

## IV. ECONOMIC BASE

### INTRODUCTION

*At the core of any Master Plan is the belief that quality of life in a community requires a careful balancing of social and economic concerns. The 'quality of place' has become a major source of attractiveness for employees in a knowledge-based economy. To address the social concerns of the community surveys were conducted in 1987 and 1993 on community attitudes. The 1997 and 2003 Master Plans were guided by these concerns and a number of significant changes in the Plainfield by-laws have been made as a result of this consultation process.*

*One may usefully catalogue the community priorities, which have guided the Master Plan as follows as follows:*

- Preservation of the rural identity*
- Social needs*
- Livability of the community*
- Sustainability*
- Transportation infrastructure*
- Housing*
- Social capital*

The Town of Plainfield is predominantly a rural residential community, with some modest but growing commercial and industrial activity. Most of the existing businesses are small and a number of residents are self-employed. The concentrations of commercial activity are in the villages of Meriden and Plainfield and along the State highways.

Plainfield's economic base is closely tied to the regional economy. The majority of residents work and shop in the larger neighboring communities, particularly Hanover and Lebanon.

The environment, schooling, our natural resources, and the small-town character of the Town are important to the community. Clean air, clean rivers and streams, forests, agricultural fields, and scenic views, as well as the rural, small-town quality of life, attract residents, tourists and businesses.

Data used in this chapter came from several sources, including the previous Plainfield Master Plan, the U.S. Census and American Community Surveys (2006-2010), and the New Hampshire Office of Energy and Planning.

### 1984-1993 COMMUNITY SURVEY RESULTS

The following is a brief summary of the results of the 1984 and 1993 Community Surveys. The surveys focused which directly on attitudes relative to economic development. A comparison of the results suggests that there was little change in the attitudes of Plainfield residents between surveys. In cases where the percentage of respondents are indicated, the most recent survey result is the number shown, otherwise it is the number which is shown first, followed by the result from the 1984 survey.

- A majority continue to want Plainfield to remain a rural/agricultural (51.1 %) or commuter/bedroom (18.8%) community. Even fewer (14.3% vs. 22.8%) now want Plainfield to become a light industrially-based town. Almost no respondents (1.5% and 1.1 %) have wanted to see Plainfield become commercially-based.

- A modest plurality (Yes [40.9%], No [32.5%], and Uncertain [26.6%]), want to see more commercial growth in Plainfield.
- The most favored types of future economic development continue to be: small, home-based businesses (92.2% and 87.9%); farms (70.0% and 92.2%); professional offices (43.4% and 62.5 %); and restaurants (43.2% and 51.4%).
- The least favored forms of economic development continue to be: heavy industry (90.1 %) and industrial parks (76.8% and 82%); shopping centers (83.3% and 88%); motels (56.6% and 78%); and office parks (46% and 63 %).
- A plurality (45.2%) continue to prefer additional commercial development to occur within or adjacent to village centers, while others (14.1 %) indicated their preference for development along Routes 12A and 120. A small number (9.9%) preferred it to be scattered throughout Town, or concentrated in commercial shopping center(s) outside village centers (5.6%).
- There was support (Yes [57.3%], No [41.3%]) for the establishment of commercial zones in Plainfield. Responses indicate that residents are most comfortable with additional commercial development along Routes 12A and 120, and within or adjacent to existing village centers.
- Respondents continue to feel that Plainfield is a desirable place to live because of the following: un-crowded and quiet conditions (88.2%); scenic quality (74.1%); friendly people (60.6%); outdoor recreation (38.2%); and good schools (37.1%).
- *In 1998 the Plainfield Zoning Ordinance was modified to restrict commercial development to properties within 500 feet of a state highway. In addition, to encourage re-use of existing buildings and to promote the consolidation of essential services within the VR zone, an additional use, ‘Approved Combination of Related Uses’ was introduced. Also at this time another use was also introduced ‘Approved Business Project’ to allow’ for grouping of businesses within the VR zone.*

## 2006 COMMUNITY SURVEY RESULTS

Q. 28. In an effort to increase the number of local jobs, the development of ‘light industry’ should be encouraged in the town (e.g. contractor’s office and storage, equipment sales, laboratories for research, assembly of computers or electronic equipment)

Agree 52% Disagree 31%

Q. 29 Zoning regulations should be adjusted to protect the residential and historic nature of the village centers and discourage further commercial development in those centers.

