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Economic Development

Introduction

Economic development in South Hadley, while ensuring the vibrancy of the town, must proceed cautiously, with full attention to aesthetics, appropriateness of location, current zoning, the health, welfare and safety of inhabitants, and the preservation of the highly valued rural, small town atmosphere. This chapter's goals center on strengthening the town's economic development climate through investments, planning, and policies that are:

- Practical and achievable, recognizing South Hadley's assets, limitations, and position in the regional market
- Balanced, recognizing that South Hadley's small-town character and quality must be protected, and keeping actions and policies consistent with this strong community goal
- Forward-looking, recognizing that the Town's future economic base will be very different from its past one, so that local resources are invested to create long-term opportunities in the future.

South Hadley is at a crucial point in its economic development strategies. Situated within the I-91 corridor and the 'Five College' area, with the important resource of Mount Holyoke College in the north-central section of the town, South Hadley has many important advantages for its future economic development planning. Over one-third of the town's workforce works within South Hadley, and important employers such as the College and manufacturing firms create a net 'import' into town of nearly 3,600 workers each day. In May of 2007, the Town secured Economic Target Area and Economic Opportunity Area designations from the Commonwealth of Massachusetts, providing new and potentially very powerful options for incentivizing redevelopment in town, especially in South Hadley Falls.

However, South Hadley also has challenges. Chief among these are a low proportion of the property tax base in non-residential uses; loss of manufacturing activity and employment in South Hadley Falls; and transformation of the regional economic and transportation systems which have impacted travel to/from the Falls area; and the local effects of the nationwide, multi-decade shift away from manufacturing towards a service-based economy. Several large employers have left South Hadley in the past decade (including American Honda Credit and Fibermark), leaving substantial industrial facilities, buildings, and blocks at key locations in town either vacant, underutilized, or in transition. The Town faces other potential closures and relocations, including the potential loss of more important, anchoring facilities in South Hadley Falls. At the same time, South Hadley's proximity to the I-91 corridor, while it brings many opportunities, also limits economic development options: the Town sits between major regional retail centers in Chicopee, Holyoke and Hadley, and the regional employment center in greater Springfield, which limits the range of non-residential development and re-development options.

With these constraints and resources taken together, it is clear that South Hadley's core economic development challenge relates directly to the physical development of key areas and parcels in town. South Hadley's economic strategies must work with:

- The Town's geographic relationships to adjacent towns, and the region
- The type and extent of transportation access available to different areas of the town
- The future development options, and accompanying policies, for specific sites and areas that are key to the Town's economic development.

South Hadley has tremendous potential to enhance its overall economic vitality in the future, even with the challenges posed by the loss of manufacturing and the need to develop/redevelop key properties and areas, and the strong desire to retain the community's small town feel and character. The goals and strategies in this Economic Development Chapter are intended to help the town begin moving down this path. The Economic Development Chapter starts with a description of the town-wide economic development goals, and the public process used to develop them. The chapter then describes how these goals relate to specific geographic areas of the Town, and provides recommended strategies for each area that relate directly to the Town's overall economic development goals, as well as the vision for maximizing the economic development vitality of specific areas of South Hadley.

As this Comprehensive Plan was developed, South Hadley's Economic Development Subcommittee, which was charged with developing the goals and strategies for this Plan, conducted a survey, workshop, and mini-gathering to gain public input on South Hadley's strengths, weaknesses, opportunities and threats (SWOT). In the workshop, surveys and meeting, participants keyed in quickly on the economic transition taking place in South Hadley, notably the loss of major manufacturing employers, but also the many assets and successes that contribute to the town's past and current successes. This input was used with other background research and data to develop an Issues Paper and Economic Development Goals that reflect the desired economic future for South Hadley over the next twenty years.



This section includes an introduction to South Hadley's Issues and Economic Development Goals. The Recommended Actions conclude this chapter.

Identification of Issues

To identify the community's economic development issues, the consultant team and CPAC conducted interviews with various community stakeholders and held a March 5, 2008 Public Gathering. Results of the input were compiled in a preliminary identification of the community's Strengths, Weaknesses, Opportunities and Threats – a "SWOT" analysis. To further its issues analysis, the Economic Development Subcommittee of the CPAC then held an Issues Gathering in July 2008.

Significant Economic Development Characteristics

Based on the various inputs and analyses, a variety of economic development characteristics were identified. Some of these characteristics are uniformly considered as strengths while others are readily identified as weaknesses or opportunities. However, other characteristics may be considered as either a strength, weakness, or opportunity depending upon the perspective of the individual or the perspective in which the characteristic is being viewed.

The following were identified by the community as significant economic development characteristics for South Hadley:

- Location and access:
 - proximity to major highways
 - Berkshires are nearby
 - convenient shopping opportunities and services
- The Village Commons
- Mt. Holyoke College
- The Five Colleges in the area (educational and cultural assets)
- Small town, rural atmosphere
- Minimal amount of commercialization
- Commercial development along the Route 33 (Willimansett Street) corridor southeast of Route 202 into Chicopee
- Mixed use south of the intersection of Route 202 and 33 and towards the Chicopee line
- South Hadley Electric Light Department dark and light fiber
- Lack of an industrial base
- Dearth of small, "mom and pop" type businesses in the Falls area
- Loss of businesses/vacant storefronts
- Conversion of industrial land to residential
- Influence of chain stores
- Tax rates



- Lack of direct access to interstate highways
- A tourist market with more entertainment businesses and hotels
- Expansion of the industrial base
- Possibilities for mixed use development in the Falls and along Route 33 for retail/service businesses
- Home-based businesses
- Certain sections of Routes 116, 202, and 33 offer ample opportunities for professional services
- Industrial corridor along New Ludlow Road and Industrial Drive
- Streetscape, signage, lighting, pedestrian, parking and transportation improvements

South Hadley Falls Characteristics

Throughout the various public meetings and interviews with stakeholders, the status of the South Hadley Falls area was consistently stressed as a community concern, issue, and opportunity. The general characteristics identified as critical for this area's economic development included:

- Opportunities exist despite history of economic distress
- Need to support existing business
- Vacant and underutilized properties have development potential
- Existing municipal facilities and recreation are seen as positives

Principal Economic Development Issues

An overarching theme gathered from the public input was that while pursuing and facilitating new business development, full attention should be paid to aesthetics, appropriateness of location, current zoning, the health, welfare, and safety of inhabitants, and the preservation of the highly valued rural, small town atmosphere.

Through the aforementioned analyses, many economic development issues were identified. The following principal economic development issues have guided formulation of the Comprehensive Plan's Economic Development Strategy.

- South Hadley Falls is underdeveloped and offers significant economic development opportunities.
- South Hadley has lagged in new business development which has resulted in a disproportionate portion of the tax base being attributable to residential land.
- The community's location and access offer opportunities to capitalize on technology and "green" development advances.
- Regional educational, cultural, and environmental resources and institutions have not been fully utilized in local economic development efforts.
- Lack of effective use of technology to facilitate economic development



- Maintenance of the community's character while also increasing its economic strength
- Economic Development Leadership
- Retention of existing businesses, especially small businesses, home-based businesses, and telecommuting, has not been given adequate attention but offers significant opportunities.
- Local regulations have, at times, posed barriers to business development without benefiting the community.
- Economic development efforts have lagged due to a lack of effective coordination and adequate resources

Description of Principal Economic Development Issues

South Hadley Falls is underdeveloped and offers significant economic development opportunities.

While South Hadley Falls has economic uncertainty, there exists an abundance of opportunity given its history, location, and concentrated population. Available buildings and land as well as local initiatives also offer opportunities to attract investment". The Main Street corridor can once again become a vibrant "Main Street Community" with active ownership and renewed investment. Such vision and ultimate success will require a "real" and "sustainable" community effort. This vision can be further supported by knowledge of land restraints, use, availability, ownership and opportunities. Communication of information is often seen as imperative to ignition of activity.

A Falls Business Development, Improvement or Revitalization Committee would take charge in creating a solid and supportive bridge between businesses potential investors, and the Town of South Hadley;. Such an organization could provide the support, knowledge, guidelines and funding needed to enhance existing facades, streetscapes and infrastructure.

Particular attention to the riverfront, and vacant and underutilized properties will forever be the cornerstone to the South Hadley Falls revitalization. Such properties are suggested areas for housing, mixed-use development, parking and business condominiums. The Falls is additionally anchored by the continued existence of the Public Library, SHELD, InteliCoat, Town Hall, and the Beachgrounds. The future of InteliCoat and its properties is an area of concern, while the potential relocation of institutional anchors such as SHELD, the public library, and churches, has raised additional awareness of the impacts of the larger community's shifting development and growth patterns.

Available funding and investment are important to the economic well-being of South Hadley Falls, but the key to the town's economic future is the community's businesses, its volunteers, or hiring of individuals to promote and attract business on a level this Town has not yet realized. Key parcels need to be examined in a more holistic fashion so that a more integrated development of the Falls can proceed. A qualified individual (refer to ED-8) could promote the development of these parcels in hopes of obtaining the type of structures and businesses desired by the people of South Hadley.



Effective economic redevelopment requires a focused, collaborative effort by the local business community, affected property owners, the Town, and creative broad ideas from outside sources. One of the mechanisms that has been used in other communities is formation of a Business Improvement District (BID). Such an organization provides for a special tax assessment or fee agreed to by the affected property owners. Funding from such assessment is used to expand services in the BID – but only as determined necessary and appropriate by the board of the BID which is selected by the participating property owners. While CPAC considered recommending a BID, it was determined that such a recommendation should derive from a focused revitalization planning process directed by the businesses and property owners in the Falls area. Therefore, while it is not recommended in this plan, CPAC would encourage the Falls businesses and property owners to further explore this tool and determine whether it is appropriate for their needs

South Hadley has lagged in new business development which has resulted in a disproportionate portion of the tax base being attributable to residential land.

Expanding commercial and industrial development is seen as another opportunity when viewing the associated tax base, available land and potential job growth. New Ludlow Road and the Industrial Drive area will likely be the foundation for an "Industrial Corridor". This area appears to provide all of the ingredients for industrial opportunity without any adverse impact to the residential community.

