

5. Economic Trends

In analyzing the town's economic base, several indicators are important to review, such as the town's valuation, valuation by per person, valuation by residential and non-residential land uses, existing employers, employment base, commuting patterns, and labor characteristics.

Municipal Valuations

Table 5-1 includes information on town valuation, tax rate and tax commitment (amount of funds raised by local real estate taxes) for 2009 for towns in the Nottingham area. Nottingham falls in the mid range of valuation at \$636 million with Lee the lowest at \$487 million and Barrington the highest at \$957 million. However, the town's tax commitment of almost \$9 million is 19% lower than the next highest community, Northwood. Nottingham's tax rate of \$14.14 per \$1,000 of value is 31% lower than the next highest community, Barrington at \$18.60. In 2010, according to the NH Department of Revenue Administration, equalized valuation ratios for Deerfield and Northwood were at 100% with Lee at 122.2%, and Nottingham at 96.4%. Except for Lee the data among the surrounding towns is relatively comparable.

Table 5-1: Area Valuations, Tax Rate and Tax Commitment

Town	Town Valuation	Total Tax Rate	Tax Commitment
Nottingham	\$636,720,814	\$14.14	\$8,861,691
Barrington	\$957,915,100	\$18.60	\$17,581,250
Deerfield	\$587,056,970	\$19.51	\$11,291,028
Epping	\$658,163,800	\$19.69	\$12,806,215
Lee	\$487,700,712	\$25.57	\$12,388,715
Northwood	\$554,400,591	\$19.12	\$10,529,324
Raymond	\$845,020,318	\$18.34	\$18,042,248

Source, NH Department of Revenue Administration, February 2009

Municipality	Modified Local Assessed Valuation	Total Equalized Valuation Including Utilities	2010 Local Tax Rate	2010 Equalized Ratio	Full Value Tax Rate (local tax rate x equalized ratio)
Nottingham	\$532,896,849	\$552,977,992	\$19.92	96.4%	\$18.97
Barrington	\$909,813,024	\$838,917,690	\$19.57	107.6 %	\$20.95
Deerfield	\$515,085,164	\$489,399,024	\$22.96	100.0 %	\$23.81
Epping	\$615,628,700	\$625,629,077	\$23.27	97.4 %	\$22.66
Lee	\$506,108,991	\$414,244,978	\$25.42	122.2 %	\$30.33
Northwood	\$474,708,844	\$474,994,868	\$24.56	100.0 %	\$24.27
Raymond	\$1,031,591,266	\$879,891,513	\$18.14	115.9 %	\$20.91

Source, NH Department of Revenue Administration, February 2011

In 2007, the local assessed valuation was in the following property types:

- Residential land and buildings 97.1%

- Commercial land and buildings 1.6%
- Public utilities, current use and others 1.3%

In 2010, these values were comparable as shown in **Table 5- 2**.

Table 5-2: Land and Building Value, 2010

Land Use/Year	2010 Assessed Value	% Value
Land in Current Use	\$1,428,498	0.44
Land With Conservation Restriction	194,951	0.06
Residential	309,572,300	96.1
Commercial/Industrial	6,629,300	2.1
Utilities	4,192,400	1.3
Total	322,017,449	100.0

Source: Nottingham Town Office, 2011

The town is heavily dependent on residential land use, including agriculture and forestry, for its land-based local valuation. The residential property adjacent to Pawtuckaway Lake likely contributes to the town's relatively high residential values and lower tax rate as the lake properties generate significant revenue with little demand for municipal and educational services. A town's total assessed valuation, or tax base, provides insight into the municipality's ability to finance local government operations and required capital improvements. The NH Office of Energy and Planning has ranked communities based on per person taxable valuation in ascending order with the lowest ranked at 1 and the highest at 234. The per person taxable valuation provides a basis for comparison among municipalities regarding their relative real estate wealth. Among Rockingham County communities, in 2004, New Castle was ranked highest at 232 and Raymond the lowest at 42.

Table 5-3 below includes the per person valuation and rankings for the six communities in the Nottingham area. In 2004, Nottingham was ranked at 146 statewide, above its neighboring communities in terms of valuation. In 1995, 2000 and 2004, the town gained valuation in comparison to other New Hampshire communities as its ranking increased from 122 in 1995 to 146 in 2004.

Table 5-3: Per Person Municipal Taxable Valuation

Town	2000		2004		2008	
	Valuation	Rank	Valuation	Rank	Valuation	Rank
Nottingham	69,931	138	117,852	146	142,570	NA
Barrington	56,042	80	97,335	103	114,665	NA
Deerfield	66,138	125	111,623	132	134,986	NA
Epping	52,552	67	97,299	102	108,733	NA
Lee	63,013	110	98,955	104	110,539	NA
Northwood	64,893	116	112,167	135	136,484	NA

Source: Taxable Valuation per Person in NH Communities, NH OEP, January 2008

Nottingham has a strong town valuation and a low tax rate when compared to its neighboring communities, although almost all of that is based on residential valuation.

