

Economic Trends Report

Introduction

Goshen's early economy was based on agriculture, silviculture, and related commerce typical of a pre-industrial rural community. The community thrived with a peak population of 779 in 1840. This number has not been surpassed until present day; the 2010 population projection ranges from 820 to 830. The economic trends affecting present-day Goshen depend on regional economies rather than localized economies in 19th Century. Planning for the community's future should recognize Goshen's reliance on regional employment and economic trends.

This report on economic trends relies on a number of statewide and federal sources. Some of the referenced population and income information has been obtained from decennial Census tables for 1990 and 2000, as well as the recently released 2009 American Community Survey (ACS). These data sources are supplemented by reports and economic projections the NH Office of Energy and Planning (NH OEP), NH Economic & Labor Market Information Bureau (NHELMIB), and New England Economic Partnership (NEEP). Further, the geographic scope of these studies and data range from the town-level (e.g.: 1990 and 2000 census data) to a county-wide scale. These data are intended for general planning and interpretation of trends for inherently unpredictable economic conditions.

Existing Economic Conditions

Employment Statistics

The majority of Goshen's current workforce, which is approximately 50-60% of the town's population (US Census, NH Employment Security), commute to employment locations in other communities. Approximately 13% of the workforce remains in Goshen (including Town employees, self-employed and those working for commercial businesses and industries) and 67% work in nearby communities (2000 Census). The remaining workforce respondents reported commuting to destinations in other New Hampshire communities, Vermont, and beyond. Table 1 provides specific detail on commuting destinations. The median travel time to work for the Goshen workforce is approximately 28 minutes (2000 Census).

Published income figures for Goshen are available from decennial Census tables to an extent. The 1990 Census and 2000 Census respectively reported income information for 1989 and 1999. Table 2 provides a summary for Per Capita and Median Household income for Goshen, adjusted for inflation to 2009 dollars. These figures indicate an increase in per capita income with a corresponding decrease in median household income, which can occur when there is a shrinking household size in the community, as indicated in the Population and Housing Report.

Published income figures for Goshen are not available through the ACS due to the coarse sampling methodology in rural areas. It is reasonable to review county-wide data trends for 1989, 1999, and the 2009 ACS to understand regional income trends relevant to Goshen. Figure 1 provides a graphical representation of the available data, adjusted for inflation to 2009 dollars. There has been a trend toward increased income for Sullivan County residents,

which have declined between 1999 and 2009 due to the economic recession that began in December 2007. Economic gains since 1989 were lost due to the recession.

Table 1: Goshen Workforce Place of Work Information (2000 Census)

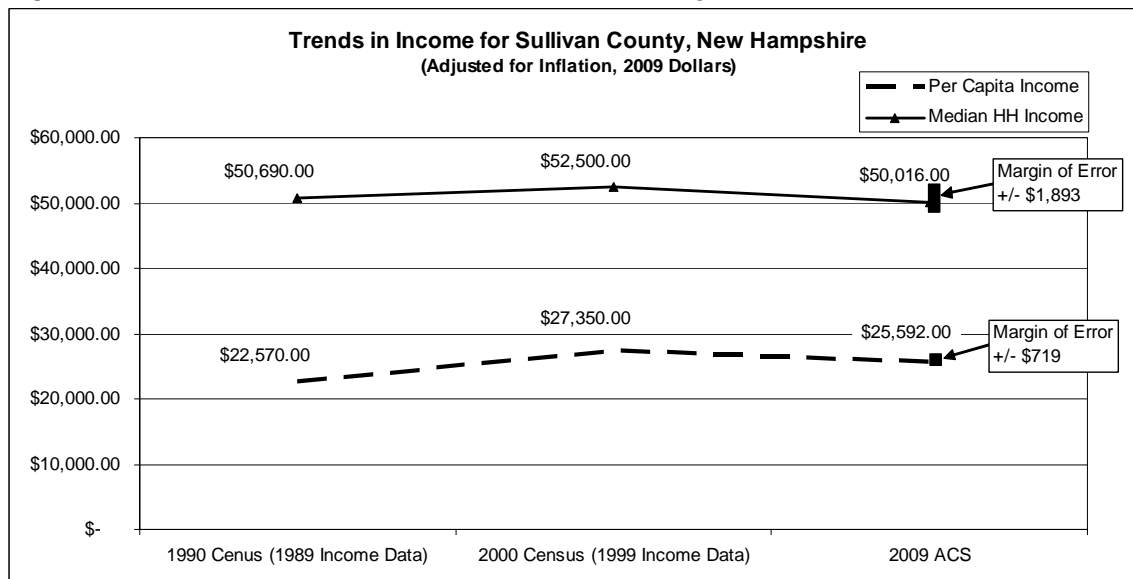
State	Community	Portion of 2000 Workforce Commuting to Approx. Distance to Community (mi)	
		Community	
New Hampshire	Bradford	0.8%	15
	Claremont	18.2%	15
	Goshen	13.3%	-
	Lebanon	3.8%	30
	Lempster	4.1%	8
	Newbury	1.5%	10
	New London	4.6%	19
	Newport	30.7%	5
	Sunapee	1.8%	10
	Unity	1.0%	10
	Washington	0.5%	10
	Other Towns	16.1%	-
Vermont		0.8%	-
Massachusetts		1.8%	-
Outside of New England		1.0%	-