Commercial development continues to thrive along the Route 33 (Willimansett Street) corridors East of Route 202 into Chicopee. This stretch of land beginning at the intersection of Route 202 & 33 and ending at the Chicopee/South Hadley town line is prime for mixed-use development and could provide opportunities for a much needed commercial tax supplement. The residentially zoned areas of this section of Route 33 should remain residential while affording limited business development opportunities under the Professional Business classification by Special Permit to preserve the integrity of these and abutting residential properties. The Massachusetts Highway Department adjacent to the Big Y Plaza, is an area that is underutilized as regarding taxes, growth and aesthetics. Relocation of this facility to a less "prime" site would expand the economic development potential of this corridor. Land remains available as part of and adjoining the Big Y plaza for further commercial expansion.

New business development, redevelopment, and business retention is principally determined by the level of investment interest. Through various tools (such as, taxes, zoning, streamlined permitting, utility rate and extension policies, and available funding), the community may impact such interest. Attracting and retaining businesses requires a plan that is supported by the various community institutions including Town Meeting, regulatory boards and commissions, Selectboard, and utility boards and reflects market conditions.

Investment, survival and retention of businesses depend largely on communication, marketing, parking, landscape, aesthetics, reinvestment, and upkeep. To sustain current business and to encourage future growth, the progress starts with improving existing assets through enhanced access. Enhanced access could be seen as clean streets, impressive landscaping, connecting sidewalks, bike racks, benches, coordinating storefronts, directional signs, better lighting and additional parking. The Falls and The



Village Commons are areas requiring additional parking to maintain and improve business therein.

The community's location and access offer opportunities to capitalize on technology and "green" development advances.

"Green development" is an environmentally, economically, and fiscally prudent approach to managing development. Over the long term, such practices can save private and public entities money. Thus, it is increasingly a higher priority consideration by private as well as public entities in making their investment decisions.

With the increasing focus, regionally and nationally, on "green" technology and "green" development practices, encouraging such approaches is an essential element of any successful economic development strategy. On a community basis, implementation of such a strategy will depend as much to the distribution of economic activity relative to residential areas as on specific implementation projects or town policies.

Adopting guidelines or standards that recommend or require the use of LEED (Leadership in Energy and Environmental Design) standards from the US Green Building Council have been suggested as one way for South Hadley to move towards this goal. However, the Town should be sensitive to the cost implications of these standards, and the complexity of redeveloping sites such as the Texon building under existing codes and standards.

It is important to bear in mind, in planning, that redevelopment of already-built communities, infill development, and development that reduces commutes and daily driving are all, in and of themselves, green strategies. Creating linkages from housing to multi-use service centers, as is recommended for the Willamansett Street and Newton Street corridors, is an important green growth strategy. Putting goods and services in reach of neighborhoods and employment centers is in and of itself a carbon footprint reduction strategy, and one the town is well poised to accomplish.

Development of the SHELD fiber network offers potential to enhance the local economy's access to the global economic system. Utilization of such a network can promote economic activities which are not location driven, but can be carried out at distant locations; thus, reducing the carbon footprint which would otherwise be associated with the activities.

Maintenance of the community's character while also increasing its economic strength.

The corridors to South Hadley, specifically Routes 33, 47, 202, and 116, must remain attractive, inviting, and characteristic of a small rural town. The planning tools to ensure this vital preservation of the main thoroughfares into the town are already in place and have resulted in successful, aesthetically pleasing outcomes.

South Hadley has ample retail space available, as evidenced by vacant storefronts and the constant, conscientious zeal by managers of commercial areas to keep that retail space filled to capacity with tenants. Thus, the town must take care of the commercial areas that already exist. Residential areas, particularly the corridors of 202, 33, and 116, must remain as residential in nature and appearance as possible via this valuable planning tool, the Professional Business Use provision. The residents of South Hadley do not want



its main thoroughfares to resemble the seemingly endless stretch of convenience stores, fast food chains, retail businesses, car washes, fast food buildings, pubs, and gas stations that dominate the Chicopee portion of Route 33. The Professional Business Use designation provides a buffer along 116 between the businesses in the Center Commons and the Big Y Plaza and offers the same transitional relief on Routes 33 and 202.

Regional educational, cultural, and environmental resources and institutions have not been fully utilized in local economic development efforts.

In real estate, “location” is always stressed as the single most important factor in making investment decisions. It is similar in economic development, but clearly location is viewed in the context of available resources. South Hadley’s location within the Pioneer Valley offers significant opportunities as the basis for a viable economic development strategy, yet, the community has not effectively capitalized on the region’s natural resources nor educational assets.

South Hadley’s natural beauty, Connecticut River waterfront, Mount Holyoke and Mount Tom ranges, and proximity to the Berkshires’ all can be part of its overall economic development strategy. The conservation and rural lands in the northern parts of town are part of the Town’s appeal to businesses, residents, and recreation-seekers. In the future, there may be ways to build on the resource of The Ledges golf course and clubhouse to promote more recreation use, and more economic return to the town, through uses such as clubhouse rentals, tennis, and cross-country skiing. In addition, to the extent a recreation-based strategy can be initiated for the Falls, this can contribute to the overall marketing of the town as a recreation and cultural destination.

The region’s strength is often seen as a measurement of the abundance of cultural resources in the Five College area. Mount Holyoke College is an extraordinary asset for the community. The facilities and programs offered by Mount Holyoke College serve local residents while also drawing in visitors to the community. Among these cultural and recreational draws are the annual flower show, excellent historical and art museums, athletic events, and the Orchard’s Golf Course. Unfortunately, the College has diminished some of its offerings, such as the Musicorda and the Summer Theater. While loss of such offerings leads residents and visitors to travel to other parts of the region for some additional intellectual and cultural entertainment, the fact that such offerings are available in adjacent and nearby communities, speaks strongly of the region’s strength. An economic marketing program needs to emphasize the local and regional cultural resources.

Lack of effective use of technology to facilitate economic development

One of the most significant changes in peoples' and business's lives over the last ten years has been the World Wide Web. This technological and cultural change will continue. It is South Hadley's challenge to keep current with it for the benefit of its citizens and businesses. If a prospective individual or business is considering moving to a new town, they would most assuredly research the web to find a desirable town or city through its web site. Development and maintenance of an outstanding town web site is relatively inexpensive and yet its marketing and informational benefits to residents and prospective residents are enormous.



Economic Development Leadership

Increased proactive outreach to the business community in South Hadley, the surrounding area, and via the web can attract the type of development that could sustain South Hadley into the future. CPAC members and citizens can visualize great things for South Hadley, but these visions can only be realized when someone has the responsibility to make them happen. Therefore, a new part time or full time person is needed to fill this role of actively recruiting new businesses and retaining existing ones.

Retention of existing businesses, especially small businesses, home-based businesses, and telecommuting, has not been given adequate attention but offers significant opportunities.

Most jobs are created and retained by small businesses. The shift to an information-sharing-based economy has also resulted in more opportunities for small businesses and business locations in geographical areas separated by distance from suppliers and consumers. As the global economy becomes more interconnected through the use of high speed fiber systems such as that being developed by SHELDT, the role of location becomes less significant than the role of technological access. Local policies and regulations (such as requirements for home occupation special permits) need to be reformed to recognize and capitalize on this transformation. Reformation of such policies and regulations can and should encourage growth of small businesses, home-based businesses, and telecommuting while enhancing the stability and quality of our residential neighborhoods and town character.

Local regulations have, at times, posed barriers to business development without benefiting the community.

South Hadley's Zoning Bylaw was created for and during a different era. It was a time when communities sought to encourage and accommodate the automobile, segregate all business uses, and promote lower density developments. Some of these regulations pose barriers to business development (through prohibited actions or increased costs) without having clear community benefits. In fact some of the requirements may be contrary to community goals and objectives, for example:

- Public hearing and review requirements for home occupations Special discourages applicants whose businesses are engaged in technology linked activities or "green industries".
- Front setback requirements for commercial developments which result in the buildings having to be sited 35 feet from the front property line encourages location of parking lots in front of the buildings – an aesthetically less desirable feature.
- Some Zoning Bylaw provisions (such as Business B standards) provide significant height and setback incentives for commercial developments while permitting a mixture of residential and commercial land uses. However, when including residential uses as part of the development, more restrictive residential dimensional standards are required for the complete development, discouraging the allowed mixed-uses. This is a potentially significant limitation in areas where more residential use would enhance the retail market, particularly, the South Hadley Falls area.

Financial incentives offered through the Economic Development Incentive Program also pose barriers through the state-imposed limitations on qualifying businesses and difficulties for mixed-used developments.



Economic development efforts have lagged due to a lack of effective coordination and adequate resources

South Hadley has sought to undertake economic development on a fragmented basis with part-time resources. The Town Administrator and Town Planner have attempted economic efforts as their schedules have allowed. This has limited the amount of time devoted to economic development and not facilitated the proactive, participatory efforts that are needed to address the business community needs. The fragmented nature of the community's governing structure (i.e., independent fire districts and electric light board) limit the effectiveness of any economic development effort undertaken by the "Town".

A successful economic development effort requires resources independent of any one portion of the municipal government and active participation by the business community, particularly the financial sectors. South Hadley has a local chamber of commerce and branches of five distinct banks. Additionally, there are offices of numerous attorneys and financial advisors located in the community. Collectively, the various public and private entities could, working cooperatively, provide a solid structure for leadership while contributing resources needed to direct the economic development efforts.

The economic development effort needs to address the needs of the community's existing businesses while also working to develop new businesses. Taking a proactive approach, the effort needs to be sustained and multifaceted. Efforts need to be made to meet the needs of the struggling businesses as well as those that are stable and growing. Barriers to maintaining their operations in South Hadley need to be identified and solutions implemented before local businesses reach a decision to relocate.

Simplifying and streamlining the permitting maze which characterizes South Hadley's fragmented system of governance should be a high priority for the economic development leadership. At the same time, the leadership team could assist businesses in navigating this permitting and governance system.

Economic Development Goals

The goals, and the explanations/discussion that are incorporated into the Recommended Actions and Strategies section of this chapter, were formulated by the Economic Development Subcommittee after much evaluation, study, and reflection on the feedback provided by participants in the mini-gathering, the workshop, and on the returned surveys.

