

**An
Economic Development
Plan
for the
Town of Hatfield,
Massachusetts**

Adopted: May 2004

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1. Current Economic Profile

Compared with many communities in Massachusetts, Hatfield is holding its own in terms of economic development. The town has plenty of open space, productive farmland, intact neighborhoods, excellent schools, an existing industrial and commercial tax base, and a beautiful and historic New England town center. Relatively speaking, most residents are economically well off. The town's tax base is stable, growing moderately over the past several years. Existing local infrastructure, although aging, is meeting most needs of town residents and employers. Above all, the town enjoys a balance of commercial and industrial enterprises that provide much-needed revenue as well as jobs for many local residents. Additionally, the small scale of the community is such that it can govern itself through town meetings, elected boards and volunteer committees.

Why then shouldn't Hatfield simply continue to do in the future what it has done in the past? Why the need for an economic development plan?...

Competition from surrounding municipalities – and from surrounding regions – as well as increases in the cost of providing services to Hatfield residents make it necessary for the town to take specific new actions to control its fate. The local tax burden shouldered by Hatfield's residential payers increased from 69% to 75% in FY2004. With a growing need for local services and a greater reliance on this residential tax revenue to fund these services it is critical that Hatfield strive to grow and enhance its economic tax base. The town needs to use available tools and its own local assets to attract new business to town and to take advantage of recently updated zoning regulations (May 2003) that minimize the negative impacts of such development.

In addition, Hatfield lacks a comprehensive infrastructure and capital improvements planning process designed to accommodate the economic development needs of the coming decades. The town must address the relationship between the provision of public facilities and services and the ability of the community to concurrently grow its tax base in a planned and sustainable way.

Growth, Development, and Economic Character

Hatfield has experienced steady but relatively modest growth over the past three decades. Residential growth has largely been limited to those parcels on existing town roads. The reluctance of many landowners to sell open land and the absence of sewer access in many parts of town have limited larger-scale developments. Business development, often attracted by Hatfield's easy access to I-91, has almost doubled in this same period. The number of acres under business or industrial development has risen from 92 acres in 1971 and 124 acres in 1985 to 258 acres in 1999.

While nearly three-quarters of Hatfield's total acreage remains undeveloped, the growth along existing town roads has meant a rise in truck and vehicular traffic, and a decline in the sense of open space. A strong regional housing market, prime local real estate, and an

attractive school system make Hatfield a tempting target for residential development. A growing regional bottleneck at the Coolidge Bridge on Route 9 and the exhaustion of available real estate along the Route 5/King Street commercial corridor in Northampton are causing increased commercial and retail interest in Hatfield's West Street neighborhood.

Regional Issues

Hatfield is not a self-contained economic unit. In 2001, twenty-one percent of residents worked in town, but the majority did not. Conversely, many people from outside the community work in Hatfield. Only a few of Hatfield's commercial establishments expect to conduct most of their business with local residents. Although some residents might welcome commercial enterprises such as a bank or more shopping opportunities in the old town center, the widely dispersed, relatively small population makes such development unlikely, irrespective of land availability or zoning constraints.

As the Pioneer Valley region has navigated the shift from a goods-producing to a service-providing economy, the nature of the region's businesses has also changed. The backbone of the region's economy has long been the presence and influence of a number of very large employers, often manufacturers. However, in the last 15 years, the region has undergone a profound shift as the number of very large employers has diminished and the importance of small businesses has grown. In the Pioneer Valley between 1986 and 2001 the rate of business growth has been the highest for small and midsize enterprises.

The impact of this trend toward small and midsize businesses will likely be felt in Hatfield though not directly. While the town may continue to pursue anomalous larger businesses, it is certain that the shrinking regional dependence on large employers – the "all the eggs in one basket" phenomenon – will result in a regional economy less susceptible to fluctuations in any one business sector. This should also make Hatfield a real competitor for midsize operations whose site requirements may not be as severe as some of the largest businesses.

While Hatfield has a general interest in the strength and diversity of the economy in Western Massachusetts, the town must focus on enhancing its own tax base to provide financial resources for such important public services as its schools. Further economic development – through expansion and retention - is in the town's best interest.

Key Economic Development Trends in Hatfield

- Hatfield has substantial undeveloped land zoned for commercial or industrial use, although some of this land is constrained by environmental or ownership characteristics.
- Growth in the Trade and Services sectors in Hatfield since 1985 has been notable – these sectors provided 40% of total employment in 1985 and in 2001 accounted for nearly three quarters of all jobs in the town.
- The 10 largest businesses in Hatfield accounted for 23% of the total tax revenue available to the town in FY03 – in FY04 this percentage will decrease to 20%
- In FY04, business assessments accounted for 25% of the town's tax revenue – this is down from FY03 when businesses provided 31% of local tax revenue.

- Businesses generally perceive Hatfield as a “business-friendly” community.
- Hatfield is subject to increasing commercial and industrial growth pressures as development moves northward up the I-91 corridor.

Household Economic and Employment Trends

- From 1980 to 2000, Hatfield’s population remained stable – an increase of just 200 residents over two decades
- Household income increased dramatically during this period (median household income: \$50,238)
- The average annual per capita wage paid by employers in Hatfield is \$35,787
- Between 1980 and 1990, per capita income in Hatfield increased a full 30% more than it did for Hampshire County as a whole - in the following decade (1989–1999) per capita income in Hampshire County increased at nearly twenty times the rate of income growth in Hatfield
- An increasing number of Hatfield households derive income from self-employment (13.1% of households)
- Nearly three-quarters of Hatfield homes are owner-occupied
- Just under 30% of Hatfield adults have completed 4 or more years of college while about 10% of adults have not completed high school
- 15% of Hatfield’s workforce work in the town – the remainder commute to other communities
- Hatfield’s labor force has remained stable over the past decade – in 2001 there were 1,721 workers in Hatfield, a statistical increase of 3 employees over 1990 levels

Unemployment Trends

Not surprisingly, declining unemployment rates coincided with the increase in median household income during the 1990’s. The unemployment rate in Hatfield peaked at 7.9 percent in 1992 and had declined to a 20-year low of 2.4% in 2001. However, recent unemployment figures have hovered between 5.5% and 6.0% for much of the past two years as the effects of this most recent recession have taken hold in Massachusetts.

Development Assets

In addition to assessing and analyzing the current state of the economy in Hatfield, it is important to understand existing assets in the community that will affect development and the economic character of the town. Development assets are defined herein as the following: existing or planned infrastructure-- transportation, sewer, water, utilities, transit, and data/digital access; availability of land zoned for business use; cultural/environmental assets that might attract employers; availability of materials and business services; a skilled workforce; and economic development support services.

