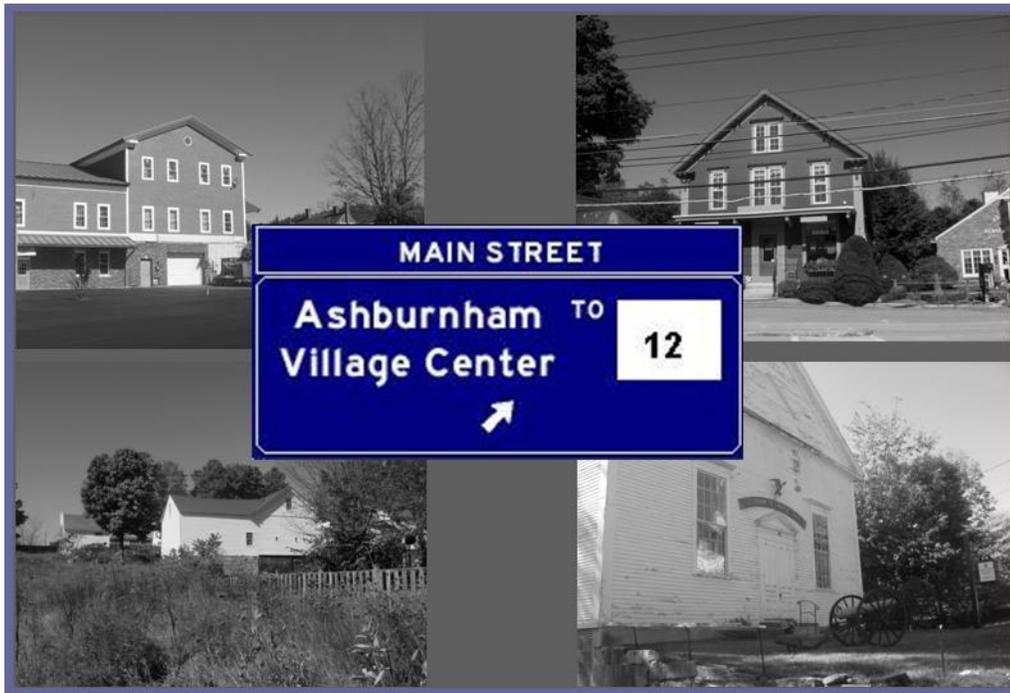


ASHBURNHAM VILLAGE CENTER MARKETING PLAN



DECEMBER 2008

PREPARED BY



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With funding from the NORTH CENTRAL MASSACHUSETTS DEVELOPMENT CORPORATION

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1. Project Objectives and Background

The Town of Ashburnham received a grant from the North Central Massachusetts Development Corporation (NCMDC) in 2008 to support the creation of a marketing plan for Ashburnham Village Center. The overall purpose of the project is to reduce the amount of vacant commercial space in the Village Center; over the last couple of years, there have been a number of instances of businesses closing and permitted commercial space remaining for lease or for sale. For example, the Victorian House, a well-known fine dining establishment on Maple Avenue, closed in 2007, and a bead shop and a florist/greenhouse business closed in 2008. In March 2006, the Ashburnham Planning Board approved a Site Plan Review for a 90-seat restaurant on the lower level of Ashburnham Hardware on Main Street; two-and-a-half years later, the space is still vacant. Other objectives of the Marketing Plan are to diversify the local tax base and increase the number of businesses and jobs in Ashburnham.



Scope of Work

With funding provided by the NCMDC grant, the Town of Ashburnham hired E.M. Pemrick and Company, an economic development and planning consultant, to develop the Village Center Marketing Plan. The scope of work approved for the project was as follows:

- *Review of Existing Materials:* A review of the results of the Downtown Village Center Customer Survey (conducted by the Town) and related materials, including the Ashburnham *Community Development Plan* (2004), *Affordable Housing Plan* (2006), and *Industrial Land Use Suitability Analysis and Assessment* (2006), and the report and recommendations from the Ashburnham Highway Barn Site Charrette (2007).
- *Interviews:* One-on-one discussions with selected real estate professionals, business and property owners, and other stakeholders to solicit feedback on the types of uses that would be appropriate for the Village Center.
- *Market Analysis:* An analysis of market demographics and retail sales in the Ashburnham trade area, and an assessment of the Village Center's potential to draw on non-local or visitor markets.
- *Village Center Marketing Plan:* Preparation of a written report presenting the consultant's findings and recommendations.

Staff assistance was provided by Ashburnham Town Planner, Eric R. Smith, AICP.