ED-1	A revitalized, thriving commercial and residential center in South Hadley Falls with expanded employment and economic opportunities
ED-2	A balanced property tax base to support community services by development of an economic climate that is attractive to new and expanding businesses
ED-3	“Green economy” principles and characteristics utilized in businesses throughout South Hadley
ED-4	An active economic development strategy that capitalizes on South Hadley’s and the region’s education, cultural and natural resources, and includes an active recreation component
ED-5	An information system infrastructure that provides residents, businesses and the Town of South Hadley with a state of the art network for education, municipal services, telecommunications, entertainment, and business.
ED-6	Vigilant maintenance of the visual quality, economic integrity, and historic development patterns of the corridors along Routes 116, 202 and 33 through expanded use by professional and home-based businesses
ED-7	An effective, organized central information clearinghouse, using current and emerging information infrastructure, promoting South Hadley to residents, businesses and organizations
ED-8	An effective and appropriately staffed municipally supported effort for attainment of South Hadley’s economic development goals, including the revitalization of South Hadley Falls

South Hadley's Economic Profile

Understanding South Hadley's local economic profile, as well as its strategic position in the Pioneer Valley's economy, is important to developing effective planning and development strategies. South Hadley's economic profile has been documented most recently in the Economic Target Area (ETA) and Economic Opportunity Area (EOA) designation applications (2007). These applications contain a wealth of detailed information on the community's economic data, and are on file in the Office of the Planning Board. The community's demographics, and the dynamics of its housing market, are equally important to the economic development picture, and are detailed in the Housing Plan.

This section summarizes important economic indicators, and then focuses on the specific physical neighborhoods, corridors, centers, and individual properties that are the keys to achieving South Hadley's economic development goals. "The numbers" for South Hadley illustrate the community's significant economic challenges stemming from the long-term decline of manufacturing, and the unique economic character of South Hadley Falls. The data underscore the need to position South Hadley's public facilities, redevelopment sites, and economic development zones to take advantage of new trends and increase economic opportunity.

Regional Context and Planning

South Hadley's geographic location in the center of the Pioneer Valley and relative proximity to the region's urban core of Springfield, Chicopee, and Holyoke give the town a transitional position with respect to the major employment centers, and the more rural, predominantly residential communities to the northeast.

The Pioneer Valley and the I-91 corridor, an inter-dependent economic area stretching from greater Hartford, Connecticut north through the Pioneer Valley to Brattleboro, VT and Keene, NH, has its own unique characteristics and challenges. Greater Springfield's employment base includes major employers, in such key economic sectors as insurance, health care, and higher education. The presence of such large employers and higher-paying jobs within the region, close to South Hadley, is a primary reason South Hadley's residents enjoy incomes and wages above the regional average. In spite of the presence of such employment centers in the region's economy, the region has higher poverty rates and lower educational attainment than the State as a whole, and has struggled to make the transition from a manufacturing-based to a service-based economy.



South Hadley has an important role in the region's goals. Despite some economic weaknesses in certain industry sectors, South Hadley provides a diverse employment base, wide range of housing types and costs (especially relative to higher costs in outlying communities, as noted in the housing plan), and a major opportunity for riverfront revitalization in South Hadley Falls. South Hadley should continue to make note of the regional concern about workforce development so that new and emerging industries will be attracted to the region, and notably to the major redevelopment sites in South Hadley.

South Hadley's goals are consistent with the Strategic Goals adopted in the 2008 Comprehensive Economic Development Strategy (CEDS) Annual Report adopted by the Pioneer Valley Planning Commission and Economic Development District. The Pioneer Valley plan discusses in detail the inter-dependence of communities in the I-91 Corridor. These Strategic Goals are:

- Strengthen and expand the region's economic base: Attract, retain and grow existing businesses and priority clusters; promote small business and generate flexible risk capital; market our region
- Foster means of regional competitiveness: Advocate efficient regulatory processes at all levels of government; recruit and train a new generation of regional leaders; enhance high-tech and conventional infrastructure.
- Supply the region with an educated, skilled, and adequately sized pool of workers: Integrate workforce development and business priorities; improve and enrich pre-K to 12 education; support higher education and retain graduates.
- Foster the region's business climate and prospects for sustainable economic growth: Revitalize the Connecticut River; develop an array of housing options; endorse a regional approach to public safety; champion statewide fiscal equity.

Source: Comprehensive Economic Development Strategy (CEDS) Annual Report, Pioneer Valley Planning Commission, 2008; p. 45

Another important part of South Hadley's context is its location in, and relationship to, the Five College area and its cultural and educational resources. The term 'Knowledge Corridor' is used to describe the region that includes South Hadley, where over 110,000 students attend 26 colleges and universities. This concentration of students bodes well for having a highly-educated workforce available, so long as there are sufficient opportunities to retain and advance this workforce into the future.

The mobility of residents, workers, and shoppers in the I-91 corridor means that South Hadley's economic development strategies must take full account of its position and resources relative to other employment, retail, and residential centers in the region. Any evaluation of the town's economic strengths and weaknesses should be seen in light of its position in this corridor, which as multiple regional retail, employment, and entertainment centers that sometimes compliment, but often compete with, local resources.

The Pioneer Valley's rich historic, cultural, and natural resources result in tourism being a vital component of the region's economy. South Hadley's location amidst the



Pioneer Valley, allows the community to serve as a point of access to many of the subregion’s tourist highlights such as the Mount Holyoke Range, Connecticut River, Firehouse Museum, or Mount Holyoke College.

Employment and Industry within South Hadley

In recent years, South Hadley has faced substantial challenges in maintaining a strong base of local employers and a robust payroll. Table 2-1 below lists the major employers in South Hadley, and the number of employees working at each one, as of 2006:

Table 2-1
South Hadley Major Private Employers, 2006

Name of Business	Nature of Business	Employment
Mount Holyoke College	Educational Institution	1,050
Intellicoat	Laminating/Plastic Coating	254
Wingate (Meadowbrook) at South Hadley	Nursing Home	168
Big Y Store - Willimansett	Retail Food Store	166
Big Y Store - Newton Street	Retail Food Store	143
Presstek	Digital printing solutions	92
Canson-Talens, Inc. (Morilla)	Fine Paper Products	87
EIS Wire & Cable	Wire & Cable	53
All Star Dairy	Dairy Distribution	38
Fairway Wholesale Corp	Siding products	25
TechFab	Metal Fabricator	19

Source: South Hadley Planning Board reported 11/1/08, from data from individual businesses as of 2006

Historically, South Hadley was home to a number of manufacturing businesses, and manufacturing still represents roughly eight percent of South Hadley’s job base, versus about ten percent of the job base in the Pioneer Valley. However, the manufacturing base has declined steadily and continued to decline between 2003 and 2007. The table below lists major manufacturing establishments that have closed or down-sized in the past five years, and the status of their operations and facilities.



Table 2-2
Changes among Major Employers

Employer/Company -Location	Year Closed/Downsized	Peak Employment	Square Feet	Facility Status
Fibermark -Canal Street	2006	Unknown	24,176	Vacant
Rexam Graphics Research Facility -Mulligan Drive off Alvord Street	2004	Unknown	40,445	Converted to Charter School – Pioneer Valley Performing Arts
BICC Cable -Canal Street	2005	Unknown	150,386	Leased and converted to Yankee Candle Company for a warehouse facility
Texon -off Main Street	Uncertain – but by the early 1980’s	Unknown	99,587	Vacant – Proposed for demolition by Holyoke Gas & Electric
IntelliCoat -Gaylord Street	Currently in operation, but continuously being downsized	1,200 +/-	408,721	Some portions of the complex are vacant; substantially downsized to approximately 150 employees; portions of complex have been leased for use by E, Inc.

Source: South Hadley Planning Board, 11/1/08.

Notes: IntelliCoat – Peak employment data is an estimate when the facility was owned and operated by James River Paper/Scott Graphics.

In addition to the businesses listed in the table above, Elite Printing ceased operating on Industrial Drive during the past 5 years. That building has been re-occupied by another company. Additionally, various retail/service companies have vacated spots over the past 10 years, but have largely been replaced by new businesses. Many of the changes have occurred in The Village Commons and in the Big Y Shopping Center on Newton Street.

Education has played a very important role in South Hadley’s economy since the 19th century. From 2003 through 2007, it was the only sector showing significant employment and real (inflation-adjusted) wage growth in town. At the same time, many sectors including manufacturing, retail, and health care, have lost businesses, employees, and real wages since 2003. Overall, the total payroll of South Hadley businesses was down 5.5% from 2003 to 2007 and the average weekly wages declined slightly as well. There are also slightly fewer business establishments reporting employment and wages in 2007 than there were in 2003 (308 versus 321).

These trends in local employment are challenging, and important to acknowledge. Over the 20-year horizon of this Plan, it is unlikely that South Hadley can count on retaining all of its remaining manufacturing employers in their current locations. Therefore, looking closely at local and regional trends, especially the region’s demographics, employment and industry trends, is essential in forming effective economic development strategies. A focus on diversifying the local employment base is especially important in light of recent (and anticipated future) trends.

In spite of the overall employment and total local payroll, workers employed in South Hadley continue to earn wages well above the regional average. In 2006, the average wage paid to a worker in South Hadley was \$36,088, versus \$29,654 for all of western Massachusetts. South Hadley ranked 13th of the 69 towns in western Massachusetts for wages paid.

**Table 2-3
Average Wage Earned, 2006**

Average Wage Earned by Location of Employment, 2006	
Average wage earned at a job in South Hadley, 2006	\$36,088
Pioneer Valley average, 2006	\$29,654
Average wage earned at a job in Springfield (highest in Pioneer Valley)	\$44,148
South Hadley Rank (for Western Massachusetts)	#13/69 towns
South Hadley as % of Western Massachusetts average	122%

Source: http://www.popc.org/resource_center/municipal_comparison/AVGANNWAGE.pdf, accessed 10/8/2008

Table 2-4 below identifies the number of businesses, employees, and wages paid in the years 2003, 2006, and 2007 in South Hadley. A more detailed breakdown can be found in Table 2-7 at the end of this chapter.

As detailed in the transportation section, every day, nearly 3,600 non-resident workers come into South Hadley to work. These workers represent an important source of demand for local goods and services, especially in areas such as South Hadley Falls where a ‘captive’ base of workers can help support local retail, restaurant, and service uses.