From the results of the Community Forum held in March 2009 as part of Nottingham's Housing and Conservation Project, it appears that residents in Nottingham are aware of the town's favorable tax base and tax rate and the Forum participants desire to maintain this current status into the future.

Labor Force Characteristics

Type of Employment

Table 5-4 includes a listing of industry by type for persons living in Nottingham by gender. In 2000, 2,141 persons, living in the town, reported being employed in a particular field. Of that number, 1,159 were males and 982 were females. Males worked primarily in manufacturing (23%), retail trade (16%), construction (15%) and professional/ management positions (10%), which accounted for 65% of the male workforce. Females worked primarily in educational / social services (31%), retail trade (15%), manufacturing (11%), accounting for 57% of the female workforce in 2000. *(As of January, 2010 the employment data from the 2010 US Census is not available.)* This employment distribution of the labor force in Nottingham is typical of other communities in the region. The type of employment in which Nottingham residents engaged in 2000 is very similar to employment trends in Rockingham County, with a variation of only 1% to 2% per industry type. For Nottingham, education/social service, manufacturing and retail trade accounted for 53% of the town's total employment base.

Of note, 23% of the males and 17% of the total persons employed worked in the manufacturing sector, which normally pays an above average wage. That percentage is higher than the state average. Because of the nature of the type of employment and the employment in Nottingham, many employees commute to work. The type of employment in which Nottingham residents engaged in 2000 would likely be similar to current employment trends with little variation.

Table 5-4: Employment by Industry, 16 years and over

Industry	Male		Female		Total	
	Total	Percent	Total	Percent	Total	Percent
Agriculture, Forestry	0	0	13	1.3	13	0.6
Construction	182	15.7	17	1.7	199	9.3
Manufacturing	267	23.0	111	11.3	378	17.7
Wholesale Trade	34	2.9	39	4.0	73	3.4
Retail Trade	187	16.3	150	15.3	337	15.5
Transportation	81	7.0	24	2.5	105	4.9
Information	27	2.3	47	4.8	74	3.5
Finance	52	4.4	73	7.4	125	5.8
Professional , mgt	116	10.0	51	5.2	167	7.8
Educational, health	110	9.5	310	31.6	420	19.6
Arts, hotel, food	32	2.8	59	6.0	91	4.2
Other services	31	2.7	47	4.7	78	3.6
Public administration	40	3.4	41	4.1	81	3.8
Total	1,159	100.0	982	100.0	2,141	100.0

Source: US Census 2000, Nottingham, NH, Summary file 3, P 49.

Employment and unemployment trends

The NH Department of Employment Security's Economic and Labor Market Information (ELMI) Bureau maintains data on employment and unemployment for the state, counties, labor market areas and forty nine of the state's largest communities. ELMI has not assigned Nottingham (and Deerfield, Newmarket and Northwood) to a particular labor market area and reports the data separately for each municipality. The Bureau likely made this decision of not to assign the four towns to a particular labor market area because of their rural nature, lack of connection to a specific geographic center and the fact the residents have various options relative to employment, shopping and medical care. Since a resident of Nottingham has more choices for employment opportunities, the town's rate of employment and unemployment can be considered on its own.

From 2004 to 2008, the town's unemployment rate remained in the 3% range as shown in **Table 5-5**. With the economic downturn of 2003 and 2004, the unemployment rate rose to 4%. With the current economic recession, in February 2009, the town's unemployment rate rose to 5.4%, which is less than the rate in Rockingham County, 6.4% and slightly less than the state, 5.9%.

Nottingham's future employment and unemployment condition will be affected by state and national trends. Most state economic and employment analysts believe that New Hampshire will not be as adversely affected as other states and other parts of the county and the current economic recession will bottom out in mid to late 2009 with a slow turn around beginning in 2010. Jobs most negatively affected by the current recession include construction, manufacturing and retail trade, all areas in which Nottingham reports high employment levels.

Table 5-5: Nottingham Employment and Unemployment

Year	Labor Force	Employed	Unemployed	Unemployment Rate
Feb 2009	2,785	2,636	149	5.4
2008	2,788	2,697	91	3.3
2007	2,740	2,659	81	3.0
2006	2,705	2,619	86	3.2
2005	2,661	2,564	97	3.6
2004	2,537	2,444	93	3.7
2003	2,455	2,351	104	4.7
2002	2,379	2,284	95	4.0
2001	2,314	2,241	73	3.2
2000	2,251	2,193	58	2.6

Source: NH ELMI, NHNetwork, website, April 2009.