The town of Hatfield has a wealth of development assets: a solid transportation infrastructure including local roads, Routes 5/10 and Interstate 91, and access to a railroad; an extremely high quality of life that is perceived as both an un-tapped selling point to recruit businesses to Hatfield and as the most important aspect of life in Hatfield that residents seek to preserve; functioning infrastructure; and access to many external support services, such as the Northampton Chamber of Commerce, the Western Massachusetts Economic Development Corporation, and the University of Massachusetts.

Close proximity to the Springfield/Holyoke/Chicopee labor market as well as its nearby connection to the Mass Turnpike at West Springfield provide Hatfield employers access to workers, transportation lines, and complementary business operations.

The community's attitude toward well-planned business development seems to account for some of the town's economic stability. When one of its biggest businesses, C & S Wholesale Grocers, moved into town in 1994, the town made every effort to meet its infrastructure needs. Hatfield successfully applied for and received funding from the Commonwealth of Massachusetts to extend sewer service along North Hatfield Road so that the C & S buildings would be served, and the town relocated and finished paving Plain Road so that the company would have direct road access to I-91.

Existing Commercial/Industrial Areas in Hatfield

Hatfield hosts commercial and industrial areas in many areas of the town. The following areas are those that contain potentially developable lands and buildings:

Route 5/10 Corridor:

- ***South Section:***

This district is adjacent to the Northampton-Hatfield town line, and is the town's largest concentration of commercial uses, with some industrial uses mixed in. The district includes retail uses such as Rugg Lumber, Danish Inspirations, and Long View RV Superstores, and industrial uses such as Scitech's Wilderness Mold and Mill Valley Molding.

- ***Central Section:***

This district is located in the middle of the Route 5/10 corridor, with commercial and multi-family residential uses including FedEx, Diamond RV Center, and Penske Truck Rental. Two large parcels (30+ acres) in this area remain available for light industrial development.

- ***North Section:***

A small pocket of highway business activity exists along Route 5/10 in North Hatfield, including a handful of retail outlets and a construction company. There remains available commercially-zoned land appropriate for small business development in this area of town.

East I-91 Industrial Corridor:

Along the east side of Interstate 91 lies Hatfield's primary industrial land. This area is home to Hatfield's largest employers, including C&S Wholesale Grocers and Brockway-Smith, and smaller firms such as Lesco and Lynx Window and Door.

Town Center:

Hatfield's historic town center includes limited commercial uses combined with civic and residential uses. Across from Town Hall, the town's retail center is very small, consisting mainly of a recently vacated convenience store and gas station. The Western Mass Regional Library building – formerly a municipal school building – will likely be vacated

later in 2004 and become available for adaptive re-use. There is also a modest commercial area at Prospect and School Streets, which includes the now vacant Valley Advocate building (listed on the National Historic Register) and Hatfield Market.

Major Employers

Hatfield has a number of large employers, including *C&S Wholesale Grocers* with about 1,000 employees, *Verizon* with 130 employees, *Brockway-Smith* with 110 employees, and *Scitech's Mill Valley Molding*, *Hatfield Equipment*, and *Hatfield Public Schools*, each with 50-100 employees.

According to the *2003 Major Employers Inventory For the Pioneer Valley Region (PVPC, November 2003)*, C&S Wholesalers is the 14th largest employer in the two-county region. Nearby, Northampton's Cooley Dickinson Hospital and Smith College are 6th and 7th, respectively.

Farm Economy

An often overlooked sector of both the local and regional economy is agriculture. Data collected in the most recent Census of Agriculture reported that the Connecticut River Valley (Franklin, Hampshire, and Hampden Counties) together hosted an agricultural industry responsible for over \$105 million in annual revenues. In Hatfield, the existence of a viable farm economy not only provides jobs and income but plays a significant and defining role in forming Hatfield's community character. In a competitive marketplace, Hatfield can rely on this character to play a part in helping to attract new employers to the town.

Census data on persons employed in the agriculture sector does not include people actually engaged in farming. To understand farming as a full-time enterprise, it is necessary to review assessor's data. Reports from the assessor's office show that, in the last 25 years, three of the 19 families that farm full-time in Hatfield have stopped farming. This translates to a 15 percent drop in full-time farming operations.

Table One. Trends in Farming

Year	# full-time farmers
1980	19
1990	19
1999	16
2003	15

It is only in the last few years (late 1990's) that the number of full-time farmers in Hatfield has declined, and the three farmers who are no longer farming had reasons other than economic viability for their change in employment status—one farmer retired, one died, and one who had land in both Hatfield and Hadley decided to move the farm to Hadley. Anecdotal information collected from interviews with Hatfield's community leaders suggests that some residents still feel that loss of family farms is an important

issue for the community to address. It may be that what has been lost in the last 20 years is the component of the economy (and community) that participated in part-time farming.

Summary

Hatfield has been – and can continue to be – regionally competitive in attracting economic activity to the town but cannot do so through inaction. Community leaders must find ways to actively market the town's many assets while keeping a close eye on the resultant economic and social landscapes, making certain that future business development serves to enhance the community.

2. State of Community Infrastructure

An effective plan for economic development in Hatfield must address the community's infrastructure. It is important to acknowledge explicitly the connection between the maintenance and careful expansion of water lines, wastewater treatment facilities, roads, gas and power distribution systems, telecommunications services and how a community grows. Where the town invests its limited resources will affect where development occurs.

Infrastructure includes the "hardware" a municipality owns, builds, manages, and maintains to meet the needs of its residents, such as roads, schools, the library, etc; and the services provided to residents, such as water, sewer, electricity, and the Internet. An important part of any master planning process is to assure provision of and maintenance for these vital services. As the town of Hatfield plans for its economic future, it will be important for residents to consider what infrastructure and public facilities are most important to them and make recommendations for how the town can, with limited resources, assure provision of these vital services.

The capital improvements planning (CIP) process itself remains invisible to many citizens and volunteers. Many, if not most, citizens remain unaware of the CIP and its role in fashioning financial policy for the town. This detachment from this critical planning process will continue to leave many residents questioning how and why funding priorities are established as they are.

The Hatfield Master Plan (2000) made several general recommendations that require continued attention by the town:

- Develop a Master Plan for town water and sewer systems with a corresponding development schedule and expand facilities only to those areas planned for future development.
- Develop a publicly visible prioritization schedule for infrastructure system upgrades and expansions.
- Work with businesses to research available funds to meet the infrastructure needs of businesses on Routes 5/10.
- Investigate alternative methods of reducing peak demand for water in summer months.

Water

Hatfield has excellent drinking water, but under current use and distribution conditions, peak summer use can sometimes test the limits of the supply. In addition to concerns about supply, dead end lines and undersized may affect the ability of the town to provide adequate pressure to some larger users – particularly those operations requiring built-in fire suppression systems.