South Hadley has a relatively small percentage of telecommuting, home based workers. It is a goal in South Hadley to provide the infrastructure to support more home-based and telecommuting opportunities for residents as both an economic development and a ‘green’ strategy, since these types of opportunities allow workers to reduce their transportation use. SHELD’s effort to complete the fiber optic network to town is integral to this goal.



Table 2-4

Number of Businesses, Employees, and Wages

	2003	2006	2007
<i>All Industries</i>			
Total number of establishments	321	314	308
Total annual wages paid	\$158,645,977	\$168,091,816	\$172,127,456
Number of workers employed	4,742	4,661	4,578
Average weekly wages	\$643	\$694	\$723
<i>Goods-Producing (manufacturing)</i>			
Total number of establishments	56	59	62
Total annual wages paid	\$38,766,916	\$32,005,940	\$31,686,631
Number of workers employed	837	678	664
Average weekly wages	\$891	\$908	\$918
<i>Education</i>			
Total number of establishments	9	12	12
Total annual wages paid	\$59,113,626	\$67,372,224	\$70,566,723
Number of workers employed	1,480	1,609	1,605
Average weekly wages	\$768	\$805	\$846

Source: http://www.pvpc.org/resource_center/municipal_comparison, accessed 10/8/2008

Economic Indicators: Income, Workforce Participation, and Poverty Rates

In 2006 and 2007, South Hadley completed studies and analysis for the town’s applications to the Massachusetts Economic Development Incentive Program. These applications and implementation plans revealed an important split in the town’s economic well being between the town as a whole, and the Economic Target Area – especially the smaller Economic Opportunity Area in and around South Hadley Falls. These findings underscore the need for policies and actions that will support a more diverse employment base in the future.

Median Household and Family Income: Since 1989, South Hadley has lost ground in terms of the median family and household incomes of residents. Between 1989 and 1999, the State’s inflation-adjusted medians for both families and households surpassed South Hadley’s. South Hadley’s inflation-adjusted median household income fell 4.9% from 1989 to 1999, which was much greater than the Pioneer Valley’s overall loss of 0.4% in the same time period. Median family incomes in 1999 in South Hadley still exceed the regional average (\$58,693 versus \$51,231 for the Pioneer Valley), ranking South Hadley 23rd of the 43 towns in the Pioneer Valley. Recent estimates suggest that there may have been some gains in South Hadley through the mid-2000s, but these appear to be very modest.

Per Capita Income: This figure is an important measure of total income and spending power brought into a town by all households. South Hadley’s inflation-



adjusted per-capita income rose 3.4% in real terms from 1989 to 1999, to \$22,732. The net figure was slightly higher than the Pioneer Valley average of \$20,056 per person, but well below the state figure of \$25,952. In addition, the Pioneer Valley saw inflation-adjusted growth in PCI from 1989 to 1999 of 5.5%, and the State’s growth was 12.0%. South Hadley lagged, ranking 33rd of 43 Pioneer Valley towns in per capita income growth.

**Table 2-5:
Median Family and Household Income, Current and Constant 2008 Dollars**

	Current dollars			2008 Constant Dollars		
	1989	1999	2005/7 estimated*	1989	1999	2005/7 estimated*
Median Household Income:						
South Hadley	\$38,694	\$46,678	\$60,393	\$68,271	\$61,299	\$63,725
Massachusetts	\$36,952	\$50,502	\$57,176	\$65,197	\$66,320	\$64,051
Median Family Income:						
South Hadley	\$45,957	\$58,693		\$81,086	\$77,077	
Massachusetts	\$44,367	\$61,664		\$78,280	\$80,979	

*2005 estimate for Massachusetts from Bureau of Labor Statistics; 2007 estimate for South Hadley from ESRI Community Data.

Sources: ESRI Community Data (http://www.esri.com/data/community_data/demographic/index.html); Pioneer Valley Community Development Economic Strategy (CEDS) 2008 Annual Report, p. 11; and <http://www.census.gov/hhes/www/income/income05/statemhi2.html>

Labor Force Participation: South Hadley has had an above-average labor force participation rate and below-average unemployment rate relative to the Pioneer Valley – especially in South Hadley Falls. The analysis in the Economic Target Area application put the labor force participation rates in 2000 at 70 percent for residents of South Hadley Falls, and 67 percent town-wide. 2000 unemployment rates were 3.4 percent for South Hadley Falls and 5.19 percent town wide, compared to 5.57 percent in the Pioneer Valley. Analysis in the Town’s EOA/ETA application suggests that workers in South Hadley Falls are active in the labor force, but lack access to higher-paying job opportunities. On the whole, however, the active participation of residents in the labor force is an important competitive advantage for South Hadley.

Poverty Rates: South Hadley’s poverty rates remain below regional averages, except in South Hadley Falls. Between 1989 and 1999, the number of families in poverty increased from 2.84 percent to 4.12 percent, or 173 families; on a more positive note, the number of children in poverty fell from 6.99 percent to 4.77 percent. However, the analysis completed by the Town for the Economic Target Area application found that South Hadley Falls had a poverty rate of 10.25 percent, and a 2007 study found that 16.1 percent of the students in South Hadley’s school district were from households below the poverty line¹.



¹ http://www.masonicangelfund.org/poverty_rates.htm, 10/6/08

Table 2-6: Poverty Rates, 2007

	Percent
United States	12.5
Massachusetts	11.1
Pioneer Valley	13.5
South Hadley	5.9

Source: http://pubdb3.census.gov/macro/032008/pov/new01_100.01, accessed 10/8/08

South Hadley's Property Tax Base

Because South Hadley has a large proportion of land in conservation and non-taxable institutional uses, the composition of the taxable uses in town is important to the Town's overall ability to provide education and municipal services. These services are essential draws in attracting new economic generators to the Town, making a balance of residential and non-residential uses very important to the Town.

The housing boom of the early part of this decade did not pass over South Hadley, and has had a substantial effect on the composition of the Town's property tax base. In 2006, 88 percent of the tax base was residential. In 2008, the figure grew to 92 percent residential, with only 8 percent of the taxable property in non-residential use. Because residential dwellings tend to have a greater service demand, this shift is significant. In the public process for this Plan, participants recognized that it is important to increase the relative share of non-residential development in South Hadley to support the tax base, but in certain areas and at scales that are appropriate for the Town.

Commercial-to-residential rezoning represents a particular challenge in this regard. Since 2000, there has been one instance involving the conversion of commercial to residential in South Hadley. Within the Willamansett Street/Old Lyman Road area, the Town was approached by a property owner who felt that a number of economic conditions, including South Hadley's utility rates, contributed to a difficult environment for commercial development given the availability of sites in Chicopee. They sought and were given a zoning amendment to change the property's zoning from Industrial A to Residence A-1 to allow land to become single family residential.

Economic Development Focus Areas

As discussed throughout this Economic Development Chapter, South Hadley's economic development future is tied to the future of several key economic development areas or nodes. The map in Figure 2-1 shows the concentrations and corridors of businesses, services, and important employment centers in South Hadley. For purposes of this Chapter, these are identified as:

- South Hadley Falls, the historic downtown of the community, at the far southwest corner of town along the Connecticut River adjacent to Chicopee
- Willamansett Street Corridor, the area roughly bounded by and fronting on Route 33 and Old Lyman Road from the Chicopee border to their intersection with Route 202



- The Newton Street Corridor, which includes both the professional offices and residential uses lining Route 116 from Route 202 north to the Town Common, and the commercial center (including the Big Y plaza) in the area of the Route 33/Route 116 intersection
- The Town Common and The Village Commons, centered on the area of shops, services, restaurants, and the movie theater along the green on College Street, and its adjacent neighborhoods
- The recreational areas along Alvord Street.

Each of these economic focus areas has a different market area and function, both within the Town and within the I-91 corridor, and each has linkages to other important economic generators in the inter-related region. An important task for the Town will be a detailed look at the particular nature, market, and potential of each node, such as whether it serves service commercial or general retail purposes, acts or could act as a substantial employment generator, serves workers 'imported' into South Hadley, or functions as a neighborhood sub-center that can create, over time, a more walkable or short-distance travel pattern to services for different neighborhoods.

In evaluating land use and economic development strategies, it is equally important to pair up information on the regional competitive market with the town's desires and vision. South Hadley has sites that could support a retail sub-center with anchor tenants. The Town does not necessarily have the potential to host a larger-scaled regional retail development.

South Hadley Falls

Setting: South Hadley Falls is the historic downtown and main street of South Hadley that grew up and thrived in the Town's industrial heyday. South Hadley Falls continues to have a central and essential role in the Town's civic life. It is home to the town's library, police station, and town hall; St. Patrick's Church and Social Center, Canal Park, and the Beachgrounds Park along the Connecticut River. It is one of the Town's gateways from Holyoke, and a core part of the Town's identity.

South Hadley Falls has suffered decline for all of the typical reasons that historic downtowns and main streets have, including:

- The loss of the industrial base, that kept people working and shopping in the area
- The district's physical isolation; the South Hadley roadway network, especially Route 202, directs drivers away from and around South Hadley Falls, and Route 33 provides an easier route to retail destinations such as Newton Street, Town Common, the Wal-Mart center in Chicopee and the Holyoke Mall
- Small 'mom and pop' businesses that were well suited to the types of spaces available in a historic downtown setting have given way to regional power centers and malls, which cannot utilize existing downtown spaces easily
- Code issues constrain businesses that could otherwise locate in the Falls. The need to upgrade for current plumbing and other building codes can be an economic barrier to new uses in the Falls



- Historic ownership patterns have made it difficult for potential investors to assemble a sufficient amount of property to make an economically viable project
- Contemporary parking demands have constrained the addition of new employers and even the expansion of important existing facilities.
- Floodplain and riverfront regulations limiting development opportunities

Town Policies and Actions: Revitalizing South Hadley has been and continues to be the town's main economic challenge, especially as the manufacturing businesses that originally fostered the district's development close down. The Town's most important response to date has been a substantial investment in the physical conditions in the Falls. New and renovated sidewalks, street lighting, parks, and infrastructure have had a very positive impact on the appearance and function of the district.

Most recently, in April 2007 the Town obtained designation of the Falls as an Economic Opportunity Area under the Massachusetts Economic Development Incentive Program. The Selectboard has adopted a set of criteria for the potential grant of special tax incentives, including tax increment financing and special assessment agreements. These tax incentives, the agreement for granting any such incentive would require Town Meeting and State approval, can substantially write down the cost of re-using historic buildings and bringing new uses into the Falls.