Agree 47% Disagree 38%

Q. 31 Plainfield should be kept residential. New businesses, other than home based or cottage businesses should be discouraged.

Agree 31% Disagree 56%

Q. 32 In order to insure that Plainfield remains a residentially based community, the Town should continue to place strict restrictions on lighting, noise and hours of operation of any new business proposed for a residential neighborhood.

Agree 72% Disagree 20%

Q. 33 Zoning regulations should be amended to create a new zone, Village Center (VC) designed to protect the residential character of villages by further restricting the size and type of businesses allowed.

Agree 45% Disagree 40%

Q. 34 Current VR zone regulations are least restrictive on business development in village centers in the belief that Town services can best be provided there and that concentrating development in the village centers will best preserve the rural nature of the overall community, Regulations for the VR zone should continue to permit business development in village centers.

Agree 68% Disagree 13%

## INCOME CHARACTERISTICS

Income levels in Plainfield are higher compared to Sullivan County, Grafton County and the State. As Chart IV-1 shows, between 1979 and 1999 median family income in Plainfield rose faster than those for either Sullivan or Grafton Counties, as well as the State as a whole. The 1999 median family income of \$61205 now exceeds that of all the afore-mentioned groups.

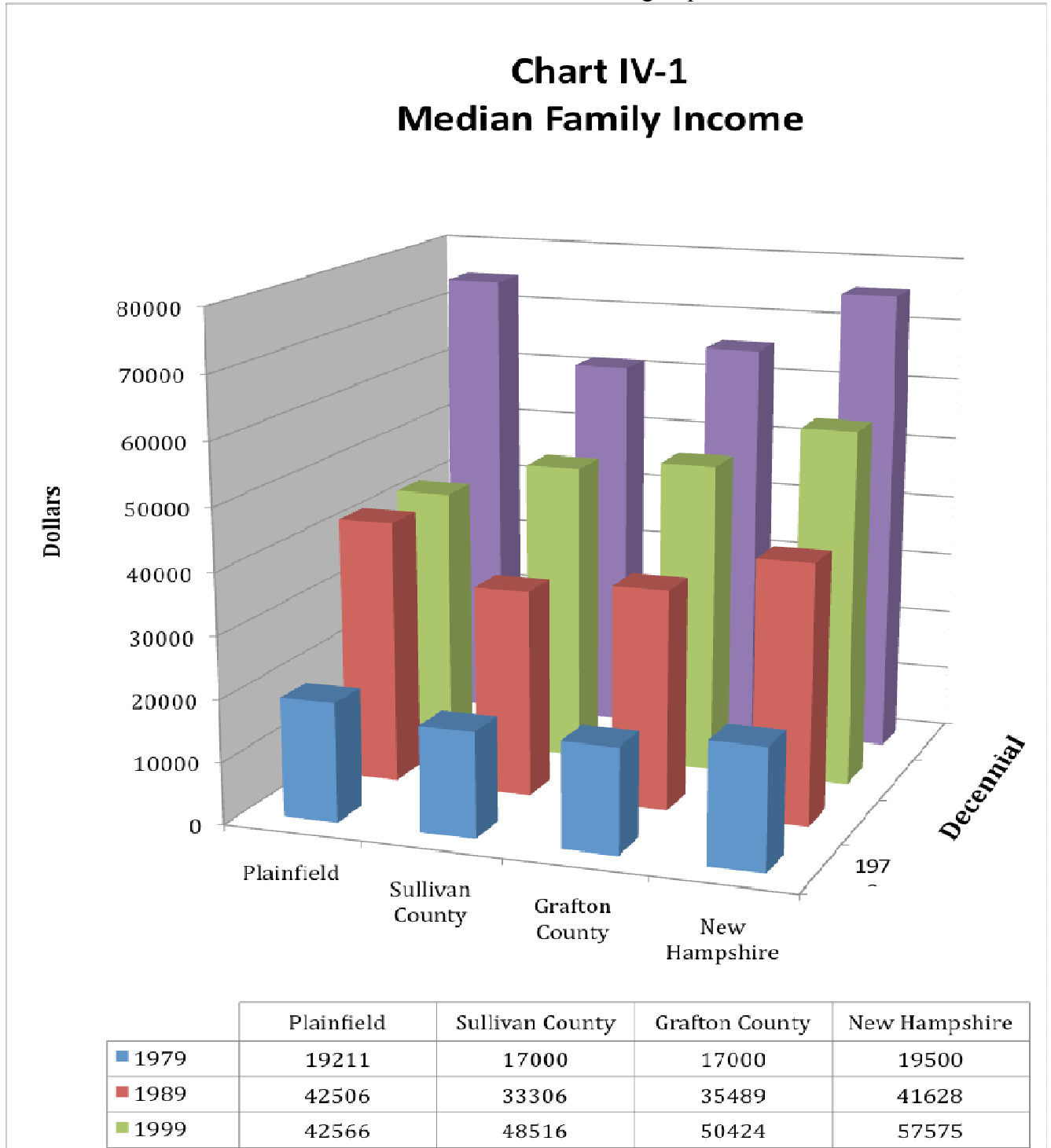
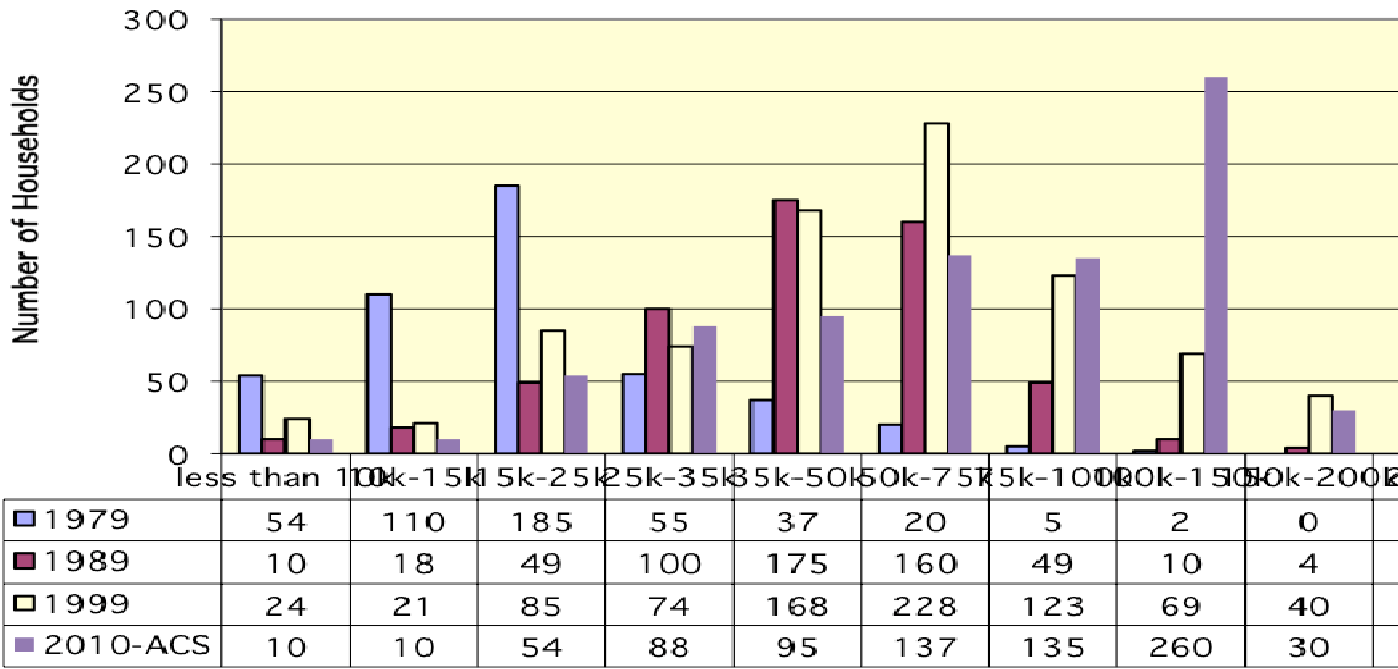
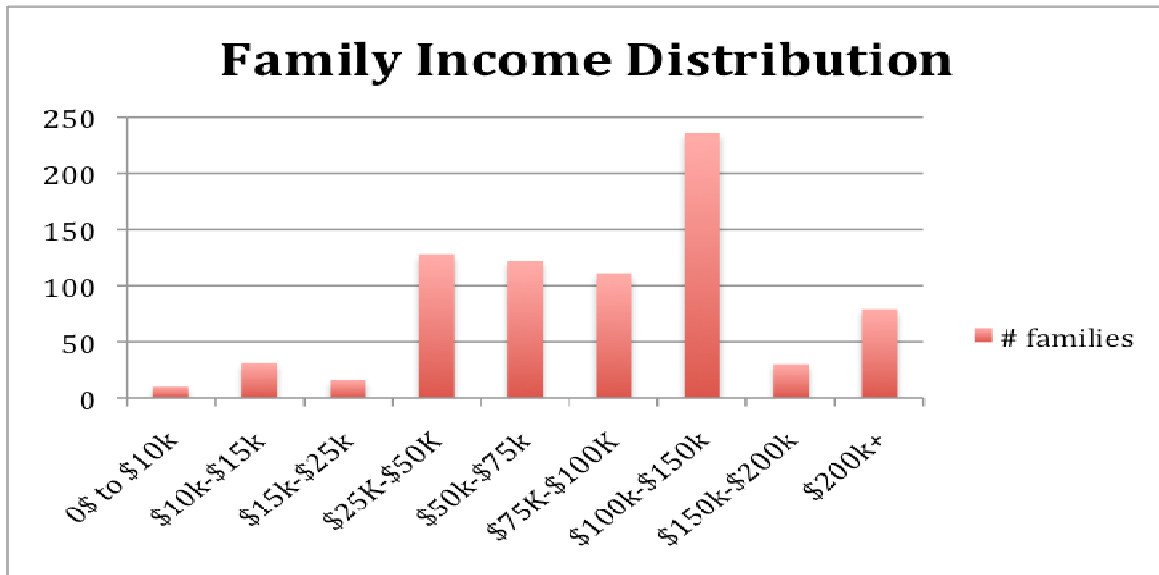