Employment in Nottingham

The major employers in Nottingham consist of the Nottingham School, government offices, small builders and contractors, retail trade and small manufacturing businesses. The Economic and Labor Market Information (ELMI) Bureau lists the following top 15 employers in Nottingham in **Table 5-6**. Of the top 15 employers, five are public entities.

The Town of Nottingham's website includes a detailed list of Nottingham's businesses at:

http://www.nottingham-nh.gov/Pages/NottinghamNH_WebDocs/businesses.

Most of the local businesses consist of carpenters, general contractors, electricians, home improvement specialists, repair shops and home businesses. Between the Nottingham School and town government there are almost 100 full-time and 27 part time employees. The town also supports 30 seasonal employees for the recreation and highway departments. Nottingham's local economy includes a small scale agricultural component consisting of small farms, horse farms, small orchards, a goat farm and hay fields. In 2000, 13 persons total, all female, reported they were employed in agriculture. From this, one might assume that those engaged in agriculture have either unearned income or agriculture is a second job.

Table 5-6: Largest Employers in Nottingham

Employer	Partial Address	Employer Size
Nottingham Elementary School	Stage Road	50-99*
Town of Nottingham	Stage Road	20-90**
Pawtuckaway State Park	Mountain Road	20-49
Custom Welding & Fabrication	Old Turnpike Road	10-19
Deli Works Corp Inc.	Stage Road	10-19
Liar's Paradise General Store	Stage Road	10-19
Bar Excavating Inc.	Little River Road	10-19.
O.R. Gooch & Son	Stage Road	10-19
Daniels Function Hall	NH Route 4	10-19
Fernald Lumber Company	NH Route 152	5-9
U.S. Post Office	Stage Road	5-9
Dyers Docking Systems, Inc.	Stage Road	5-9

Source: NH ELMI, NH Network, website, April 2009.

**Based on data from the school district, the Nottingham School had 78 full time and 9 part time employees. This figure includes any long-term substitutes, but not regular substitutes or coaches.*

***Based on data from the town bookkeeper, the town had 19 full time and 18 part time (year round, but less than 40 hours) employees. In addition, there are 30 seasonal employees (22 recreation and 8 highway) and approximately 20 fire and rescue personnel that receive small stipends based upon work performed. Most of the fire department personnel are volunteers not included in these numbers.*

Commuting Trends

Based on the wide range of employment opportunities and the relative lack of local employment, many Nottingham residents commute to work. A thirty minute commute is considered reasonable. Nottingham's geographic location in Western Rockingham County allows local residents to easily commute from the town to seacoast and southern New Hampshire, Concord and Manchester. Of Nottingham working residents, 20.2% live and work in town and 46% of the residents commute to Seacoast communities. For a comparison of commuting patterns in Nottingham between 1990 and 2000, see **Table 5-7**. The number of commuters and their destinations for employment expanded

in the decade of the 1990s. This trend shows that new residents who move into town normally seek employment elsewhere.

Nottingham is a bedroom community because housing costs in town are less expensive than in the rest of the Seacoast. This commuting pattern is typical of many communities in the area. Nottingham will likely continue to be in demand as a bedroom community assuming the price of gasoline and transportation remain at reasonable levels.

Table 5-7: Commuting Patterns

Working In	2000	Percentage
Nottingham	252	20.3%
Portsmouth	226	18.2%
Durham	132	10.6%
Exeter	146	11.7%
Manchester	111	8.9%
Raymond	88	7.1%
Concord	73	5.9%
Dover	67	5.4%
Other	146	11.9%

Source: 2000 US Census

Income

In 2000, the town's median four person family income was \$65,510. In the last 10 years, the Consumer Price Index (CPI) has increased by about 30% which would bring the Town's current median four person family income to about \$85,000.

The U.S. Department of Housing and Urban Development (HUD) tracks changes in income through its Fair Market Rent Areas. Nottingham, along with Deerfield and Northwood, are included in the Western Rockingham County area for HUD's Fair Market Rent Area. In 2008, the (HUD) median area income (MAI) for a family of four in Western Rockingham County¹ was \$90,600. By 2010 this figure had risen to \$96,100. In 2009, the US Census estimated the state of New Hampshire's median income family income for a family of four to be \$89,740. Income data from the 2010 US Census by municipality is not available.

Observations

- Lacking a nearby geographic population/employment center, many local residents are accustomed to traveling approximately 30 minutes to work to employment centers of Concord, Bedford-Manchester and the Seacoast.
- The town possesses an attractive rural environment enhanced by a small-scale agricultural base and animal farms, reflecting in part a natural resource based culture and economy.

¹ Includes Auburn, Londonderry, Candia, Deerfield, Nottingham and Northwood, which is the region for median family income.