Zoning, floodplain, and parking standards are another area where the Town has initiated work. Non-conforming uses within the Falls have been a major issue for planning and redevelopment. There is a clear need to update zoning definitions so that non-conforming uses are clearly defined, and limited to the extent allowed under Massachusetts law. Parking and floodplain zoning, which extends well into the EOA-designated area and strictly limits new structures, are also major issues. The Planning Board has waived parking requirements to encourage applicants to occupy buildings, but existing and potential tenants still face limitations on the function of their business from the general lack of available parking. Participants in this plan's development conveyed their feeling that the town meeting would grant much more generous waivers for parking and other zoning issues, but this does not entirely solve the lack of parking.

Another major ongoing issue, with enormous implications for the Falls, is the redevelopment of the Holyoke Water Power and Holyoke Gas & Electric properties along the river. These properties include the nearly 100,000 square foot Texon building (owned by Holyoke Gas & Electric) and the nearly 25,000 square foot FiberMark building owned by Holyoke Water Power (a subsidiary of Northeast Utilities) along with several smaller buildings and vacant lands owned by Holyoke Water Power. The Texon building is a century-old manufacturing facility which was vacated in the late 1980s and has numerous signs of decay. The FiberMark building, a much newer building, was only vacated a few years ago.

Under the license for operating the Holyoke Dam, Holyoke Gas & Electric is required to invest \$150,000 (or an equivalent) to develop a park along the river south of the Texon building and to provide a plan for disposition of the Texon building. Plans for this park depict walking trails and picnic areas with interpretive spots over a portion of the South Hadley canal. Additionally, as a condition for demolition of the boiler



room associated with the Texon building, Holyoke Gas & Electric is obligated to develop an additional park incorporating the former gatehouse buildings north of the Texon Building into a "Gatehouse Park". How the two parks become connected will depend on the future of the Texon building.

Holyoke Gas & Electric is planning to demolish the Texon Building in 2010 (as required by the Federal Energy Regulatory Commission's approved Comprehensive Recreation and Land Management Plan). The Town's Intervener Status Committee has been working and negotiating with Holyoke Gas & Electric for redevelopment of the site as a park which would link the Lower Riverside Park to the Upper Gatehouse Canal Park while also reflecting and the historic significance of the Texon building site and the South Hadley Canal.

Plans for the Lower Riverside Park have been approved by local and state permitting authorities. Holyoke Gas & Electric initiated work on landscaping of the Upper Gatehouse Canal Park in 2009 but delayed implementation of the Lower Riverside Park until the issues surrounding the Texon building were resolved.

In summary, despite the Town's investment in and commitment to the Falls, there are some significant and immediate threats to its viability that must be addressed. Most of these concern the possibility that key public and quasi-public facilities, including SHELD, the Town Library, and St. Patrick's Church and Social recreation Center, could be leaving South Hadley Falls. SHELD and the Town Library, due to space limitations are considering relocation and there is limited space available for these facilities in the Falls. St. Patrick's Church and Social Center's future is in question due to the Diocese decision to link the St. Theresa and St. Patrick's parishes. Of particular concern is the potential loss of daytime population within the Falls, which could be devastating to the remaining businesses. Active town policies on the location of buildings, and support for new parking options, will be essential to address the needs of these important uses in South Hadley Falls.

Creating a Redevelopment Strategy. South Hadley will need to arrive at a specific strategy for organizing its ongoing efforts to revitalize South Hadley Falls if it is to make the area vigorous and economically healthy into the new century. The choice of strategy is especially important at this time.

Many communities with historic downtowns, including several of New England's mill towns, have used a "Main Street" strategy of attracting retail, office, service uses, and complimentary residential redevelopment. This type of approach can work in situations that feature a strong residential component, usually occupied by households that spend sufficiently to support local restaurant and retail businesses. Given the other competing areas within South Hadley Falls, and nearby, this may not be the best approach in the short term. It would require a staff person and Business Improvement District designation, and could be compromised by a similar strategy being adopted and implemented in Holyoke across the river.

By contrast, an "amenity based" strategy relies on a specific attractor to bring people into an area, where they will then enjoy other, complementary uses that spur investment and economic activity. South Hadley Falls may have the potential to use recreation as the basis of an amenity-based strategy. The redeveloped Texon site (whether reoccupied or removed) and the Beachgrounds could be featured as a centerpiece for a recreation-oriented strategy, making the area a town-wide and

regional attraction. This type of effort would dovetail with recommendations in the Transportation section of this Plan to develop town-wide trails, originating in South Hadley Falls and making use of the waterfront area.

The fact that future investment in the Texon site, Gatehouse Park, and the Beachgrounds is likely makes it important to think through a strategy now. The eventual form of the redevelopment will affect the eventual shape of the waterfront park. While the site's overall development plan is being finalized, a market study of the regional competitive market for uses complementary to the new recreational facilities would help outline the potential market for such uses. South Hadley may be able to focus on recruiting other recreation-based uses into vacant areas. This, however, will be dependent on an effective parking strategy, that helps support other uses within South Hadley falls with additional parking.

Criteria for Redevelopment Strategies: Any planning actions and strategies for an area like South Hadley Falls must recognize some 'operating principles' for this type of redevelopment strategy:

- *Overcome the physical barriers:* The transportation network brings economic activity and employment around and away from South Hadley Falls. Therefore, a redevelopment strategy will need to attract people to the Falls as a destination, not a drive-by.
- *Complement strategies in Holyoke:* A recreation-oriented strategy would be a complementary strategy to Holyoke's riverfront redevelopment, potential High Performance Computing Center, and a potential multi-modal center. It will be essential to complement, rather than compete with or rely on, revitalization efforts across the river in Holyoke.
- *Update and modernize the zoning:* The Town has recognized that zoning, particularly use designations, need to be updated to facilitate any revitalization strategy. A mixed-use zone may be appropriate for revitalization, along with consideration of more aggressive dimensional standards such as not having a minimum lot size, maximum height, or setbacks (i.e. zero lot line zoning).
- *Address development and parking in the flood zone:* Floodplain zoning is an issue. The occupied floor of any building in much of the Falls must be above the flood elevation, and there are existing buildings within the floodplain that cannot be redeveloped unless they are combined into a larger redevelopment project. The floodplain zone is an area to think about as a development strategy for the Falls, especially since the ownership structure of the land and properties with respect to the floodplain is a major limitation on redevelopment. Making use of the minimum elevation standard to encourage ground-level parking may be an especially important area to study.

Willamansett Street Corridor

Setting: The Willamansett Street Corridor, for purposes of this plan, refers to the 'triangle' formed by Old Lyman Road, Route 33, and the Chicopee-South Hadley Town line, along with the adjacent roadway frontages, subdivisions, industrial areas,



and the Town's landfill. Some of the largest remaining land areas that could be converted into taxable uses are found here, most notably the Massachusetts DOT Highway Garage at the intersection of Route 33 and Route 116, and the Popielarz and Oertel farms in the area. As a result, this is one of the most important areas for the Town's future economic development, but careful planning is required to ensure that new development is consistent with the Town's goals and standards for aesthetics, community character, and diversity of the employment base.

The Willamansett Street Corridor is also notable for the extent of residential development that has taken place here, especially over the past ten years. It was in this district that a rezoning was obtained from commercial to single-family use, and the overall land use pattern is somewhat fragmented between residential and commercial use. The prevalence of single-family homes fronting on Old Lyman Road may continue to limit the area's commercial potential, and more new residential development is likely in this area as well. Many of the lots along Old Lyman Road are "approval not required" lots that can be developed for residential use without Subdivision review or approval under State law.

However, there will be good opportunities for mixed-use development in the area, particularly on the east side of Route 33. This area was looked at for retail development before a "power center" including a Sam's Club was developed five miles to the south. The Willamansett Street Corridor now acts as the gateway to the power center for South Hadley residents traveling south to shop. While the economic climate at the time of this plan writing does not favor major new retail developments, the land area along Old Lyman Road does offer the one potential site within South Hadley where a 'power center' or other retail and service center providing locally-consumed goods may be developed. The residential neighborhoods in this district, while somewhat scattered, would benefit from having a commercial sub-center that alleviated the need to drive to Chicopee or Holyoke to meet day-to-day shopping needs.

Zoning and land use issues for the area: Because this area has a high potential to support beneficial development, and help balance the tax base, South Hadley will need to evaluate zoning requests and other applicable policies to ensure that residential is not the 'default' or most desirable economic option for the Willamansett Street Corridor. New zoning strategies will be central to the area's future success, and the Town's ability to meet its economic development goals. At the present time, the zoning regulations allow residential only as part of a mixed-use development, but the overwhelming majority of new development has been residential. Specifying a residential ratio for new development, or a timeline within which non-residential uses must be included, is one strategy that could increase the share of non-residential growth. Caps on the size of a single wholesale or retail user, and limits on drive-through uses, are viable strategies for preventing large-scale retail uses, but should be evaluated periodically to ensure that valuable new uses are not prevented from locating here.

Effective policies regarding the future use of the farm off Old Lyman Road and the Massachusetts Highway Department garage are especially important. During the development of this plan, many residents noted that the Mass DOT garage is perhaps the most key parcel in all of South Hadley and would represent a "100 percent corner" with high visibility, access from major transportation routes, a central



location in an area with substantial residential development as well as a daytime workforce, and the potential to serve as a neighborhood center.

Finally, much more robust landscaping, streetscape, and other aesthetic standards are also crucial for the Willamansett Street Corridor. South Hadley's citizens have expressed concerns about ensuring that new development is consistent with local values for high aesthetic quality, as well as ensuring that new growth has an appropriate scale.

Newton Street Corridor & "Big Y" Plaza

Setting: Moving north from the Willamansett Street corridor along Route 116, the Newton Street corridor sits roughly at the geographic center of South Hadley. This area has a 'split personality' physically: it contains both the corridors of professional or 'soft' businesses that occupy the large-lot, formerly residential buildings that line Newton Street and College Street, and also the heavily-used Big Y commercial plaza and businesses at the intersection of Routes 33 and 116. As such the area has two distinct challenges: first, how to preserve the residential character and aesthetic feel of the professional business corridors, while helping businesses and services to thrive; and second, how to overcome the physical and transportation planning challenges that limit the vitality of the Big Y plaza and surrounding commercial node.