Chart IV-2, shown below, illustrates the distribution of household income within Plainfield in 1979 through 2010. The number of housing units receiving different levels of income is shown. In addition to the shift to the right that one would expect due to inflation, there is a substantial re-centering of the distribution in the middle income range indicating that a higher percentage of households had income levels in the middle of the range in 2010 than in 1999. The total number of households with income of less than \$25,000 decreased to 77 from 130 in 1999. Households with incomes in excess of \$150,000 increased dramatically from 6 to 126 over the 1989-2010 period.

**Chart IV-2 Plainfield Household Income Distribution**



Mean Household Income as shown on Chart IV-3, at \$102,222 has grown dramatically in the last decennial and exceeds that of Sullivan County, Grafton County as well as that of the State.



### HOUSEHOLD INCOME ACS 2006-2010 Estimates

Income Group	Households	
less than \$10k	10	
\$10k-\$15K	10	
\$15k-\$20k	31	
\$20k-\$30k	71	
\$30k-\$50K	135	
\$50k-\$75k	137	
\$75k-\$100k	135	
\$100k-\$150K	260	
\$150k-\$200k	30	
over 200k	96	
<b>Total Households</b>	<b>915</b>	
<b>Median Household Earned Income</b>	<b>\$85,966</b>	<b>835 Households</b>
<b>Mean Household Income</b>	<b>\$102,222</b>	915 Households
<b>Mean Social Security Income</b>	<b>\$12,817</b>	245 Households
<b>Mean Retirement income</b>	<b>\$15,118</b>	159 Households
<b>Mean Supplementary SS Income</b>	<b>\$1,386</b>	7 Households
<b>Families with food stamps past 12 months</b>		8

## POVERTY LEVEL

Following the Office of Management and Budget's (OMB) Statistical Policy Directive 14, the U.S. Census Bureau uses a set of money income thresholds that vary by family size and composition to determine who is poor. If a family's total income is less than that family's threshold, then that family, and every individual in it, is considered poor. The poverty thresholds do not vary geographically, but they are updated annually for inflation using the Consumer Price Index (CPI-U). The official poverty definition counts money income before taxes and does not include capital gains and non-cash benefits (such as public housing, Medicaid, and food stamps). Poverty is not defined for people in military barracks, institutional group quarters, or for unrelated individuals under age 15 (such as foster children). They are excluded from the poverty universe--that is, they are considered neither as "poor" nor as "non-poor." Local level data are published only every ten years.

### Poverty Thresholds in 2010,

#### by Size of family and number of related children Under 18 Years

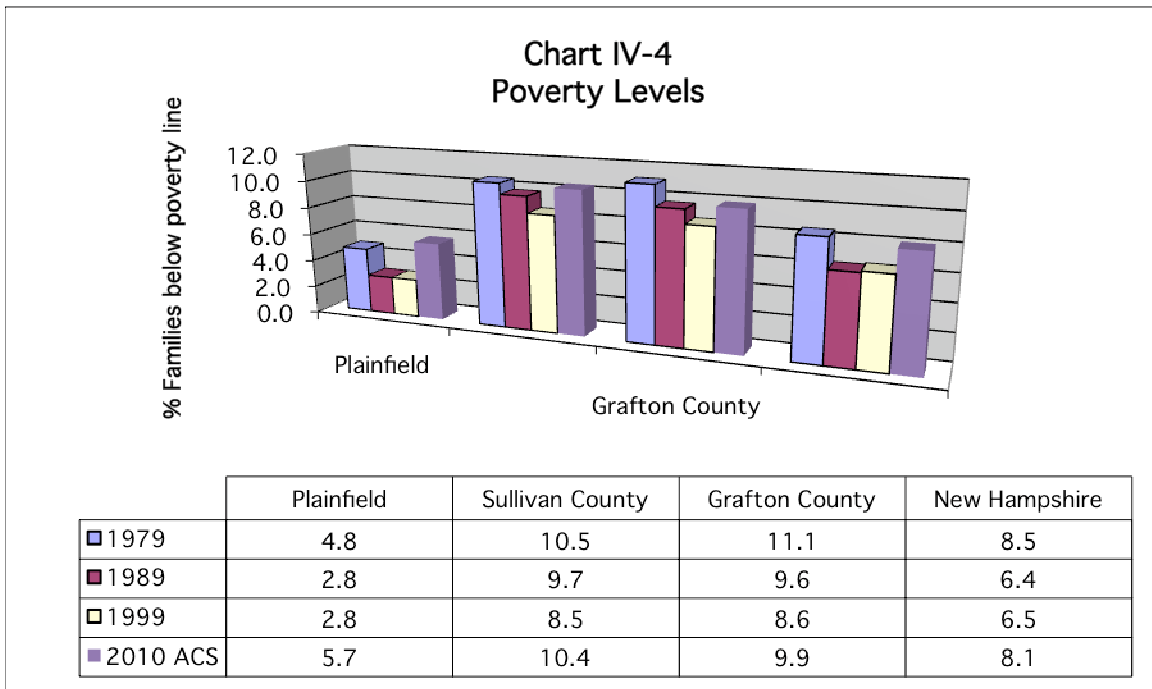
<u>Size of family unit</u>	<u>Weighted average thresholds in dollars</u>
One person (unrelated individual)	11,139
Under 65 years	11,344
65 years and over	10,458
Two people	14,218
Householder under 65 years	14,676
Householder 65 years and over	13,194
Three persons	17,374
Four persons	22,314
Five persons	26,439
Six persons	29,897
Seven persons	34,009
Eight persons	37,934
Nine persons or more	45,220