Table 2: Goshen Income Summary, Adjusted to 2009 Dollars

	1990 Census (1989 Data)	2000 Census (1999 Data)
Median Household Income	\$57,250	\$54,670
Per Capita Income	\$22,410	\$26,370

Sources: Tables P114A, P080A (1990 Census); Tables P82, P53 (2000 Census)

Figure 1: Trends in Income for Sullivan County



Sources: Tables P114A, P080A (1990 Census); Tables P82, P53 (2000 Census); Tables B19301, B19013 (2009 ACS)

Regional Employment

The Goshen workforce, regardless of where individuals work, relies on the regional economy. The NH Economic & Labor Market Information Bureau (NHELMIB) identifies 25 principal regional employers in the UVLSRPC Region, summarized in Table 3.

Table 3: Principal Regional Employers in the UVLSRPC Region

Employer	Location	Industry Sector
Dartmouth Hitchcock Med Ctr	Lebanon	Health Care and Social Assistance
Dartmouth College	Hanover	Educational Services
Hypertherm Inc	Hanover	Manufacturing
Sturm Ruger & CO	Newport	Manufacturing
Timken Aerospace	Lebanon	Manufacturing
Tele Atlas	Lebanon	Information
New London Hospital	New London	Health Care and Social Assistance
Valley Regional Hospital	Claremont	Health Care and Social Assistance
Alice Peck Day Memorial Hosp	Lebanon	Health Care and Social Assistance
Thermadyne	West Lebanon	Manufacturing
Hanover Inn	Hanover	Accommodation and Food Services
William P Clough Extended Care	New London	Health Care and Social Assistance
US Army (CRREL)	Hanover	Professional and Technical Services
Becket School	Orford	Educational Services
Whelen Engineering CO	Charlestown	Manufacturing
Walmart Supercenter	Claremont	Real Estate and Rental and Leasing
Dartmouth Printing CO	Hanover	Information
RSD Transportation Inc	West Lebanon	Transportation and Warehousing
Kendal At Hanover	Hanover	Health Care and Social Assistance
West Central Behavioral Health	Lebanon	Health Care and Social Assistance
Tele Atlas Americas	Lebanon	Information
Walmart	West Lebanon	Retail Trade
Carroll Concrete CO	Newport	Construction
Newport Sand & Gravel CO Inc	Newport	Construction
Shaw's Supermarket	West Lebanon	Retail Trade

Note: Employer data sorted by size of employer; NHELMIB obtained information from InfoUSA.com

The current national recession has impacted employment in essentially all communities throughout the country. New Hampshire, although not immune to the national recession, has maintained a relatively low unemployment rate. The 2000 Census reported a 2.7% unemployment rate for Goshen. The Great Recession official began in December of 2007 and "officially" ended in June 2009. Table 4 outlines unemployment rates over the last year for the State, the Goshen region (Newport Labor Market Area, or "LMA") and the Nation. The State's economy has improved during this time period with unemployment rates decreasing in all three segments. However, the local economy is lagging behind both the State and County indicating slower job recovery in the immediate region.

Table 4: Unemployment Rates (not seasonally adjusted)

	Sept 2009	Aug 2010	Sept 2010	Oct 2010
Newport LMA	6.3%	6.2%	5.8%	5.6%
Sullivan County	6.0%	5.5%	4.9%	4.8%
New Hampshire	6.5%	5.7%	5.1%	5.0%
United States	9.5%	9.5%	9.2%	9.0%

Economic Trends

Predictions, especially relative to the economy, are often very difficult to make. These predictions, or forecasts, are based upon recent trends and are typically only moderately reliable for short-term forecasts. A recent report by the New England Economic Partnership (NEEP)¹ notes New Hampshire lost approximately 4.5% of the State’s jobs in the recession and, as of fall 2010, recovered approximately half of those lost jobs. This recovery has been broad based across many industries with only the financial segment losing ground. At current growth rates NEEP is projecting New Hampshire to regain all of the jobs lost by the first quarter of 2012, with long-term growth beginning to occur by the first quarter of 2013.