The Town of South Hadley Master Plan Update 1979 described "the overall attractiveness of Newton Street" as a "fragile commodity." This holds true today. It is especially important for the Town to develop and implement policies, especially zoning, that safeguard the charm, scenic beauty, and integrity of the Newton/College Street area. This Plan echoes the 1979 Plan in recommending vigilance regarding the zoning and also transportation policies that will help maintain the desired qualities of the area.

Zoning Issues for the Professional Business Use: The Professional Business Use designation (Section 7M of the Zoning By-Law) that is applicable to much of the property along routes 202, 33, and 116 is intended to maintain the residential appearance of these corridors and, at the same time, opens up these stretches to economic development via professional businesses with limited retail potential. This planning tool has helped achieve a compromise in preserving the beauty of the many homes, often historical in nature, while allowing by special permit those uses that are in character with the neighborhood. Under a 2006 amendment, the Planning Board may permit the sale or rental of goods subject to certain conditions." This zoning amendment effectively allows limited retail use in addition to professional office use. There is concern about implementation of this provision, however, to ensure that retail does not become a predominant use over professional office.

Containing "hard" businesses (e.g. conventional retail uses, restaurants, etc.) within The Village Commons, Newton Street/Route 33 Intersection, South Hadley Falls, and Willamansett Street Corridor, prevents the encroachment of businesses into neighborhoods of single family homes. Permanent zone changes from residential to business could lead to a gradual but irreversible shift away from the corridor's overall uniformity and residential appearance, and could seriously damage the

positive qualities that this area brings to South Hadley in terms of aesthetics, traffic levels and access management, supporting commercial development within other core areas, and offering excellent space for professional businesses. Protection of the charm, scenic beauty, and integrity of this area from the adverse effects from inappropriate zoning map changes, and particularly spot zoning, is essential.

Maintaining the Special Permit process for Professional Business Use is one strategy for ensuring that the town retains control over these corridors. The Town may consider an overlay district rather than the continued special permit process, which would apply design controls but eliminate a step in the regulatory process. However, this and any zone changes require careful evaluation so that the underlying residential visual character and the quality of life issues for residents in this area are preserved effectively.

Big Y Plaza and Newton Street/Route 33 Intersection: The intersection of Newton Street and Route 33, and the Big Y shopping plaza represents a crucial economic development node for South Hadley. In addition to acting as an important node for residents' local retail and service needs, there is capacity within the Plaza and the surrounding area for additional infill development.

One of the most important characteristics of the area is its potential 'walkability': this plaza, while accessible by sidewalk to many residential neighborhoods, notably a recent, new senior housing development, must be more pedestrian friendly within its boundaries. As discussed elsewhere in this Plan, supporting the development of mixed-use and service nodes that have easy access by walking, bicycling, transit, and shorter drives, is an important sustainability strategy for South Hadley. Supporting the economic health and viability of this area is thus especially important.

However, this area and particularly the plaza are currently under-performing from an economic standpoint. One of the key issues appears to be traffic access and circulation. As discussed in the Transportation chapter, the area suffers from a number of conflicting curb cuts and access points, and the intersection itself is a high accident location. Because Route 116 is a State highway, there are issues with Massachusetts DOT regarding signalization of the entrance, which limits the plaza's accessibility and attractiveness. Therefore, one of South Hadley's most important economic development issues will be to take a hard look at the traffic and transportation conditions in this economic development area, and to work cooperatively with MassDOT and the local landowners on potential improvements.

Town Common Area and Mount Holyoke College

In the north-central portion of town is the Town Common area along College Street, near the entrance to Mount Holyoke College. The Town Common area acts as the primary gathering place and focal point of South Hadley, drawing residents from all over town to the center of the community.

The Village Commons has the single largest concentration of shops and restaurants of any single development in the community, and allows visitors to park once and walk to a variety of places and attractions. With a movie theater and concentration



of restaurants, it also draws people from outside the Town – an important feature, since South Hadley does not have another economic development node that draws in out-of-town shoppers.

Generally, South Hadley’s policies for the Town Common area have been successful and have supported maintenance of its high visual quality, variety of shops and services, and attraction as a town-wide gathering place with regional appeal. As with the professional business corridors along Newton Street and College Street, the Town’s objective will be to protect the quality and character of the Town Common area, and ensure that zoning, design standards, and public investments are consistent with this objective.

The number of parking spaces at The Village Commons overall is inadequate. Additional community parking for all the businesses, churches and the Post Office that surround the Town Common is possible in the area behind the Commons which is aesthetically pleasing for this purpose.

The Alvord Street Recreation Corridor

Another important economic development resource in South Hadley is the variety of recreational opportunities available along the Alvord Street corridor. This area stretches from the municipally-owned/managed Ledges Golf Course on Mulligan Drive to Brunelle’s Marina at the corner of Alvord Street and Ferry Street.

Dominating the southernmost portion of this corridor, from a recreational perspective, is the Town-owned Ledges Golf Course, managed by the Golfing Commission. Recently, a new clubhouse was constructed with a combination of municipal and grants funding. The clubhouse, driving range, and golf course create a very attractive public open space, which can become an asset in the Town’s land use and economic development plans.

While South Hadley has some financial concerns with the golf course, this is not an uncommon situation for municipal courses. At the present time, the Town is paying approximately \$500,000 annually to cover the 20-year bonded debt incurred to develop the course. While operating revenues have increased, the original projection for the course’s operating revenues to cover the debt by 2009 is not a reality. There are some mixed feelings about the course’s future, and proactive solutions are always being explored and implemented. Though some residents see a need to develop additional uses, such as cross country skiing, tennis, and more availability of the clubhouse during off season; other citizens highly value the quiet and undeveloped nature of the area. The golf course is seen as an important asset that will require a thoughtful, ongoing conversation about its management to achieve its economic potential.

Land along Alvord Street has historically been used for agricultural purposes. While some significant parcels have been developed for residential uses (Stonegate and Spring Meadow subdivisions and Alvord Place condominiums), a number of agricultural uses have remained and developed a “recreational” component. Chief among these uses is McCray’s Farm which operates a creamery and a miniature golf



facility (this latter is operated under a Special Permit). McCray's Farm has historically operated a haunted hay ride, tractor pull contests, and similar "agriculturally-oriented" recreational activities.

Brunelle's Marina is located at the corner of Alvord Street and Ferry Street. For decades, this facility and the associated restaurant have served much of the river-recreational interests of the community. Within the past 10 years, the marina began riverboat cruises aboard the 'Lady Bea'.

Mount Holyoke College will soon be providing a new northern most anchor as a complement to Brunelle's Marina when it opens a new boat house for its recreational program. While built principally for college use, the facility will also offer community boating programs.

Supplementing the active recreational facilities along this corridor, the Town also owns and manages a number of passive recreational areas. Chief among these are the 284-acre Bachelor Brook-Stony Brook Resource Conservation Area situated adjacent to the site of the Mount Holyoke College boathouse and along Ferry Street and Hadley Street. Additionally, the town maintains trails in the Bagg Conservation Area at the end of Edgewater Lane off Riverlodge Road.

Other Economic Development Opportunities

South Hadley's historic economic base involved industry and farms. These elements continue to offer economic development opportunities in the 21st Century.

Redevelopment and Adaptive Re-Use of Industrial Sites

South Hadley is facing a future without the type of large-scale employers in substantial buildings that has historically been the commercial base. Therefore, a major task for South Hadley for the next ten to twenty years is to engage with private landowners, developers, and State and regional agencies to re-occupy or otherwise redevelop the major parcels or tracts South Hadley Falls.

Through the ETA and EOA designations, the Town has the ability to enact Special Assessment Districts (SAD) and tax increment finance (TIF) districts that can make a substantial difference in the relative cost to locate in South Hadley. Because SADs and TIFs have significant implications for the property tax base, the Town of South Hadley has adopted guidelines for determining when these tax-based tools are appropriate. Yet, despite the Town's best efforts, public incentives are not always sufficient to overcome this economic trend. Recently, an active effort to develop a special tax agreement to keep InteliCoat in town was withdrawn, and has not been resubmitted.



South Hadley will need substantial efforts to accomplish site re-development and re-occupancy, but it is certainly feasible. Some of the important limitations are:

- The floodplain overlay in South Hadley Falls; this will require aggressive attention to creative zoning revisions that enable construction and parking in a manner that is attractive and economically viable.
- In some cases, there may be contamination of sites, which will require partnerships with EPA and Mass EDC to secure additional funding for site investigations and remediation.
- In other cases, property ownership structure has limited the ability to assemble enough property to make an economically viable development block. South Hadley will need to monitor this situation and determine if and when some form of public action to assemble land into redevelopment blocks is warranted.

Agriculture

Historically farming was a significant contributor to South Hadley's economic welfare. As with the State, South Hadley's farming operations have diminished. While the Town has approximately 30 parcels which are assessed as "agricultural", South Hadley only has a few "farmers" engaged in farming as a primary source of income.

As discussed in the Natural Resources, Cultural & Historic Resources, and Open Space & Recreation chapters of this Plan, the interest in locally grown food has increased in recent years based on its potentially positive economic impact, smart growth energy efficiency, and benefit to the buyer from knowing the producer. The interest in organic foods and farm co-ops has also been increasing in the area and adds to the demand for locally grown food.

Although a small local farmer cannot economically compete with large, sometimes subsidized out of state producers on most food products, there may be local area niches that could support small farm operations.

Based on the increasing demand from the buying public, the Town should be promoting these agricultural businesses as there are sufficient farm land parcels available to use for this purpose.



Source: http://www.mass.gov/envir/smart_growth_toolkit/pages/CS-tif-concord-nh.html, November 4, 200

LEARNING FROM NEIGHBORS

Redevelopment of Lumberyard and adjacent Mill Building - The City of Concord, NH, used District Improvement Financing as one of several tools to redevelop the site of an abandoned lumberyard and mill building. The 40-acre site is a highly visible location, at the intersection of I-93 and I-393, on the edge of the Concord's downtown. The site was contaminated and home to several dilapidated buildings. Not only was the site a poor contributor to the city tax base, it detracted from the City's visual image. Travelers passing through Concord to mountain vacation spots, saw the blight, and nothing invited them to explore the otherwise, vital and charming downtown district.