The public water supply of Hatfield comes from three sources: the town reservoir (capacity of 500,000 gallons per day); the West Hatfield Well (capacity of 350,000 gallons per day); and the Omasta Well (capacity of 150,000 gallons per day). Water supplies are drawn primarily from the reservoir as the per gallon cost to operate the wells

is higher than that of the reservoir, even taking into consideration that the well water does not require treatment.

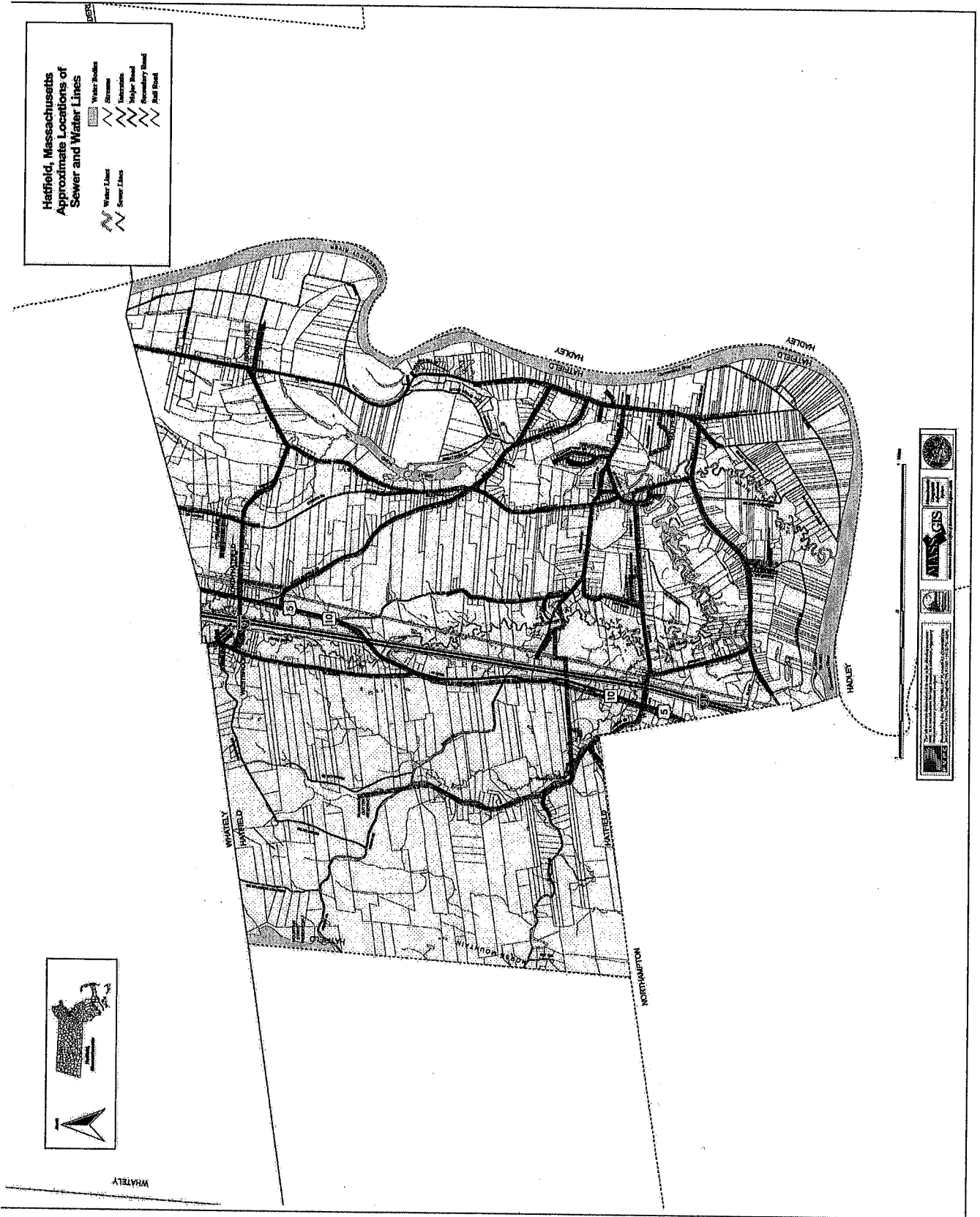
Hatfield's existing water treatment plant came on line in 1997. It is located at the reservoir on Reservoir Road in West Hatfield. Although the capacity of the reservoir is 1.5 million gallons, the actual safe yield rate is 500,000 gallons per day.

The town's commitment to gradually meter all users of the public water system will certainly encourage conservation. Approximately two-thirds of the users are now metered with the remaining one-third scheduled to be converted by July 2005. Residential users were the first to receive attention in the conversion process with commercial and industrial users following behind.

One issue affecting the economics of water usage in Hatfield is being addressed in the pricing schedule. Agricultural users of the system will receive a discounted rate for their share of the water used so as to maintain a pricing structure that allows for viable farm operations in the community.

The Department of Public Works (DPW) has determined that Hatfield needs to take some steps to assure a long-term supply of quality drinking water for the town:

- **Gradual replacement of the asbestos-cement (AC) water supply pipes** which carry a significant amount of the water supplied throughout Hatfield. This material, popular during the 1940's and 1950's, is prone to gradual degradation when placed underground making it a less than perfect choice for water distribution piping. Locations where new lines are tied into existing AC pipes are particularly threatened. The 10" to 14" main transmission lines will likely be the first segments to undergo replacement in coming years.
- **Extension of 10" line at Depot Road.** Although many small scale line extensions and line improvements have been implemented in recent years (see map of Hatfield's Current Water & Sewer Infrastructure), the extension of the 10" line along Depot Road remains a project to be completed in the near future.
- **Replacement of the 4" water lines along North and King Streets** remains a short term project for the future. Four-inch lines would be replaced by 8-inch lines.
- **The line serving Routes 5/10 is a mere 6 inches in diameter**, far short of the 12 inches preferred to serve businesses in this area. Adequate water for fire suppression is a main worry for users along Routes 5/10.



Sewer/Wastewater Treatment

While the town has adequate sewer infrastructure in one-third of the community, there is clearly a need for expansion and maintenance of the sewer infrastructure to serve areas designated for economic development activity. The following issues and projects will require ongoing community support in order to maintain a functional system in Hatfield:

- **Sewer Expansion along Routes 5/10.** The recent extension of sewer service to business along the southern section of this corridor is set to go online in 2004. However, the central and northern sections of this critical business corridor remain unserved by the public wastewater treatment system. This unserved area includes five of the seven designated economic development areas identified in Section 5 of this plan.
- **Infiltration and inflow (I&I) problems exist in the vicinity of Colonial Acres/School Street.** The continued treatment of non-wastewater at the treatment plant raises the cost of sewer service for everyone, and it decreases the life expectancy of the plant and its equipment. I & I problems identified in these two areas are currently being addressed by the DPW. Approximately one-half (14 of 33) of the sites in the Colonial Acres area have been disconnected since 2000. Future work will be focused on the School Street area.
- **The waste water treatment plant requires preventative maintenance and upgrading.** The 17-year old waste water treatment facility – with an expected design life of 20 years - requires some preventative maintenance and upgrading to keep it functioning at an efficient level and to prolong the life expectancy of the facility. The tightening of federal clean water standards will likely continue to make the maintenance of the WWTP a sound investment for the town. The capacity of the plant is 500,000 gpd. Current demand hovers around 250,000 gpd. The ongoing water metering project will likely decrease this daily usage.