Source: U. S. Bureau of the Census,

Chart IV-4 shows a comparison of the percentages of the population below the poverty line for Plainfield, Sullivan and Grafton Counties, and the State, for 1979, 1989 and 1999 and estimates from the American Community 2006-2010 Surveys. While all the groups showed a reduction in poverty over the late 1990's the 2010 estimates show increase, driven by better tracking of healthcare costs. Plainfield continues to have a significantly smaller percentage of families living below the poverty line than either county, or the State. *Plainfield needs to address financial relief for these families.*

04 Families below poverty line

■ 1979  
■ 1989  
■ 1999  
■ 2010





As Table IV-5 illustrates poverty is spread across age groups. The number and percentage of persons over 65 living below the poverty line has decreased during the period 1989 to 2010, and is below that of the two counties and the State as a whole..

**Table IV- 5**  
**POVERTY STATUS BY AGE GROUP**

*Poverty Distribution- Plainfield*

<b>Age Group</b>	<b>less than 1x PL</b>	<b>1x to 2x or less than PL</b>	<b>Total Population</b>
under 6	22	15	185
6-11	26	27	255
12-17	6	35	168
18-24	0	8	81
25-34	56	7	213
35-44	10	63	453
45-54	19	34	406
55-64	8	7	526
65-74	0	9	138
over 75	9	0	115
<b>Total</b>	<b>156</b>	<b>205</b>	<b>2540</b>

<i>Data from ACS 2006-2010 Surveys</i>
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## EMPLOYMENT

Tables IV-6 and 7 provides a view of Plainfield residents' employment status and grouping by occupational categories. Plainfield has a high percentage of people (74.1%) with managerial/professional (white collar) jobs. Farmers have been included with Production workers in ACS counts.

**Table IV - 6**

<b>Employment Status-2010-</b>		
<b>ACS 2006-2010</b>		
	<b>Number</b>	<b>Percent</b>
Population 16 and over	1993	100
In labor force	1551	77.8
Civilian force	1551	77.8
Employed	1532	76.9
Unemployed	19	1.0
Armed Forces	0	0.0
Not in labor force	442	22.2

