

## **SUMMARY OF CERC'S TARGETED INDUSTRY STUDY TECHNICAL REPORT TO BRANFORD**

### **I Key findings [pp. 1-5]**

- Branford has had a slight increase in its total number of businesses while the State's trend has been flat and NH County saw a slight decrease.
- History of biotech firm locating in town.
- Most economically viable industries include hospital, chemical manufacturing [biotech] merchandise wholesalers, nondurable goods, information services, and securities, commodity contract & financial investment services.
- Branford should focus on companies that support industries performing well in the county.
- Retail industries most likely to serve as a draw to both Branford residents and the larger region include restaurants, book stores and gift store.
- Town has well established areas of mixed use and flexible zoning tools.
- POCD includes strategies to promote Smart Growth – i.e. to create sustainable environments for living and working, and to create efficient transportation patterns.
- Opportunities in select areas include:
  - Route 1 [W. Main] – corporate business parks, small industrial uses.
  - Town Center – destination retail & restaurants; maintain existing mixed use & design review board; Atlantic Wire property presents a significant opportunity.
  - Railroad station – best suited for high density residential with small neighborhood-oriented retail uses.
  - Exit 53 – large scale retail ; can be a major regional center.
  - Exit 54 – redevelop under utilized areas; main light industrial north of the interchange.
  - Exit 55 – opportunity in hospitality, office or retail uses, as well as mixed use.
  - Exit 56 – corporate industrial/office important component of the local economy; consider mixed use that encourages internal pedestrian circulation.

### **II Background [pp. 6-7]**

- Recent planning efforts include Vision Project, POCD, and Action Agenda.

### **III Branford business profile [pp. 8-12]**

- While declining, manufacturing still has earning power for employees.
- 2% of businesses employ > 100 people; 75% < 10%.

- Business startups / expansions with layoffs / closings create business churn which can help a region become more vibrant.
- Town share of "construction & other services" business is slightly higher than the county or state, while that of healthcare industries is slightly below average.

#### IV **Regional employment trends** [pp.12-14]

- Look at industries with employment levels > than the U.S. average.
- LQ [location quotient] = relative employment concentrations [1.0 = same employment ratio as the nation; consideration needs to be given to wage rates as listed App. D.

##### **A. Industry segmentation** [pp. 14-15].

Economic base analysis expanded to compare region's industries to the nation's. Appendix E categorizes industries as current strengths, retention targets and emerging strengths. Top three in each are:  
*current*-mining, misc. mfg, & nondurable wholesalers;  
*emerging*-construction, specialty trade contractors, food mfg.;  
*priority retention*-building material & garden equipment, educational services, ambulatory health care .

##### **B. Regional multipliers/linkages** [pp. 15-17]

Economic multipliers calculate the total effect of an economic change by estimating how the direct effect will affect other industries. Employment & earnings multipliers estimate the number of new jobs & earnings; economic multipliers estimate the additional jobs & earnings the meet the demands associate with the initial jobs/earnings increase; together they represent the total change. "High Opportunity" industries for the region include ten manufacturing subcategories, plus construction of buildings and publishing.

##### **C. National employment trends** [pp. 17-18]

June 2009 unemployment was 7% for Branford, 8.1% in CT, and 9.7% for the U.S. Housing costs fell from 4Q 2007 to 4Q 2008 14.3%in CT and 5.4% in Branford

##### **D. Quality of local jobs** [p. 18]

CT's average wage is relatively high and correlates to the workforce skill level.

##### **E. Local knowledge input** [p. 18]

Input from focus groups and interviews is included in the analysis of which industries are vital for the region.

**F. Putting it together: analyzing key industries in the region** [pp. 18-20]

Each of 25 industries is ranked as to how well they score using the criteria covered in pp. 12-18. Highest scores went to hospitals and biotech [chem. mfg.]. Appendix A contains the complete list.

**V Qualitative & fiscal impacts** [pp. 21-23]

- The quantitative results of the identified key industries were reviewed for qualitative impact of various measure including traffic, community character and natural resources [LI Sound, wetlands, etc.]. Retail and certain industrial uses generate the highest traffic impact. Appendix B contains the complete analysis.
- Fiscal impact is an assessment of one-time and ongoing municipal revenues associated with a proposed development [e.g., permit fees, real and personal property taxes], and of the cost of an increased demand for town services [police, fire, public works, etc.]. Commercial and industrial uses generate fewer costs for the town and provide greater revenue; retail has higher costs with some positive revenues.

**VI Analysis of retail supply & demand** [pp. 24]

- Retail *leakage* occurs when consumers leave the area to purchase goods & services, creating potential for more businesses to meet the demand. Retail *surplus* results when sales of existing retail businesses exceed local demand, drawing in customer from outside the local area and limiting demand for additional retail businesses.