- Since Nottingham has a favorable tax base and tax rate, there is no immediate need to diversify the town's tax base through new nonresidential development. However, the town should be receptive to appropriate new business or expanded opportunities, which are compatible with the town's rural environment and natural resource based economy.
- With the continued loss of jobs in the construction and manufacturing fields, it is likely the town's unemployment rate will rise or remain relatively high in the near term until the current economic recession recedes.
- Nottingham residents pride themselves on maintaining a small, but efficient, local government. This attitude is engendered by the caring nature of residents about their town. A number of goods and services that might be provided by local government are undertaken through the good will of the town's residents who donate time, materials and services for such activities as the welfare program and the food pantry. Other groups may also volunteer time and effort for the betterment of the town such as the Conservations Commission's roadside clean-up program (This program is conducted through the NH DOT Adopt-A-Highway program and involves 2 miles of roadway on Routes 152 and 156 four times per year.). These efforts contribute to the relatively low tax rate.

Action Plan

Vision Goals for Economic Trends

Provide opportunity for only small business activity that is consistent with the rural and village qualities that the town values.

Objective ET 1: Establish community policies and programs to encourage small business development and retention of existing small businesses.

Actions

- ET 1.1: Encourage small business development and retention of existing small businesses by establishing a Nottingham Business Association led by Nottingham business leaders.
- Maintain broad membership including representatives from town government, real estate, and key local businesses.
 - Act as a forum for business ideas, advocacy, planning, cooperative marketing, and joint promotions.
 - Develop a directory of local businesses, products and services.
 - Prepare an Economic Development Plan keyed to Nottingham's rural business character.
 - Market local services and products.
 - Sponsor special events.
 - Link local business services.
 - Establish cooperative working relationship with local officials.
 - Initiate special historic, recreational, or cultural events to draw visitors and tourists to Nottingham.

Objective ET 2: Promote a mix of residential, retail and office uses that are compatible with the existing visual character of Nottingham's Town Center and rural character of the town.

Actions

ET 2.1: Amend the Town Center zoning classification to:

- redefine Town Center to be based on Route 152 from Community Center to Post Office, including the Town Shed exclusive of Route 156 to square;
- allow as Permitted Uses single, duplex and multi-family residential that is consistent with RSA 674: 58-61, Workforce Housing;
- modify the lot size requirement to be more consistent with current lot sizes and building setbacks/yards;
- allow greater density coverage;
- include provisions for building design guidelines that are consistent with Nottingham's traditional architectural style; and
- allow more flexibility with height such as allowing a higher limit if non-habitable space.

(See also Housing Action Plan Action H 1.2.)

Objective ET 3: Promote a mix of residential, retail and office uses that are compatible with the existing visual and rural character of the other Commercial/Industrial areas in Town.

Actions

ET 3.1: Review and amend, as appropriate, the remainder of the zoning ordinance and Site Plan Review Regulations, particularly Commercial/Industrial Zone to be sure that non-residential development in the community continues to be consistent with the Master Plan's Vision.

- Adopt a set of design standards in the Site Plan Review Regulations to ensure that commercial/industrial building renovations, additions and new structures are constructed in a way that they are compatible with the scale, architectural character and building placement of other buildings in the community.
- Review Section IX-Design Standards and Required Improvements, especially the Landscape Section, buffer standards, to ensure that the standards are appropriate, clear and consistent.
- Review the dimensional standards and current land use pattern in the Commercial/ Industrial Zone(US Route 4) and modify as necessary to:
 - ❖ recognize the areas of current residential development and
 - ❖ determine potential locations for more intensive commercial/industrial development.

Objective ET 4: Encourage home occupations that are compatible with the rural character of Nottingham without infringing on neighbor's ability to achieve quiet enjoyment of their property.

Actions

ET 4.1: Amend the zoning ordinance to specify additional criteria for home occupations so that allowed home occupation uses do not negatively impact abutting properties. Criteria to consider should include:

- Recognize off-site employees have negligible impact to premises and neighborhood.
- The number of daily customers/delivery that would visit the business
- The size and type of sign that would identify the business
- The amount and type of exterior materials storage
- Acceptable level of noise with consideration for adopting a noise ordinance.

Objective ET 5: In order to help preserve the rural character of the town, including its forests, fields and other natural resources, businesses that are related to maintaining and enhancing the value and sustainability of these resources shall be encouraged.

Actions

ET 5.1: Ensure that agricultural, forestry, non-motorized recreational, hunting and fishing enterprises are promoted and encouraged through the town's development regulations. The regulations need to be examined and amended to eliminate major impediments to the establishment and continuation of business activities that are reasonably connected to these occupations. *(See also the Land Use Action Plan for additional strategies for encouraging and maintaining resource based-activities such as agriculture.)*

ET 5.2: Encourage economic opportunities for agricultural businesses including creating an Agricultural Commission led by Nottingham's agricultural leaders.