Telecommunications

High-speed data service is widely available in Hatfield, but with little viable competition among providers. Although served by Comcast Broadband cable modem service for high speed data (Internet) service, Hatfield, like many communities in the region and in the nation, is provided this service in a relatively non-competitive environment. Without competition, this service remains too expensive for many residents and business owners.

Gas and Electric

Berkshire Gas Co. provides natural gas service to portions of the town.

Transportation

The Pioneer Valley Planning Commission conducted a pavement management study for Hatfield in 2002. The study assessed the town's pavement maintenance needs and determined schedules and cost-effective solutions to improve the conditions of roadways. Pavement management information also assists in allocating resources to maintain

eligible roads. The 2002 study indicates that the 32 miles of federal-aid eligible roads in Hatfield—including King Street, North Hatfield Road, Elm Street, Main Street, and Routes 5/10—are all operating at fair or better condition. Twenty-two percent of the roadway segments are in excellent condition, while 78 percent are in fair condition.

Local road projects demanding immediate attention include rebuilding Bridge Road at Gore Avenue; School Street; and Plantation Road where the new sewer main is located. The DPW plans to add storm drains when these roads are resurfaced. The proposed state budget earmarks Hatfield for this work; the town is waiting for final approval.

No new roads are planned in Hatfield at this time except those that may be associated with the planning and development of a business and technology park.

Rail

Guilford Transportation Corporation operates the freight line that runs north-south through Hatfield along the I-91 corridor. At this time, there is no need to upgrade this facility. It may become difficult to cross the rail line, however, if more industrial sites are developed adjacent to the line that utilize the highway and rail lines for transport. Guilford Transportation Corporation can provide technical assistance in developing sites along the rail line for commercial or industrial use. The company will attempt to match potential users with available sites and can be an important ally in generating economic activity in appropriate areas along this line.

3. Development Incentives

While existing and planned community assets are an important draw for businesses seeking a home for operations, other economic and regulatory incentives can often provide the required nudge that leads to a finished project.

State Incentives

Massachusetts has created the *Economic Development Incentive Program* (EDIP) in order to attract and retain businesses in designated areas of the Commonwealth. The program is managed through the *Massachusetts Office of Business Development* (MOBD) with area designation powers assigned to a public-private body called the *Economic Assistance Coordinating Council* (EACC). The EACC designates Economic Target Areas, Economic Opportunity Areas, and Certified Projects (projects receiving approval to participate in the incentive program).

Participation in the EDIP requires that a municipality (or portion thereof) or a group of municipalities establish an *Economic Target Area* (ETA) – an area meeting one of nine statutory criteria for economic need. The Town of Hatfield is included in the designated area known as ETA West.

Economic Opportunity Areas (EOA's) are areas within designated ETA's that have been identified by a municipality as high priority locations for economic development. Applicants wishing to develop an economic development project that qualifies for state and local incentives must demonstrate that the project lies within an approved EOA. Hatfield currently has no locally identified Economic Opportunity Areas.

The third step in the Economic Development Incentive Program is the establishment of a *Certified Project*. (Step 1 is the creation of an ETA, Step 2 is the establishment of an EOA). A Certified Project "...is a business that is expanding its existing operations, relocating its operations, or building new facilities and creating permanent new jobs within an EOA." Once a local project is certified by the EACC, the developer may receive state tax incentives including:

- a 5% investment tax credit for qualifying tangible, depreciable assets
- a 10% abandoned building tax deduction for renovations costs associated with the redevelopment or re-use of an abandoned building

Certified Projects also qualify for municipal tax incentives summarized below.

Local Incentives

Special Tax Assessment – A phased-in assessment of the total value of the certified project property can result in initial local tax savings for the project owner. The Special Tax Assessment can be structured for a period of no less than 5 and no more than 20 years following these minimum tax schedule standards:

Year One: Tax is 0% of the existing and new assessed value of the real estate.

Year Two: Up to 25% of the assessed value is taxed.

Year Three: Up to 50% of the assessed value is taxed.

Year Four: Up to 75% of the assessed value is taxed.

Year Five – Year Twenty: Up to 100% of the assessed value is taxed.

Tax Increment Financing (TIF) Agreements – A 5- to 20-year property tax exemption based on the increased value of the certified project property due to new construction or significant improvements.

The following local incentives are not associated with the EDIP:

Transfer of Development Rights – In 2003, Hatfield adopted a Transfer of Development Rights bylaw with the purpose of providing both flexibility and additional development density in its Business districts in exchange for additional resources needed to preserve prime agricultural lands in the town. The mechanism for transferring these development rights is solely cash-based making it straightforward to implement and easy to use and understand. For business projects seeking additional development density in Hatfield, the Transfer of Development Rights bylaw provides an elegant solution and an additional economic incentive.

Business-Friendly Atmosphere – While not necessarily a quantifiable incentive, a local environment of support and encouragement to those seeking to located appropriate commercial enterprises in Hatfield is a very real incentive nonetheless. Helpful staff, volunteers, and elected officials provide a key first impression to new businesses. As the regulatory process moves forward, local assistance becomes critical to maintaining manageable ‘soft costs’ for a developer. The old adage “Time is Money” is never more true then during the development of a commercial or industrial site into an operating business with employees and revenue. Whatever the town can do to make the development process fair, straightforward, clear, and quick will likely translate into future success as other businesses seek a place to call home.

4. Summary of Current Zoning and Land Use Regulations

Zoning for Economic Development Readiness

In May 2003 the Town of Hatfield adopted a comprehensive set of revisions to its Zoning Bylaws and Zoning Map as part of an effort to implement strategies outlined in its Master Plan of December 2000. Many of the zoning revisions included important changes in the way Hatfield's land use regulations address commercial and industrial activities in the town.

Key zoning changes included:

Adoption of clear and specific standards for site plan review/approval:

The zoning bylaw now includes specific submittal and approval requirements for those applicants seeking approval of site plans for new development in Hatfield. In addition to standards established for the Special Permitting process, the new regulations include an option for the administrative review of some site plans by the Planning Board. The administrative review process allows for a quick response by the Board and eliminates the formal public hearing process for those uses whose neighborhood appropriateness is not the fundamental issue.

