.

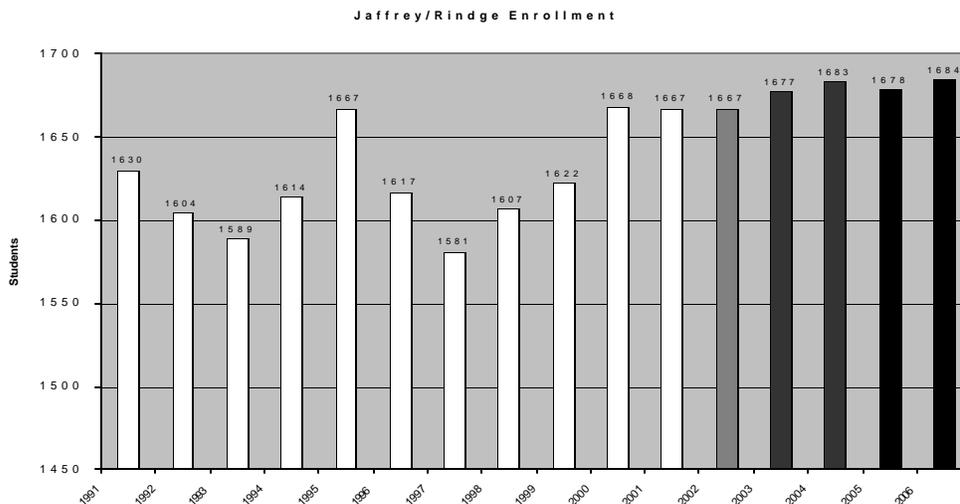
Patrick's are from within the region and are not necessarily from Jaffrey. Victory High School is a small private high school located in town that serves about 40 students. This is also a regional school.

A good, reputable, public education system is essential for economic growth. Families want their children to receive the best education possible and businesses recognize this factor and will try to locate or expand in communities that offer excellent educational opportunities. This fact is repeatedly verified when visits are made to businesses by economic development personnel. The Jaffrey-Rindge School District is currently in need of upgrades to the middle school and high school to accommodate increasing enrollments and to accommodate today's curriculum. The School District has made proposals over the past four years to address the situation but has been rejected by voters each year. Although bonds for minor additions to the grade schools in Rindge and Jaffrey were approved in 2002, it is the middle school and high school facilities that need immediate attention. Jaffrey teachers and staff continue to provide an excellent education to students despite the need for a new facility. Soon, however, the physical condition of our schools will become a critical issue. It is important to our continued economic vitality and quality of life that the school building issue be resolved.

Businesses and educators recognize that education needs are continuing to change and that adult education programs need to be established. The Jaffrey-Rindge School District currently works with the New Hampshire Community Technical College system and regional businesses to provide continuing adult education classes. This partnership should continue to be actively supported by the Economic Development Council.

The proposed Applied Technology Center (ATC) within the Jaffrey-Rindge School District is slated to focus on environmental and horticultural areas of study. This ATC program is part of a regional ATC system that includes the Contoocook Valley School system (Peterborough) and the Masenic School District system (New Ipswich). Their ATC curriculums include daycare management, business/manufacturing management, culinary management and woodworking/carpenter skills. Students from the three school systems are able to participate in any of the ATC programs. The ATC curriculum for the Jaffrey-Rindge District should be researched and revised to meet the demands of today's marketplace.

The following graph summarizes the Jaffrey/Rindge school enrollment for the years 1991 through 2001, with projections for future years. The current middle school and high school facilities are over 25 years old and were not designed for today's curriculums and student population.



Source: New England School Development Council

Recommendations

Vision Statement – Economic Development Plan

To provide the Town of Jaffrey with a plan for economic opportunity and development that promotes a dynamic, diversified economic base consistent with our small town character.

Goal: Economic Development

Develop a strong public/private partnership with commercial and industrial businesses with the goal of enhancing the retention and growth of current businesses.

Action Items

1. Maintain an active Economic Development Council that includes members of the public and private sectors.
2. Manage the Towns' Tax Increment Finance Districts to promote economic growth consistent with community priorities. Highlight the Districts in all business recruitment efforts.
3. Use the Business Visitation Program as a vehicle for public and private sector communication and problem solving initiatives.

Goal: Workforce

Promote new and existing employment opportunities for Jaffrey residents.

Action Items

1. Work with the New Hampshire Workforce Opportunities Council, NH Community Technical Colleges, and the Department of Resources & Economic Development to help provide job training for local residents and assist local businesses in gaining capable workers.
2. Annually target at least five businesses in Jaffrey that wish to expand. Identify barriers to their expansion plans and work to overcome these barriers.
3. Help to market available commercial and industrial properties in Jaffrey.

Goal: Tax Base

Encourage and support businesses that contribute to Jaffrey's property tax base in order to reduce the tax burden of residents.

Action Items

1. Support established businesses through a comprehensive Business Visitation Program. Ensure that participating businesses are visited at least once every three years. Complete an annual program review that includes measurable results of the program and strategies for improvement.
2. Attract new businesses by promoting Jaffrey through the use of grant programs and by the promotion and continued updating of the Economic Development home page.
3. Ensure that adequate opportunities exist for future and expanded business activity throughout the community by reviewing zoning, infrastructure needs, and other action items contained in this plan. If such opportunities do not exist, work with consultants and planners to assist in implementing changes.

Goal: Land Use

Encourage land uses that allow a viable economic base to be maintained. Establish a committee to examine the efficacy of local zoning ordinances in terms of economic development.