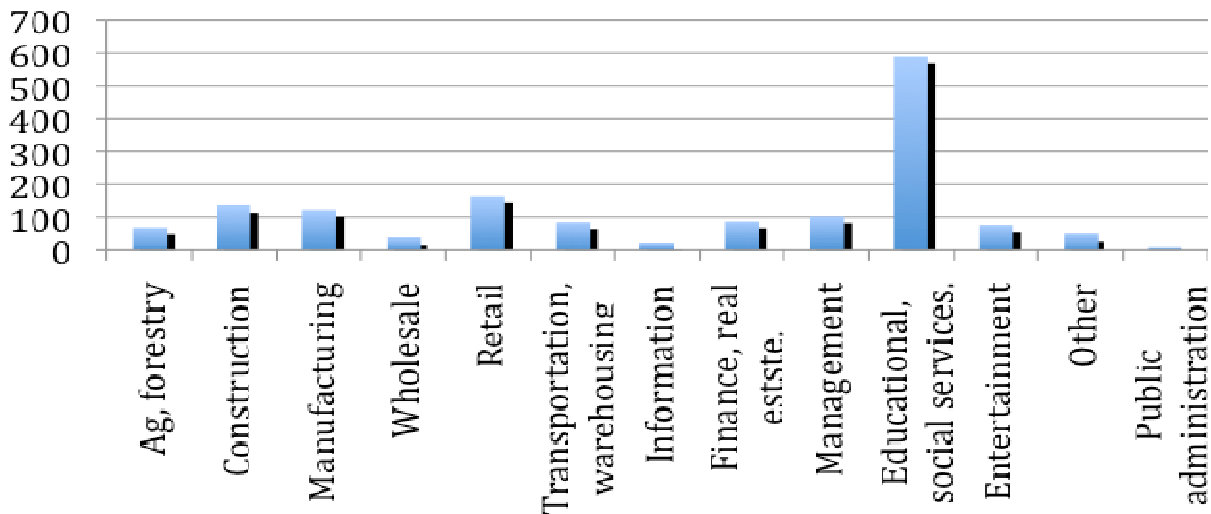
**Table IV- 7**

## Employment by Occupation 2010

### ACS 2006-2010

	1999		2010-ACS	
Employed persons 16 and over	1306	100%	1532	100%
Management, and professional	517	39.6%	802	52,3%
Sales and Administrative support	336	25.9%	304	21.8%
Production/Transportation	121	9.3%	148	9.7%
Construction/maintenance	203	15.5%	145	9.5%
Service	116	8.9%	103	6.7%
Farm/fishery/forestry	13	1.0%	Incl. in construction	

## CHART IV-8 EMPLOYMENT BY TYPE OF WORK



**TABLE IV-9  
WORK LOCATION AND COMMUNITING**

WORK LOCATION	%

At Home	7.6
Claremont	16.4
Lebanon, Hanover,	62.2
Windsor, Hartford	13.8
<b>TRAVEL TIME TO WORK</b>	
Less than 10 minutes	8.40%
10 to 14 minutes	4.90%
15 to 19 minutes	21.10%
20 to 24 minutes	29.20%
25 to 29 minutes	11.10%
30 to 34 minutes	16.10%
35 to 44 minutes	3.30%
45 to 59 minutes	3.30%
60 or more minutes	2.50%
<b>Mean travel time to work (minutes)</b>	<b>22.8</b>

<b>MEANS OF TRANSPORTATION</b>	<b>%</b>
Car alone	80.8
Carpool	6.5
Public Transportation	0.3
Walked	3.3
Worked at Home	7.6
Not working	1.4

## **REGIONAL ECONOMIC TRENDS**

Over 90% of Plainfield's resident workers travel to other communities for employment (see Table IV-9), indicating the importance of examining trends and characteristics of the regional economy and how these impact on Plainfield.

*Issues to be addressed ;*

*Where is the growth?*

*Will it continue?*

*Where is the housing?*

*How to promote regional cooperation and development*

## **PROPERTY TAX BASE/RATES**

The per capita wealth, the amount of taxable property value, or tax base, per resident, has grown significantly in the past ten years as shown in the chart below. Part of the change is due in part to property re-evaluation. About one third of the growth is attributable to inflation, the remaining growth is attributable to real growth in the tax base; i.e., new growth and additions. .

The Town of Plainfield has a relatively high property tax rate driven largely by school costs which account for some 70% of the overall tax rate.

Plainfield ranks 217 out of 261 in tax rates comparison within NH communities.. Lebanon ranks 221 while Hanover with the larger tax base ranks 85.

The tax rate is of course directly impacted by the size of the tax base and the spending rates. The 2010 full value tax rate was \$23.75.