Adoption of commercial and industrial design guidelines:

Hatfield is developing a set of non-regulatory design guidelines that will be employed in the earliest stages of project approval to ensure that project developers and town officials are able to discuss aesthetic and functional design issues in a non-confrontational atmosphere. The Hatfield Design Guidelines Handbook is slated for release in Spring 2004.

Adoption of commercial and industrial performance standards:

Performance standards for commercial and industrial developments were adopted to specify and clarify functional standards for these uses in Hatfield. Stormwater management, traffic impacts, and environmental standards are key issues addressed in the performance standards.

Allowance for mixed use business development as infill in the town center and other areas:

Infill development opportunities were formalized in the 2003 bylaw changes by establishing use and performance standards for applicants wishing to develop sites within the traditional town center – an area of existing development. Specific standards for mixed use projects were also adopted for two types of site conditions including development parcels with less than five acres available and those with larger development parcels available. A range of commercial activities are explicitly allowed through this development option in Hatfield including retail, office, residential and entertainment uses.

Adoption of Transfer of Development Rights bylaws:

As noted previously, Hatfield adopted a Transfer of Development Rights bylaw in 2003 with the purpose of providing both flexibility and additional development density in its Business districts. The mechanism for transferring these development rights is solely cash-based making it straightforward to implement and easy to use and understand.

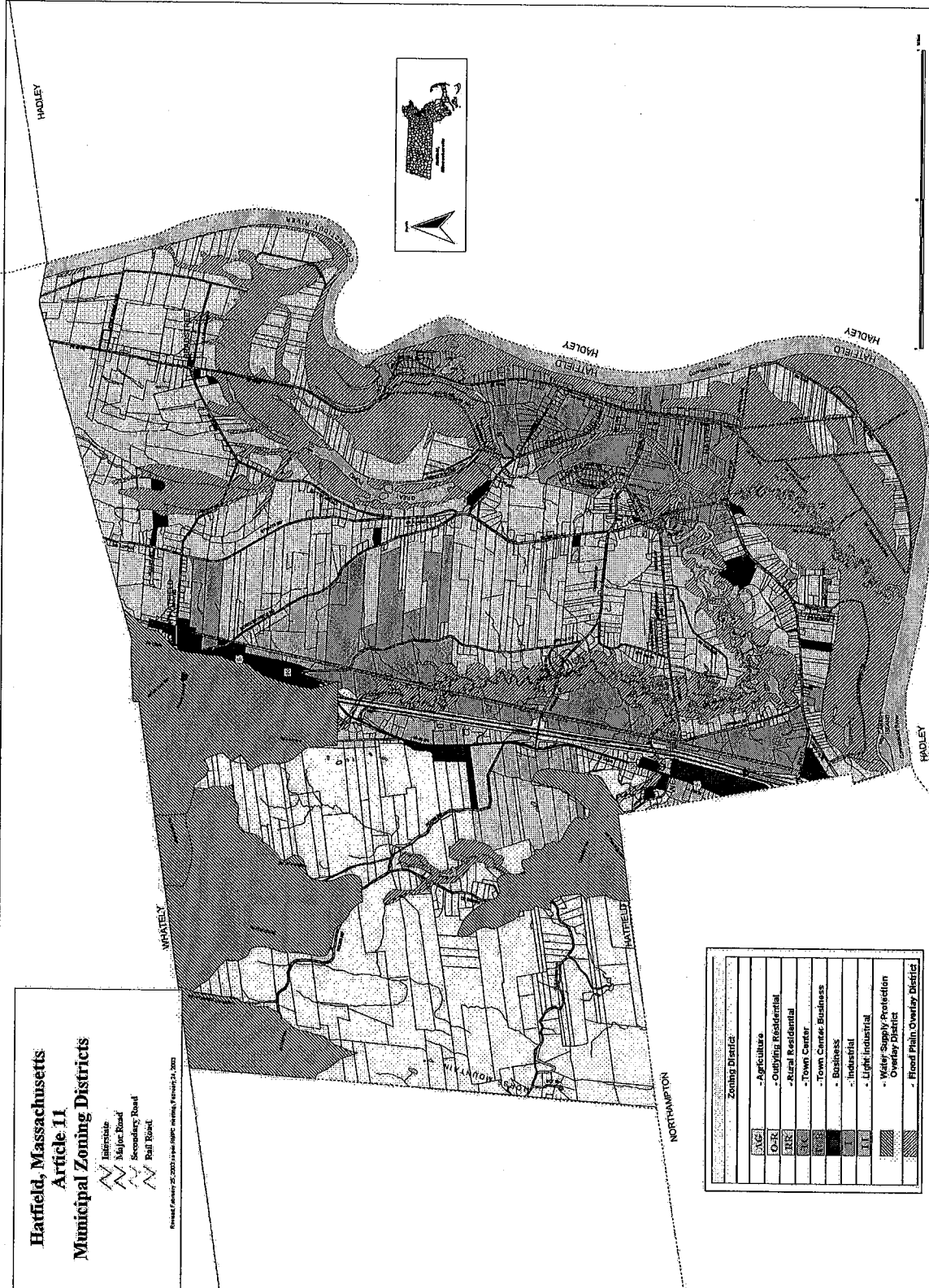
Creation of New Light Industrial and General Industrial Zoning Districts:











Hatfield adopted revised industrial zoning districts in 2003 accomplishing two major goals. First, two distinct zoning districts were created establishing clear differences in the type and intensity of industrial uses allowed. The Industrial District is similar to many conventional districts of this kind in its allowance for a wide range of commercial industrial uses. The Light Industrial District establishes areas in Hatfield for the development of uses with fewer impacts than in conventional industrial operations. This district favors office, research and development, and low-impact light assembly uses. Both districts were mapped in a way that consolidates much of the industrial land in the north-central areas of town and along the Route 5/10 corridor. (See Hatfield Zoning Map, next page)

**Hadfield, Massachusetts
Article 11
Municipal Zoning Districts**

-  Intrastate
-  Major Road
-  Secondary Road
-  Rail Road

Revised January 22, 2003; Prepared by: M. J. ...



Zoning Districts	
	- Agriculture
	- Outlying Residential
	- Rural Residential
	- Town Center
	- Town Centre Business
	- Business
	- Industrial
	- Light Industrial
	- Water Supply/Protection Overlay District
	- Flood Plain Overlay District

Franklin Park
Applied Geographics, April 2001
100 Year Flood Plain
MassGIS Flood Map Database

5. Inventory of Key Economic Development Parcels

As part of the economic development planning process, the Town of Hatfield has identified several key opportunity areas. While not the only economically-developable sites in Hatfield, these parcels and parcel groups comprise a set of locations in the town that either currently support full development or may in the future support full economic development. In some cases the provision of enhanced public infrastructure may be required before full development potential can be realized.