Action Items

1. Obtain Geographic Information System software for the Town Economic Development & Planning Departments.
2. Survey the availability of land currently zoned for commercial and industrial use including the availability of existing properties.
3. Determine the number of acres required for future economic expansion and identify suitable sites.

Goal: Water & Wastewater

See that the Town's water and wastewater problems are solved.

Action Items

1. Work with Federal and State agencies, elected representatives, professional consultants, and Town residents to identify and implement solutions to on-going water and wastewater issues.
2. Educate residents about the enormous costs to be incurred by the Town related to compliance with the NHDES administrative order.
3. Work with surrounding towns to address water and wastewater issues best addressed at the regional level.
4. Forecast demand for these services over the next 20 years.

Goal: Downtown

Provide a vibrant downtown area that is financially healthy, pedestrian friendly and culturally active.

Action Items

1. Continue the financial support of TEAM Jaffrey and the Main Street Program.
2. Work to implement a Downtown traffic solution.
3. Use the new Revolving Loan Fund to help leverage additional financing for Downtown businesses.
4. Manage the Downtown TIF District to provide needed infrastructure improvements. Establish a Community Center in the downtown area that is funded, in part, with Downtown TIF District funds.
5. Monitor progress towards achieving the downtown goal annually through resident surveys.

Goal: Education

Establish a strong working partnership between businesses and schools. Resolve by new construction the inadequacies of the physical plant and fix the inadequacies in curriculum and instruction.

Action items

1. Work to facilitate a solution to the school building issues.
2. Promote the school districts' internship and mentoring programs. As part of the Business Visitation Program, ask local businesses for input on educational needs.
3. Encourage the development of an Applied Technology Center curriculum and continuing education programs that are geared to the workforce needs of area employers.

Goal: Tourism

Preserve the economic well-being and quality of life of Jaffrey and its residents by strengthening the local tourism industry through a comprehensive tourism development program of tourism research, marketing, and promotion, support of special events, and the development of destination attractions and tourism infrastructure.

Action Items

1. Research the demographic characteristics of tourists who come to Jaffrey as well as their motivations for visiting our Town. Use this information as a marketing tool and strategy.
2. Help publicize special events that are organized by TEAM Jaffrey, the Chamber of Commerce, and other organizations in Town.
3. Work to encourage the development or revitalization of destination attractions through the use of grants and through partnerships with the private sector.
4. Market community businesses by making brochures available to visitors at strategic locations and attractions.
5. Work with regional organizations like the Monadnock Travel Council and the New Hampshire Office of Travel and Tourism to do a better job of promoting Jaffrey's tourist attractions.
6. Research opportunities for a regional jitney service for inter-town transportation, especially during the height of the tourism seasons.

APPENDIX

References

The following reference sources were used for data collection:

Town of Jaffrey – Department of Public Works – Water and Wastewater Mapping Base

Town of Jaffrey Master Plan 1990 and 1997 Update

Jaffrey Economic Development Statistical Data & Analysis, May 1998

Southwest Region Planning Commission Data Base

New Hampshire State Data Center – New Hampshire Office of State Planning

New Hampshire Department of Employment Security

New Hampshire Department of Revenue Administration

New Hampshire Department of Resources and Economic Development

New England School Development Council

US Census – 1990 and 2000

Supplemental Information

Property Tax Payers – 2001

	<u>Name</u>	<u>Nature of Business</u>	<u>Taxable Valuation</u>
1.	Public Service of New Hampshire	Utility/Electricity	\$5,644,390
2.	Millipore Corporation	Manufacturing	\$4,846,987
3.	Belletete's Inc.	Retail	\$2,055,210
4.	Teleflex, Inc.	Manufacturing	\$1,895,957
5.	Ragged Edge Realty (Plumb Pak Bldg.)	Real Estate	\$1,650,808
6.	Belletete's Inc.	Real estate	\$1,600,135
7.	New England Wood Pellets	Manufacturing	\$1,187,762
8.	Forest Park Realty	Real Estate	\$1,172,171
9.	Golf Course Investors of Delaware, Inc	Golf Course/Real Estate	\$1,1097,371
10.	D. D. Beans and Sons, Co.	Manufacturing	\$1,096,875

Water Users – 2001

Annual Usage--Gallons

1.	Forest Park Estates	Mobile Home Park	2,970,000
2.	Belletete's Inc.	Laundromat	2,544,000
3.	NH Catholic Charities	Nursing Home	1,828,000
4.	P&G Family Trust	Apartments (Pine East)	1,590,000
5.	TAC Properties	Manufacturing (Med Fab)	1,086,000
6.	Town of Jaffrey	Humiston Field & Hockey Rink	812,000
7.	Russell Hertrich	Apts. (Jaffwood-#1))	749,000
8.	McDonalds Corporation	Restaurant	603,000
9.	Bruce Pelletier	Laundromat	593,000
10.	Russell Hertrich	Apts. (Jaffwood-#2)	563,000

Sewer Users -- 2001

1.	Millipore Corporation	Manufacturing	20,019,000
2.	Forest Park Es tates	Mobile Home Park	4,858,000
3.	Belletete's Inc.	Laundromat	2,544,000
4.	NH Catholic Charities	Nursing Home	1,828,000
5.	P&G Family Trust	Apartments (Pine East)	1,590,000
6.	D. D. Bean and Sons Co.	Manufacturing	1,448,000
7.	TAC Properties	Manufacturing (Med Fab)	1,086,000
8.	Russell Hertrich	Apts. (Jaffwood-#1)	749,000
9.	McDonalds Corporation	Restaurant	603,000
10.	Bruce Pelletie r	Laundromat	593,000