Concord undertook a planning study, which identified a need for a first class hotel and conference center. This use was compatible with the City's mostly white-collar work force. Working with a specially created nonprofit agency, Concord acquired the land for under assessed value, and issued bonds to fund needed improvements in access roads. The city then partnered with a private developer to build the hotel conference center. The site now houses adjacent office buildings. The abandoned mill has been converted into elderly housing.

The owner of the hotel/conference center pays taxes to the city. The city uses the tax increment. The tax revenue, due to the difference, is a current assessed value, the original assessed value to pay off the bond debt. The final result is increased \$40 million dollars in tax base for the city, a flourishing project for the private developer, increased availability of elderly housing, creation of new jobs, prevention of the spread of blight and an attractive site that marks the entrance to Concord.

Economic Development Goals and Recommendations

Since 2000, South Hadley has been especially successful in securing grant funds to make physical investments, especially in South Hadley Falls and The Ledges golf course. The Town is poised to secure additional substantial investments in the very immediate future, notably through Holyoke Gas & Electric's upcoming investment in the riverfront area. Improving the physical infrastructure is a vital first step in creating a climate that is poised to capture new investment and revitalization. This section discusses essential strategies and approaches that must be taken to ensure that the physical investment has the right kinds of corresponding support in town policies and bylaws, business development strategies, and marketing efforts.

The time is ripe for the Falls area to be transformed into an inviting, attractive area that residents and visitors to the town will enthusiastically frequent. The image of South Hadley is set by its core anchors. With conscientious attention and concerted efforts, the gateway to South Hadley can become a dignified and beckoning hub of activity.



Economic Development Goals

ED-1	A revitalized, thriving commercial and residential center in South Hadley Falls with expanded employment and economic opportunities
ED-2	A balanced property tax base to support community services by development of an economic climate that is attractive to new and expanding businesses
ED-3	“Green economy” principles and characteristics utilized in businesses throughout South Hadley
ED-4	An active economic development strategy that capitalizes on South Hadley’s and the region’s education, cultural and natural resources, and includes an active recreation component
ED-5	An information system infrastructure that provides residents, businesses and the Town of South Hadley with a state of the art network for education, municipal services, telecommunications, entertainment, and business.
ED-6	Vigilant maintenance of the visual quality, economic integrity, and historic development patterns of the corridors along Routes 116, 202 and 33 through expanded use by professional and home-based businesses
ED-7	An effective, organized central information clearinghouse, using current and emerging information infrastructure, promoting South Hadley to residents, businesses and organizations
ED-8	An effective and appropriately staffed municipally supported effort for attainment of South Hadley’s economic development goals, including the revitalization of South Hadley Falls

ED-1: A revitalized, thriving commercial and residential center in South Hadley Falls with expanded employment and economic opportunities.

Objective 1-1: Work vigorously to develop economic opportunities in the South Hadley Falls area

Recommended Action 1-1-1: Prepare a market study of the potential to attract recreation uses.

Recommended Action 1-1-2: Based on the market study and other evaluations recommended, develop and implement a thematic strategy for the Falls that is fully cognizant of its physical isolation, and fully in step with efforts to create a regional multi-modal center and Technology Center in Holyoke, and revitalize both sides of Connecticut riverfront.

Recommended Action 1-1-3: A thorough over-haul of the zoning regulations for South Hadley Falls, working with property owners, potential investors, local businesses, and other stakeholders. Consider changes that create significant flexibility for redevelopment, such as eliminating minimum lot size and setback



requirements, and carefully evaluate permitted and special permit uses. Eliminate uses that could undermine redevelopment of the Falls.

Recommended Action 1-1-4: Improve the appearance of the Falls so that it is inviting to people entering South Hadley from the Veterans Memorial Bridge.

Recommended Action 1-1-5: Construct a walking connection between the Beach Grounds and the Riverfront Park and the future Gate House Park.

Recommended Action 1-1-6: Relocate the Library to a location within the Falls area, possibly the Riverfront area.

Objective 1-2: Pursue continued investment in and redevelopment of the Falls, including active participation in redevelopment of the Texon property, by retaining and developing community facilities, tourism, and recreation resources as anchors for redevelopment.

Recommended Action 1-2-1: Use the results of the market study above to guide zoning revisions, policies, and investments in support of creating a recreation/tourism base that will attract people to South Hadley Falls.

Recommended Action 1-2-2: Continue to participate actively in negotiations regarding the future of the Texon property.

Recommended Action 1-2-3: Carefully monitor redevelopment efforts of the Holyoke riverfront area, the proposed High Performance Computing Center, and development of a multi-modal transit center, so that South Hadley's revitalization efforts work in concert with Holyoke's.

Recommended Action 1-2-4: Work closely with representatives of the Public Library and St. Patrick's Church to develop strategies for retaining these important institutional uses in South Hadley Falls, which attract many visitors.

Recommended Action 1-2-5: Evaluate the potential to provide central or shared parking facilities, and other ways to alleviate pressures to relocate out of the Falls.

Objective 1-3: Create an attractive climate for further private investment in South Hadley Falls, through increased visibility, public investment, and pro-active policies in and for the Falls.

Recommended Action 1-3-1: Add criteria to the Economic Opportunity Area/Economic Target Area incentives to give further priority and consideration to those users and developments that support revitalization.

Recommended Action 1-3-2: Evaluate ways to improve the ease of getting to the Falls, such as improved and enhanced signage from roads (especially Routes 116 and 202), improvements to important gateway areas, and shared or expanded parking facilities.

Recommended Action 1-3-3: Continue to target public investment in the physical infrastructure of the Falls.



Recommended Action 1-3-4: Work with property owners, public facility managers, and potential investors to identify the types of improvements, and specific areas, where public investment can accomplish the most benefit.

Recommended Action 1-3-5: Work with the Selectboard and economic development agencies to consider when and whether to use public methods to assemble properties into development blocks.

ED-2: A balanced property tax base to support community services by development of an economic climate that is attractive to new and expanding businesses

Objective 2-1: Create opportunities for new businesses and make it attractive for existing businesses to remain in South Hadley

Recommended Action 2-1-1: Encourage appropriate, planned development in the economic focus areas, and facilitate redevelopment of key parcels and blocks.

Recommended Action 2-1-2: Inventory developable properties by use category (residential versus non-residential).

Recommended Action 2-1-3: Develop and implement Zoning Bylaw and map revisions that encourage taxable commercial development in the commercial focus areas – Willamansett Street area, Newton Street area, Town Common area, and South Hadley Falls – at scales that are consistent with the desired future character of each distinct area.

Recommended Action 2-1-4: Comprehensively update the use definitions in the Zoning Bylaw to reflect accurately the existing uses, desired future uses, and less desirable uses in each district in contemporary language and terms.

Recommended Action 2-1-5: Continue to work with SHELD to expand fiber optic service throughout South Hadley, using this as a tool to distinguish South Hadley and market its economic development areas and redevelopment sites to future employers and industries.

Objective 2-2: Maximize the potential for the development of new taxable commercial and mixed-use development within the Willamansett Street Corridor and the Route 116/Route 33 intersection area, keeping both high standards for aesthetics and an appropriate limitation on scale.

Recommended Action 2-2-1: Conduct a thorough evaluation of the traffic, access, and pedestrian circulation issues affecting the commercial area at the intersection of Routes 116 and 33 to determine what actions are needed to support the development of the area as an important commercial center for South Hadley.

Recommended Action 2-2-2: Identify any gaps or deficiencies in pedestrian access and address these through Town and State investments, as well as private developments and improvements.

Recommended Action 2-2-3: As a priority action item, begin to work through multiple avenues to spur relocation of the Massachusetts Department of



Transportation highway garage to a suitable location outside the core economic development area, and to enable redevelopment of this important site with a beneficial commercial or mixed-use project that supports South Hadley's goals and needs.

Recommended Action 2-2-4: Carefully evaluate the future land use, preservation, and/or development potential of the farms in light of South Hadley's position in the regional market, and develop new land use and zoning strategies to ensure that their future preservation and/or development supports achieving the character and economic development goals for the community.

Recommended Action 2-2-5: Evaluate, develop and adopt enhanced aesthetic standards for new and expanded commercial development in the Williamansett Street and Newton Street commercial focus areas, especially landscaping standards and requirements.

ED Objective 2-3: Retain South Hadley's existing industrial elements.

Recommended Action 2-3-1: Protect established industrial and commercial areas from encroachment by incompatible uses.

Recommended Action 2-3-2: Develop financial and regulatory incentives to encourage existing industrial uses to expand their South Hadley facilities as opposed to relocating to other communities.

Recommended Action 2-3-3: Discourage changes in current zoning requirements (such as, setbacks, buffers, etc.) on developed industrial properties unless they are proposed to be converted to a use which is more intense or involves more hazardous operations than the previous use of the property.

Recommended Action 2-3-4: Established industrial zoned lands should not be re-zoned to zoning districts which allow residential uses unless the re-zoning action is part of an overall redevelopment plan for the industrial area.

ED-3: "Green economy" principles and characteristics are utilized in businesses throughout South Hadley

Objective 3-1: Foster green growth in new and existing businesses

Recommended Action 3-1-1: Incorporate sustainability strategies and measures into South Hadley's land use, transportation and economic development process.

Recommended Action 3-1-2: Use LEED or other 'green building' standards as guidelines for further development, bearing in mind the inter-play of different codes and requirements for redevelopment in South Hadley.

Recommended Action 3-1-3: Evaluate the zoning and land use plans to find opportunities to link residential areas to services and shops via sidewalks and trails, or by locating new non-residential development in areas where it can reduce driving distances for daily needs.



Recommended Action 3-1-4: Work with local developers, property owners, and businesses to identify barriers to greater use of existing shopping centers that serve nearby residential areas, particularly in and around the commercial focus areas.

ED-4: An active economic development strategy that capitalizes on South Hadley’s and the region’s education, cultural, and natural resources, and includes an active recreation component

Objective 4-1: Utilize local and regional natural and cultural resources to create economic development opportunities.

Recommended Action 4-1-1: Utilize The Ledges golf course and club house as assets for economic development, consistent with land use and open space planning goals through the potential for additional recreational uses, such as cross-country skiing.