The following sites have been identified on Hatfield's Map of Economic Development Priority Sites:

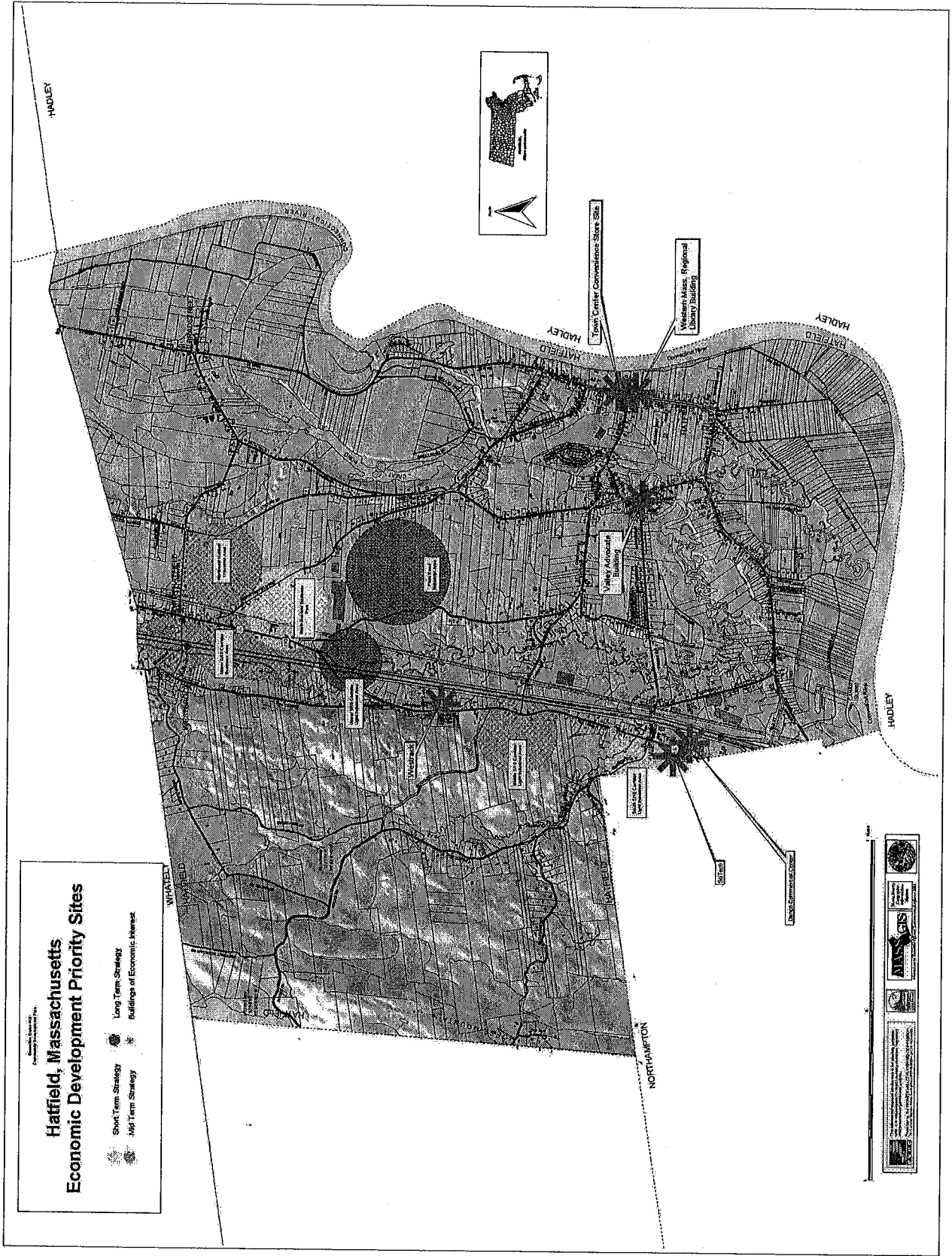
- 1. North Hatfield Business Park Site (50-75 acres)**
- 2. South 5/10 Corridor Light Industrial Area (5-10 acres)**
- 3. Mid- 5/10 Corridor Light Industrial Area (40-50 acres)**
- 4. Upper 5/10 Business Corridor**
- 5. Northeast Industrial Area**
- 6. Plain Road Industrial Area**
- 7. Upper 5/10 Corridor Industrial Area (15 acres)**

6. Inventory of Key Vacant or Underused Buildings

As part of the economic development planning process, the Town of Hatfield has identified several key vacant or underused buildings. While not the only economically-developable existing structures in Hatfield, these buildings present opportunities through their re-use to both developers and the community. In some cases the provision of enhanced public infrastructure may be required before full development potential can be realized.

The following buildings have been identified on Hatfield's Map of Economic Development Priority Sites:

- 1. SciTech (Wilderness Mold/Mill Valley Molding)**
- 2. Western Massachusetts Regional Library Building**
- 3. Valley Advocate Building**
- 4. Town Center Business/Retail Center**
- 5. Danco Commercial Center**
- 6. West Track**



7. Proposed Economic Development Strategies

First and foremost, Hatfield residents and elected officials must concentrate their efforts on seeking new sources of revenue in order to pay for required and expected town services in the future. Unless residential taxpayers are willing to pay a larger part of this fiscal burden, the town must work to encourage the development of new or expanding commercial and industrial enterprises within its borders. The town must maintain as its primary economic development goal of the next decade, the expansion of the local tax base through the wise development of existing assets.

In this spirit, the following strategies have been identified by the Town of Hatfield as being of the highest priority for the community in the coming years.

Develop the North Hatfield Business Park

It is clear that in order to maintain the current level of high quality services available to Hatfield residents, the town must seek out additional sources of tax revenue. Appropriate economic development – in the form of a business park – can provide this funding support. A business park developed under guidelines established in the zoning bylaw overhaul of 2001-2003 would provide an ideal location for offices, research centers, and other low impact businesses. In addition to the additional revenues, a business park in North Hatfield brings with it the potential for water and sewer system improvements (paid for in part by state grants), additional new jobs, potential local business revenues generated by providing goods and services to the new businesses, and critical space for the expansion of *appropriate* local and regional businesses looking to grow in Hatfield. This strategy should be first and foremost in the minds of the EDIC, Board of Selectmen, and other municipal leaders in the coming year in order to take advantage of this unique opportunity to grow our economic base *on our own terms*.

Develop Available Economic Assets

The town must concentrate its efforts on developing existing lands, buildings, and resources in a cost-effective manner. The lands zoned for commercial and industrial use, as well as those structures currently under-utilized for economic purposes, must be pressed into economic service for the benefit of all Hatfield residents.