The real estate market throughout the state continues to struggle with home sales dropping 17% in the third quarter of 2010 compared to the same quarter in 2009. This trend can be seen in residential permit starts that peaked in 2004/2005 and have decreased significantly since then. This market will continue to be unstable until the job market returns to positive growth, the backlog of homes on the market decreases, and the residential mortgage foreclosure crisis eases.

Trends in Predominant Industries and Employment

Of the 25 largest employers listed in Table 3 the predominant industries are health care, manufacturing, education, technology, construction, transportation, and service (hospitality, retail, etc.). The current national recession has proven that the regional economy is not recession-proof, but capable of absorbing dramatic negative impacts of the diminished economy.

Prior to the recession it was generally expected that these predominant industries would contribute to a continued steady economic growth in the region. That these well-established industries have been able to endure the current recession indicates that the long-term trend of regional economic growth will remain viable. This affects the Goshen workforce as it does all other communities in the region.

¹ NHEC, Nov. 17, 2010, New Hampshire Economic Outlook

As stated above, this region has been able to absorb the negative impacts of the national economic recession, but has not avoided them. While the employers in the region have had remarkable resilience to the recession, the region still experienced a significant increase in its unemployment rate. The specific rate of growth will remain uncertain until it is clear the region and the nation have recovered from this recession.

Future Growth in Goshen

Land use regulations that have been adopted by the Town, as well as the results of the Community Workshop and surveys that took place in 2008 and 2009, clearly demonstrate the community's desire to control growth and development. The Town recognizes the need to manage and direct residential growth as well as commercial and industrial development.

A critical task for the Town is to manage its future growth to match its vision. Some development types that will likely affect Goshen can be identified:

- **Residential Development:** Goshen's housing demand will be affected by the expansion of jobs in the nearby labor market areas. Only when the current recession eases can Goshen anticipate a recovery in the housing market. The demand for new housing, including second/vacation homes associated with the local recreational attractions, will also affect how land is developed throughout the Town. It is important to balance the long-term costs of the various forms of residential development with the benefits to the community. For example: vacation homes provide tax income for the Town with limited demand on services with the risk that these homes become year-round dwellings with unanticipated demands on municipal services.
- **Commercial/Retail Development:** It is anticipated that Goshen's commercial development will remain somewhat limited to small-scale and home-based endeavors. The 2008 Community Workshop attendees were generally interested in promoting commercial development primarily along the major state highways where non-residential uses already exist. Some attendees also were interested in the possibility of focusing some limited moderate-density residential and non-residential development in a village area centered on the NH 10/Brook Road intersection. As in past planning surveys, the fundamental interest expressed by participants was in maintaining Goshen's rural character while avoiding development patterns that would detract from it.
- **Industrial Development:** Goshen's rural nature and local geology, as well as extensive tracts of conserved land, may result in a de facto reliance on agriculture, silviculture, mills, and mineral extraction as the primary industrial development possibilities. The Town should take care to manage industrial development to avoid adverse impacts to community character, which its residents highly value.
- **Infrastructure Improvements:** Basic infrastructure improvements focused on broadband telecommunication lines for Goshen's residents will improve the quality of life and make the Town more attractive for individuals and businesses that value reliable access to the internet and similar technologies.

Analysis Summary

- Approximately 13% of the workforce work in the community and 67% work in nearby communities, and remaining 20% work regionally/nationally. The median travel time to work is approximately 28 minutes.
- The recently released American Community Survey indicates that any modest increases in county-wide household and per capita incomes have been slowed and likely set-back by the recession.
- The recession has had a significant impact on unemployment rates in Goshen and the region.
- Regional employers have demonstrated a capacity to absorb some, not all, of the negative impacts of the recession. Regional and statewide unemployment rates have been somewhat less than the national rates.
- The nature of the regional industries indicates that economic development will continue to grow. The statewide recovery of jobs lost due to the recession will likely balance by 2012 with economic growth beginning in 2013.
- Planning for the community's future should recognize Goshen's reliance on regional employment and economic trends and foster the community desire to manage growth in Town.
- Town sponsorship of infrastructure improvements, particularly broadband internet infrastructure, will likely make Goshen more attractive to new residents of the area and small businesses.