Recommended Action 4-1-2: Identify and implement ways to link the Ledges Golf Course to other portions of South Hadley through a bicycle or trail network.

Recommended Action 4-1-3: Explore ways to make increased use of the clubhouse to increase revenue.

Objective 4-2: Work with Mount Holyoke College and other schools located in and around the region to create new opportunities.

Recommended Action 4-2-1: Increase visibility of, communication with, and investment in the arts, education and associated activities in the region.

ED-5 An information system infrastructure that provides residents, businesses and the Town of South Hadley with a state of the art network for education, municipal services, telecommunications, entertainment, and business.

Objective 5-1: Work with SHELLED (South Hadley Electric Light Department) to expand the fiber optic network from current municipal locations to businesses and residences to provide South Hadley with a competitive advantage.

Recommended Action 5-1-1: Develop and implement a SHELLED – Town of South Hadley Municipal Services Fiber Optic Network Plan that serves the needs of SHELLED (e.g. fiber optic based electrical monitoring and controlling), the Town’s growing information systems bandwidth needs, and the School Department’s growing educational information bandwidth needs.

Recommended Action 5-1-2: Develop and implement a SHELLED – Town of South Hadley Business Fiber Optic Network Plan that serves the needs of SHELLED (e.g. fiber optic based electrical monitoring and controlling), and existing or potential businesses’ high bandwidth requirements for high speed data communications, high speed internet access, telecommunications, and cable television services.

Recommended Action 5-1-3: Develop and implement a SHELLED – Town of South Hadley Residence Fiber Optic Network Plan that serves the needs of SHELLED (e.g. fiber optic based electrical monitoring and controlling), and could provide residences with fiber for high



speed data communications, high speed internet access, telecommunications, and cable television services.

ED-6: Maintenance of the visual quality, economic integrity, and historic development patterns of the corridors along Routes 116, 202 and 33

Objective 6-1: Encourage home based and professional businesses along the corridors, Routes 116, 202 and 33, into our community and strongly discourage any further zone changes therein from residential to business.

Recommended Action 6-1-1: Maintain the aesthetic quality, density, and residential character of the professional office corridors along Newton Street and College Street, taking special care to limit the encroachment of commercial uses and changes to the density and development pattern in this area.

Recommended Action 6-1-2: Evaluate the potential benefits or impacts of the zoning limitation on individual retail uses for the Willamansett Street corridor, in light of the potential to develop additional compatible uses that support South Hadley's economic goals.

Recommended Action 6-1-3: Consider the pros and cons of an overlay district to replace the current Special Permit procedure, with careful attention to the need to preserve the visual quality, intensity of use, and function of the corridor.

ED-7: An effective, organized central information clearinghouse, using current and emerging information infrastructure, promoting South Hadley to residents, businesses and organizations

Objective 7-1: Utilize the www.southhadley.org website more to communicate, inform, promote, educate, and attract new families and businesses to South Hadley.

Recommended Action 7-1-1: Identify parcels that are appropriate for business purposes, including farming, and advertise them to prospective businesses through the town web site.

Recommended Action 7-1-2: Install a Geographic Information Systems (GIS) interface on the Town web site to allow potential businesses to view these parcels in a timely and comprehensive manner.

ED-8: An effective and appropriately staffed municipally-supported effort for attainment of South Hadley's economic development goals, including the revitalization of South Hadley Falls

Objective 8-1: Consider cooperative strategies with local and regional partners that would support hiring a part-time or full-time person to promote South Hadley to prospective businesses and people.

Recommended Action 8-1-1: Create an Economic Development Committee linked to interested property owners, financial institutions, educational institutions, utilities, existing businesses, residents, and the Town to manage implementation of the Economic Development strategy and work with regional organizations to promote economic development and redevelopment.



Recommended Action 8-1-2: Establish and adequately fund an Economic Development professional job position to implement the comprehensive economic development strategy and direction of the Economic Development Committee focused on retaining existing businesses and assisting the expansion and development of local businesses while actively recruiting new businesses – within the town's shared vision as provided in this Plan.

Recommended Action 8-1-3: Develop functioning relationships with economic development partners at the local, regional, state, and national levels.

Recommended Action 8-1-4: Utilize resources, such as the Main Street Center of the National Trust for Historic Preservation, American Planning Association, Massachusetts Office of Business Development, and Northeastern University Center for Urban and Regional Policy, to brainstorm different approaches to funding and organization for business marketing, recruitment and retention efforts that would be effective for South Hadley.

Recommended Action 8-1-5: Capitalizing on the skills and background of the Economic Development professional and the Economic Development Committee, assist local businesses in obtaining the financial and other resources needed to meet their capital needs, access potential markets, and develop their workforce.

Recommended Action 8-1-6: Integrate all economic sectors (including agriculture, tourism, retail, services, and manufacturing) into the business retention, development, and recruitment efforts.

Recommended Action 8-1-7: Increase the Town's involvement in efforts to bring desirable employers, industries, redevelopment investment, and new resources into South Hadley through improved marketing, information, and business development work.

Recommended Action 8-1-8: On a town-wide basis, but with a strong focus on South Hadley Falls, complete an inventory of the physical conditions of interest to new employers, businesses, and investors (including such facts as available square footage, ownership, infrastructure available, potential for contamination, contact information for assistance, etc.).

Recommended Action 8-1-9: Create a detailed map of redevelopment sites, and the potential opportunities and constraints affecting each one.

Recommended Action 8-1-10: Make information regarding the sites of interest readily available in a user-friendly format from a single point, with a specific person designated as the contact for inquiries.

Recommended Action 8-1-11: Make greater use of the Town's website, www.southhadley.org, as a resource for recruiting businesses. Include information from inventories and studies, as well as maps indicating key redevelopment sites and links to the Economic Opportunity Area/Economic Target Area based incentives.



APPENDIX 2A: Economic Development Chapter:

Table 2-7
 Number of Businesses,
 Employees, and Wages Paid

Change, 2003-7
 (wages adjusted for inflation)

	2003	2006	2007		
All Industries					
Total number of establishments	321	314	308	-13	-4.0%
Total annual wages paid	\$158,645,977	\$168,091,816	\$172,127,456	(\$8,665,007)	-5.5%
Number of workers employed	4,742	4,661	4,578	-164	-3.5%
Average weekly wages	\$643	\$694	\$723	(\$10)	-1.5%
Goods-Producing					
Total number of establishments	56	59	62	6	10.7%
Total annual wages paid	\$38,766,916	\$32,005,940	\$31,686,631	(\$12,492,026)	-32.2%
Number of workers employed	837	678	664	-173	-20.7%
Average weekly wages	\$891	\$908	\$918	(\$97)	-10.9%
Service-Producing					
Total number of establishments	265	255	246	-19	-7.2%
Total annual wages paid	\$119,879,062	\$136,085,876	\$140,440,825	\$3,827,018	3.2%
Number of workers employed	3,905	3,983	3,914	9	0.2%
Average weekly wages	\$590	\$657	\$690	\$18	3.0%
Construction					
Total number of establishments	44	48	52	8	18.2%
Total annual wages paid	\$12,745,557	\$12,276,721	\$13,786,035	(\$738,762)	-5.8%
Number of workers employed	286	265	290	4	1.4%
Average weekly wages	\$857	\$891	\$914	(\$63)	-7.3%
Manufacturing					
Total number of establishments	11	9	8	-3	-27.3%



Total annual wages paid	\$25,973,135	\$19,590,843	\$17,779,939	(\$11,818,965)	-45.5%
Number of workers employed	550	409	370	-180	-32.7%
Average weekly wages	\$908	\$921	\$924	(\$111)	-12.2%
Wholesale Trade					
Total number of establishments	15	14	14	-1	-6.7%
Total annual wages paid	\$7,719,623	\$11,553,692	\$10,901,563	\$2,104,305	27.3%
Number of workers employed	174	237	213	39	22.4%
Average weekly wages	\$851	\$937	\$984	\$14	1.7%
Retail Trade					
Total number of establishments	34	29	25	-9	-26.5%
Total annual wages paid	\$9,043,373	\$9,408,822	\$9,162,213	(\$1,143,587)	-12.6%
Number of workers employed	501	443	438	-63	-12.6%
Average weekly wages	\$347	\$408	\$402	\$7	1.9%
Information & Financial					
Total number of establishments	45	43	43	-2	-4.4%
Total annual wages paid	\$6,991,565	\$8,035,500	\$8,914,101	\$946,535	13.5%
Number of workers employed	216	235	242	26	12.0%
Average weekly wages	\$622	\$658	\$708	(\$1)	-0.1%
Professional & Business Services					
Total number of establishments	38	33	33	-5	-13.2%
Total annual wages paid	\$6,864,513	\$5,555,308	\$5,328,058	(\$2,494,720)	-36.3%
Number of workers employed	184	173	146	-38	-20.7%
Average weekly wages	\$718	\$618	\$702	(\$116)	-16.2%
Education					
Total number of establishments	9	12	12	3	33.3%
Total annual wages paid	\$59,113,626	\$67,372,224	\$70,566,723	\$3,201,018	5.4%
Number of workers employed	1,480	1,609	1,605	125	8.4%
Average weekly wages	\$768	\$805	\$846	(\$29)	-3.8%
Health Care/Social Services					
Total number of establishments	27	28	28	1	3.7%
Total annual wages paid	\$15,210,031	\$16,252,593	\$15,768,292	(\$1,565,012)	-10.3%
Number of workers employed	441	474	487	46	10.4%
Average weekly wages	\$663	\$659	\$623	(\$133)	-20.0%
Accommodation/Food Services					
Total number of establishments	30	30	28	-2	-6.7%
Total annual wages paid	\$4,367,470	\$4,301,927	\$3,935,596	(\$1,041,559)	-23.8%
Number of workers employed	435	380	338	-97	-22.3%
Average weekly wages	\$193	\$218	\$224	\$4	2.1%
Public Administration					



Total number of establishments	8	8	8	0	0.0%
Total annual wages paid	\$6,383,569	\$6,554,324	\$6,712,200	(\$562,495)	-8.8%
Number of workers employed	162	164	168	6	3.7%
Average weekly wages	\$758	\$769	\$768	(\$96)	-12.6%

http://www.pvpc.org/resource_center/municipal_comparison/, accessed 10/8/2008

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