Infrastructure Improvements

Without adequate support systems in place, it will be difficult for Hatfield to continue to compete for new commercial and industrial enterprises seeking a home in Western Massachusetts. Furthermore, it will be increasingly difficult to retain existing businesses in the town if roads, water and sewer lines, emergency services, and technology services are not improved and maintained properly. The town should establish a concise plan for infrastructure improvements that sets as a priority, the provision of services to key economic development sites in the community. This Infrastructure Plan should be incorporated into the town's Capital Improvements Planning process so that important projects are considered well in advance of their necessity and so that appropriate and adequate sources of funding are sought to help pay for these projects.

- Develop a Master Plan for town water and sewer systems with a corresponding development schedule and expand facilities only to those areas planned for future development.
- Provide Sewer Service in Business Zones
- Develop a prioritization schedule for infrastructure system upgrades and expansions.
- Investigate alternative methods of reducing peak demand for water in summer months.

Marketing Hatfield

The town should develop – and continue to support – a “Market Hatfield” effort that aggressively seeks out ways in which the town can sell itself as a prime location for business and industry in Western Massachusetts. A site marketing folder, currently under development (early 2004) will include information regarding available economic development sites in Hatfield. Digital distribution of this material and other vital economic marketing information should be a goal of the town in the next 1 to 2 years in order to keep pace with other communities in the region. The town should provide modest financial and technical support for this and future efforts to ensure that the message of ‘business-friendliness’ continues to be closely associated with the Town of Hatfield.

Business-Friendly Incentives

The town should continue to seek out ways in which real incentives can be offered to businesses expanding in or re-locating to Hatfield. While state and local financial incentives are an important aspect of this effort, elected officials should continue to think creatively about how the town can make itself attractive to business development in a locally and regionally competitive marketplace.

Supporting Local Business

In addition to seeking out new businesses wishing to locate in Hatfield, the town must also work hard to support existing business operations in the town. The community should work with existing employers – large and small – to make certain that local businesses can expand, grow and evolve and continue to provide jobs and revenue to the town in future years. More specifically, officials should work with local businesses whose site needs have outgrown their current locations to identify new sites in Hatfield that may be appropriate for re-location or expansion. The town should work to develop a survey instrument that can be used to solicit information from existing businesses as to their level of satisfaction with Hatfield as the location for their operations. Such a survey, whether it be a mailed document, web-based form, phone call, or a simple and informal personal visit to a business site, can be used to determine future business needs in the community and help local officials to plan ahead for necessary changes or improvements.

Synchronize Town Goals with Commonwealth’s Smart Growth Criteria

The newly formed Office of Commonwealth Development is establishing criteria for the awarding of discretionary funding to municipalities in Massachusetts. These criteria – based on the tenets of ‘Smart Growth’ policies adopted in many other states during the 1990’s – are being adopted to ensure that state funds are awarded to municipalities that

have taken appropriate steps to manage their own growth and development in an intelligent way that is sustainable for residents and employers into the future. Because Hatfield has accomplished much work in recent years that meets these criteria, it is imperative that the town document this work and continue to set local policies that allow state-funded projects to remain competitive in this new political environment.

Develop a peer-to-peer business development support program.

While there are external resources available to support business development in Hatfield, the Northampton Chamber of Commerce, the Western Mass Economic Development Council, and various departments at the University of Massachusetts, community leaders have suggested a peer-to-peer business development support program as a way of strengthening Hatfield's environment for economic development.

Create economic development incentives that are appropriate to agricultural businesses.

State economic development incentives can be used by farm businesses but are not practically configured to benefit the farmers or communities that might use them. Local Tax Increment Financing (TIF) incentives are tied to geographically-constrained target areas that are difficult or impossible to configure in a way that extends benefits to farm businesses without diluting the effectiveness of other non-farm business support. A newly designed, farm-friendly program might include:

- Access to state investment tax credits with, or without, a local TIF
- Special status or recognition of agricultural support businesses when applying economic incentives outside of farmland zones

Hatfield officials, including state representatives, should support modification of current state economic development incentives that allow farm businesses to access the same benefits enjoyed by other businesses in Massachusetts.

In addition, the town should support lobbying efforts in Washington, Boston, and in each city and town hall in the commonwealth to increase funding and tailor laws to strengthen farmland retention. The value—to the community of Hatfield—of a viable agricultural economy needs to be highlighted in a way that moves beyond the benefits to the individual farmer or landowner.

Hatfield Economic Development Strategies

Short Term	Mid Term	Long Term
<p>New Site Development</p> <ul style="list-style-type: none"> 1) North Hatfield Business Park (50-75 ac.) 2) South 5/10 Corridor LI Area (5-10 ac.) 	<p>New Site Development:</p> <ul style="list-style-type: none"> 3) Middle 5/10 Corridor LI Area (40-50 ac.) 4) Upper 5/10 Corridor Bus. Area 5) Northeast Industrial Area 	<p>New Site Development:</p> <ul style="list-style-type: none"> 6) Plain Road Industrial Area 7) Upper 5/10 Industrial Corridor (10-15 ac.)
<p>Seek Re-Use:</p> <ul style="list-style-type: none"> 2) Western Mass Regional Library Bldg. 3) Valley Advocate Bldg. 4) Town Center Convenience Store <p>Focus Business Retention Efforts:</p> <ul style="list-style-type: none"> 1) SciTech 6) West Track 	<p>Focus Commercial Retention Efforts:</p> <ul style="list-style-type: none"> 5) Danco commercial center 	
<p>Develop N. Hatfield Business Park</p> <p>Develop Available Economic Assets</p> <p>Infrastructure Improvements</p> <p>Marketing Hatfield</p> <p>Business-Friendly Incentives</p> <p>Supporting Local Businesses</p> <p>Sync Town Goals w/ State Growth Policies</p> <p>Create Peer-to-Peer Support Program</p> <p>Create Ag-Business Incentives</p> <p>Developing New Sources of Municipal Revenue</p>		
<ul style="list-style-type: none"> - Infrastructure Available - Available for Purchase - Few Development Obstacles - or, Special Priority Project 	<ul style="list-style-type: none"> - Partial Infrastructure - Availability Uncertain - Some Development Obstacles 	<ul style="list-style-type: none"> - Lack of Infrastructure - Not Currently Available - Major Development Obstacles

Priority Sites

Priority Buildings

Policies

March 2004 - Draft

Appendix A
Terms of the EDIC Board of Directors

EDIC Board Member Terms

(2) for 1-year terms

(2) for 2-year terms

(3) for 3-year terms

all terms to begin 1st day of July in the current year

in reverse order:

Industrial Development (3 yrs)

Financial Matters (3 yrs)

Real Estate Matters (3 yrs)