## TAX BASE INFORMATION- 2010 NH DRA

	TAX BASE equalized valuations \$ millions	POPULATION	WEALTH per PERSON \$ 2000	WEALTH per PERSON \$ 2010	2010/2000 %
PLAINFIELD	287	2364	45267	121000	267
CORNISH	192	1640		117000	
LEBANON	1840	13151	85006	140000	165
HANOVER	2.01	11260	73576	179000	243

*Inflation accounted for some 27-33% of this increase.*

New local economic development does, of course, contribute to a community's local property tax base. It can, in a few cases it relieves the property tax burden placed on individual homeowners. It would be naive, however, to assume that extensive new commercial or industrial development would reduce the local property tax burden. The influx of new businesses brings concurrent new residential development, which, in turn, places additional pressure on community facilities and services such as schools and highway, police and fire departments. It can also drive up the price of housing, which is counter-productive to the Town's goal of encouraging affordable housing. Notwithstanding this, Plainfield is not immune to development in adjacent towns and the overall housing shortage in the area. Large lot requirements, high land prices and the gradual saturation of the towns of Hanover /Etna is driving high-end development in Plainfield.

It is, therefore, important to critically examine both the costs and benefits of new commercial or industrial development and to project the potential secondary impacts of new development before encouraging business growth in Plainfield.

The key to a strong municipal tax base in New Hampshire is well planned, balanced and well timed growth. A sound capital budgeting program can also help maintain the fiscal health of a community, since it projects major capital outlays and provides for stable, long-term financing arrangements. Plainfield has a good history of fiscal discipline.

### **ECONOMIC POTENTIAL**

The Town of Plainfield has limited potential for both commercial and light industrial development, and is not likely to become a major economic center. Limitations for economic development include low population density, distance to markets, lack of rail service, lack of public water and/or sewer, topography and other natural limitations, and small labor supply.

Plainfield does, however, have the potential for certain types of commercial and light industrial development. The first type is based on local population growth, which increases the demand for locally-oriented service; trade and construction firms, convenience stores, drug stores, hairdressers, carpenters, etc.

The second type of economic potential for Plainfield is business, which caters to the affluent seasonal visitors, or can draw customers from a large area, extending beyond the typical market, Home Hill and Singing Hills are examples of this type of business. To attract these customers to Plainfield, there must be something special about the business, based on either quality or uniqueness. Businesses in this category include quality restaurants and specialty shops and services.

The third type of economic potential is the home-based business, which already is an important form of local economic activity. As communication systems and information technology improve, businesses can locate in more rural, remote areas and work can take place within the home.

The final form of potential economic growth is light industrial development and wholesale businesses. Unlike years ago, when many industries were large, noisy and polluting, there are many small, clean, light industries today, which could become assets to the Town. Examples of clean, light industry include small electronics, computer, stitching, research and testing, and machine shop companies. Wholesale and mail-order companies also can be clean, quiet and attractive. With proper land use controls, such as zoning, subdivision regulations and site plan review, the Town can encourage this type of economic development and still protect the public interest.

## **GOALS AND RECOMMENDATIONS**

It is important to realize that Plainfield's economy is closely related to its natural resources, its rural small-town character and *closely tied to the development of the Upper Valley*.

The intent of the following recommendations is to strengthen and protect Plainfield's economic standing. The farms, forests, rivers, brooks and ponds, scenic views, historical character and rural small-town qualities are major economic assets, which attract businesses, residents and visitors. It is possible to allow limited economic growth in appropriate locations while, at the same time, protecting and enhancing Plainfield's assets through sound land use planning, site and building design, and the adoption and enforcement of local land use regulations, which are designed to protect the public interest. This will allow Plainfield residents to enjoy the benefits of economic growth without destroying the quality of life..

### **GOAL**

Plan for growth and renewal, while maintaining the rural agricultural character of Plainfield and protecting its natural resources and open spaces.

### **Recommendations 2010 Plan**

1. Efforts be made to mobilize the community around a new centrality of arts, culture and heritage as basic assets of the town, and to encourage civic entrepreneurs to contribute to the development of social and relational capital
2. The Community is wealthy enough to provide direct assistance to those in poverty.

The Select Board and Community should be encouraged to provide 100% tax abatement for all below the poverty line; 75% abatement for those below 125% of the poverty line; 50%

abatment for those below 150% of the poverty line and 25% abatment for those below 200% of the poverty line.