**A. Retail growth prospects for Branford & region** [pp. 24-25]

Retail leakage exists in the region; gaps in full-service restaurants, general merchandise, and furniture stores should be considered, taking into account current economic conditions

**B. Destination retail for Branford** [pp. 26]

Retail industries with a gap in the market region and a surplus in town include auto dealers, clothing and sporting goods stores;

**C. Locally-oriented retail opportunities** [pp. 27-28]

Regional surplus combined with a local gap indicate businesses that may be viable if serving basic needs without intending to be a regional destination; ranges from shoe stores, lawn & garden equipment stores, and home furnishings to beer, wine & liquor stores. A caveat is included that economic condition as may prevent the viability of some retail prospects.

## VII Household expenditures [pp. 29]

- Branford's household expenditures closely match that of the region, with 12 of 20 categories at the same level. Of the other eight, three are above the regional average by .1% [food at home, health care, and gasoline/oil], four are below by .1% [entertainment, contributions, property taxes, and tuition] and one below the region by .2% [mortgage interest].
- Food, healthcare and entertainment are identified as services that can be provided within town for its residents.

## VIII Focus groups [pp. 30-32]

- At the town's request, four focus group sessions were conducted even though they are not typically part of a quantitative industry analysis.
- While most agreed that manufacturing is declining everywhere, overall it was felt that the best types of businesses for growth in Branford was biomedical and biotech due its attracting a skilled workforce and higher paying jobs. Sentiment regarding big box, niche retail and specialty shops was mixed.

## IX Land use options [pp. 33-41]

- Branford has several well-established areas for mixed use and flexible zoning tools; the town's POCD recommends where land use "nodes" should be used.
- Targeted industries are matched with general locations where they are likely to thrive, with some suited for more regionally-oriented businesses while others are better for town/neighborhood oriented business.
- "Smart Growth" [as identified in the POCD] goal is to create sustainable environments for living and working, and to create efficient transportation patterns. Smart Growth strategies could include continuing to strengthen the town center as mixed-use, higher density development that enables residents to commute to New Haven and elsewhere by rail, and to strengthen Rte. 1's existing commercial strips to become more pedestrian friendly.
- *Rte 1/West* – contains many small properties; combination of properties may be necessary to develop the area. Rte. 1 corridor is bordered by older residential neighborhoods which are important components of the town but also limits commercial expansion; development impact needs to be respectful of the preservation of the quality of the neighborhoods. Improved aesthetics and enhance site design should be part of any development, with neighborhood oriented retail uses. Possibility exists for small industrial uses in a corporate park setting [e.g, at former Echlin site].

- *Branford Town Center* – Branford's is considered one of the most attractive town centers in the state; 2008 Main Street Gateway Study outlines a plan to make it more attractive. Continued economic viability depends on the preservation of the character of the town center. Town's Parking & Circulation Study should be examined for maximum utilization of existing parking areas. Atlantic Wire is a significant opportunity as a mixed use development linked to both the Town Center and the train station; the town should work with the property owner and state agencies to address environmental remediation issue to make the property ready for development.
- *Railroad Station* – High density residential uses are most attractive uses for the areas; small offices may be appropriate as part of a mixed use development; an increased need for small neighborhood oriented retail uses should be considered a growth occurs, but should remain small scale to avoid generating increased traffic.
- *Exit 53* – Reconfiguration of the entrance ramp could open up much of the vacant area to development. Large scale retail would be viable due to accessibility and proximity; mixed use may also be feasible. The area could be a major economic center of the region.
- *Exit 54* – Few opportunities for significant development exit. Retail areas south of Route 1 should be reinforced [e.g. Coastal], with Cedar Street north of I-95 retained for light industrial and office use north Zane's, Regal Theatres, Margarita's].
- *Exit 55* – Any development should be comprehensively planned and coordinated. Opportunity for hospitality [Days Inn is there], office or retail as part of a mid-use development; would result in greater fiscal economic benefit to the town than "big box".
- *Exit 56* – Area has town's only large undeveloped land zoned for business uses. Significant corporate business development already exists and should be reinforced as an important component of the local economy. Mixed use area should be considered with a "nodal" development that encourages internal pedestrian circulation that includes high degrees of design and public infrastructure.

### **Appendices [pp. 42-67]**

Appendix A: Comprehensive Industry Analysis and Criteria;

Appendix B: Qualitative Impacts;

Appendix C: Town Maps;

Appendix D: Wage Rates;

Appendix E: Industry Segmentation Analysis;

Appendix F: Economic Linkages;

Appendix G: National Trends