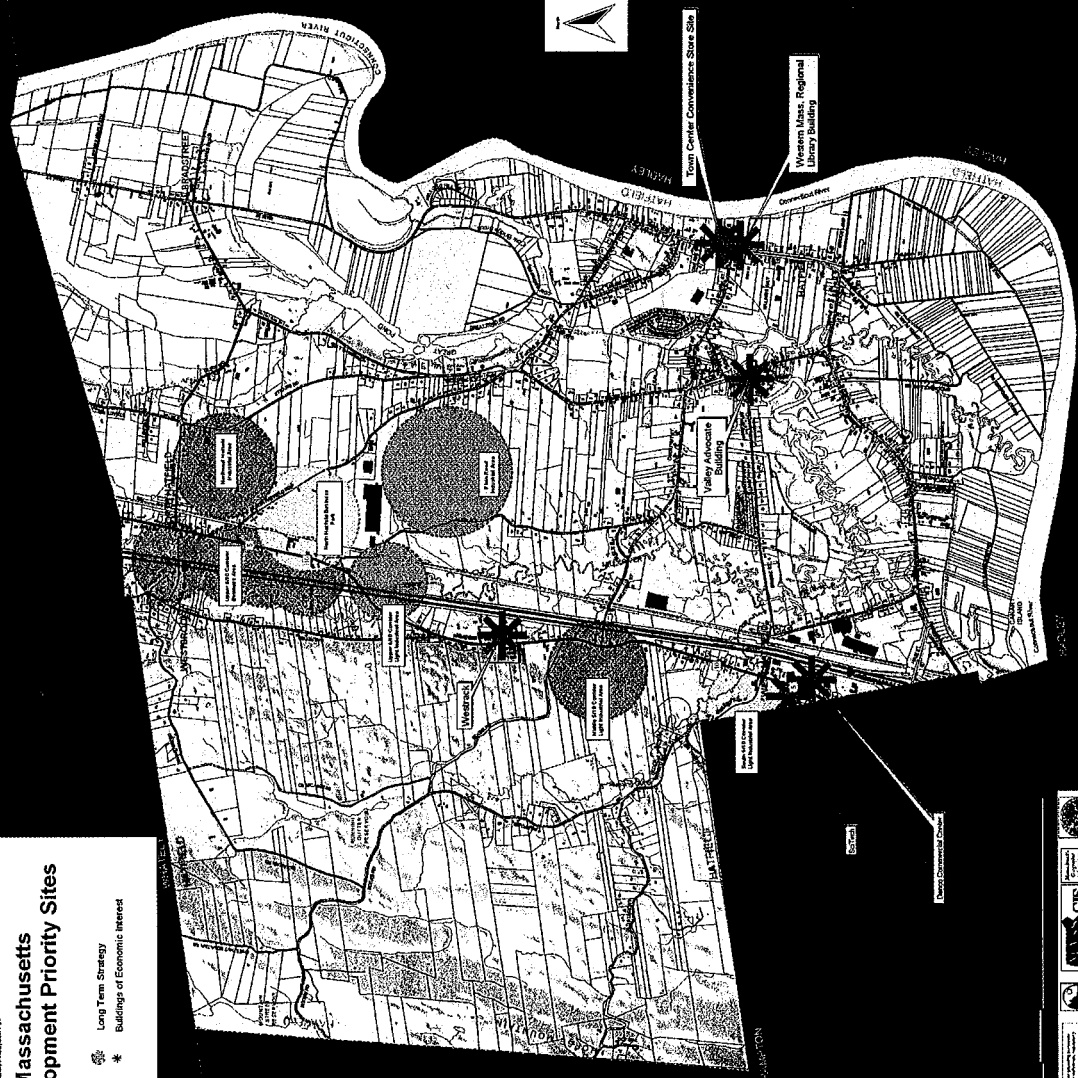
Municipal Government (2 yrs)

Low Income (2 yrs)

At large (1 yr)

At large (1 yr)

PROLEY



East Center Conference State Site

Western Mass. Regional Library Building

Valley Advocate Valley Advocate

Westfield State

Westfield State

Westfield State

Hatfield, Massachusetts
Economic Development Priority Sites

Short Term Strategy
 Mid Term Strategy

Long Term Strategy
 Buildings of Economic Interest



Synopsis of Hatfield's Current Economic Profile

Growth, Development, and Economic Character

- The number of acres under business or industrial development has risen from 92 acres in 1971 and 124 acres in 1985 to 258 acres in 1999
- A strong regional housing market, prime local real estate, and an attractive school system make Hatfield a tempting target for residential development

Regional Issues

- Hatfield is not a self-contained economic unit - in 2001, twenty-one percent of residents worked in town, but the majority did not
- In the Pioneer Valley between 1986 and 2001 the rate of business growth has been the highest for small and midsize enterprises

Key Economic Development Trends

- Hatfield is subject to increasing commercial and industrial growth pressures as development moves northward up the I-91 corridor
- The 10 largest businesses in Hatfield accounted for 23% of the total tax revenue available to the town in FY03 – in FY04 this percentage will decrease to 20%
- In FY03, 31% of tax revenue derived from business assessments – down to 25% in FY04

Household Economic and Employment Trends

- From 1980 to 2000, Hatfield's population remained stable
- Household and Per Capita income up between 1980 and 2000

Unemployment Trends

- The unemployment rate in Hatfield peaked at 7.9 percent in 1992 and had declined to a 20-year low of 2.4% in 2001...
- Current levels between 5% and 6%

Development Assets

- solid transportation infrastructure including local roads, Routes 5/10 and Interstate 91
- access to freight rail line
- supply of appropriately-zoned commercial and industrial land
- a high quality of life that is perceived as both an untapped selling point to recruit businesses to Hatfield and as the most important aspect of life in Hatfield that residents seek to preserve
- functioning infrastructure
- access to many external support services
- community's friendly attitude toward business development

Major Employers

- *C&S Wholesale Grocers* with about 1,000 employees (14th largest employer in the region)
- *Verizon* with 130 employees
- *Brockway-Smith* with 110 employees
- *Scitech's Mill Valley Molding* with 50-100 employees
- *Hatfield Equipment* with 50-100 employees
- *Hatfield Public Schools* with 50-100 employees

Farm Economy

- Franklin, Hampshire, and Hampden Counties together hosted an ag industry responsible for over \$105 million in annual revenues
- In Hatfield, the existence of a viable farm economy provides jobs and income and plays a significant role in defining Hatfield's community character
- In a competitive marketplace, Hatfield can rely on this character to play a part in helping to attract new employers to the town

Proposed Hatfield Economic Development Strategies

- **Develop the North Hatfield Business Park**
- **Develop Available Economic Assets**
- **Infrastructure Improvements**
- **Marketing Hatfield**
- **Business-Friendly Incentives**
- **Supporting Local Business**
- **Synchronize Town Goals with Commonwealth's Smart Growth Criteria**
- **Develop a peer-to-peer business development support program.**
- **Create economic development incentives that are appropriate to agricultural businesses.**

HATFIELD ECONOMIC DEVELOPMENT STRATEGIES

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PRIORITY SITES

PRIORITY BUILDINGS

POLICIES