Related Projects

The development of the Village Center Marketing Plan is part of a larger effort related to the economic development and revitalization of the Ashburnham Village Center. In January 2008, a nine (9) member Village Center Zoning District Study Committee was appointed by the Town Administrator. The committee has been meeting regularly to review the Village Center zoning adopted by the Town in 2004, with one of its goals to make the zoning requirements more business-friendly. Although committee members are interested in the mixed-use possibilities of the Village Center, they want to ensure that it retains its small town historic character.

Another activity related to the Marketing Plan is a project by the Ashburnham Municipal Light Department to commemorate its 100-year anniversary by removing the above-ground power lines on an approximately one-quarter mile section of Main Street, and installing ornamental lighting fixtures. The cost of this project is estimated at \$300,000. Once complete, the Village Center will be more attractive, and the results should assist in fostering additional economic development.



Town Goals and Objectives Related to Economic Development

Efforts to revitalize the Village Center and attract new businesses to Ashburnham are consistent with the goals and objectives developed by the Town Planner and approved by the Town Administrator in 2008:

Goal #1: Expand/broaden/diversify tax base through controlled commercial-based economic development reflecting the character of the community and village centers in order to decrease the residential tax burden.

- Objective #1: Complete work with the Village Center Zoning District Study Committee on a set of proposed zoning changes for the Village Center for passage at the May 2009 Town Meeting.
- Objective #2: Work with Town Officials to relocate the existing Highway Barn and utilize current site for mixed-use redevelopment project (senior housing, commercial and non-age restricted apartments)
- Objective #4: Encourage the appropriate growth of small business convenience stores and retail services to meet daily needs of residents as the town matures, including in South Ashburnham and neighborhoods around the lakes, while not ignoring the needs of other neighborhoods in the community.

Goal #2: Expand tax base by encouraging appropriate light industry (for which a market can be supported) to move to or expand within the Town of Ashburnham.

- Objective #1: Begin implementation of recommendations contained in the Industrial Land Use Suitability Assessment and Analysis.
- Objective #2: The community should use local zoning to ensure that appropriate areas are zoned for commercial and industrial uses, while balancing the needs of housing and the protection of open spaces and natural resources.
- Objective #3: Educate Town Officials about the State's Economic Development Incentive Program (EDIP) and Development Initiative Financing (DIF), among other available

economic development tools, to help local businesses grow and create employment opportunities and to pay for infrastructure costs related to business development.

- Objective #4: Get the Town of Ashburnham Industrial Development Commission (IDC) up and running again, but as a more broad based Economic Development Commission or EDC.
- Objective #5: Identify the types of businesses we want to encourage in the community and update the use table in the zoning bylaw accordingly.

Village Center Customer Survey

In September 2008, the Town of Ashburnham distributed a survey to customers of the Ashburnham Municipal Light Department to assist in determining market conditions and the types of businesses that could be supported in the Village Center. Selected survey findings are provided below.

- There were 234 responses to the customer survey, resulting in response rate of approximately 8%. This is average for a mail survey without direct follow-up.
- Asked for what purposes they visit the Ashburnham Village Center, with multiple responses allowed, 89% said shopping, 42% said services, 40% said events, and 37% said dining.
- Forty percent reported using services in the Village Center three to five times a week, while 31% indicated about once a week. Only 7% reported visiting every day. Most people drive to the Village Center.
- On average, respondents dine out approximately 2.1 times per month for breakfast, 4.1 times for lunch, and 3.6 times per month for dinner. However, only 8% of these dining experiences take place at establishments within the Village Center.
- The kinds of businesses most frequently cited as needed in the Village Center included a sit-down restaurant, a bookstore, and a pub or tavern. In contrast, respondents feel that the existing hardware store, bank, barber/hairdresser and dry cleaner in the Village Center do a good job at meeting their needs.
- Asked to rate various characteristics of the Village Center, respondents were most satisfied with the friendliness of service, safety, and cleanliness. In deciding where to shop, however, people view the quality of goods and services and the selection of merchandise as most important, and 30% rated the ability to find what you want in the Village Center as poor.
- An open-ended question on the survey asked residents, “What businesses do you patronize in other areas that you would like to see in the Village Center?” Approximately two-thirds of the survey respondents answered the question, in some cases listing several types of businesses; 73 wrote in “none.” The type of business named most frequently was a restaurant, with 65 instances of this term; related answers included “pub” or “pub dining” (15 responses), “dining” (9), “coffee shop” (6), “family restaurant” or “family dining” (6), “fast food” (5), “bakery” (5), and “Dunkin’ Donuts” (4). Residents are clearly most interested in some sort of casual sit-down restaurant. Other leading responses were a bookstore (24), gas station (13), a bank or credit union (13), another grocery store or supermarket (11), and a fitness club or gym (5).

2. Village Center Retail Mix and Environment

Data provided by the Town Planner indicates that within the Village Center core, there are 21 parcels classified as commercial by the Assessor's Office (excluding one vacant parcel on Ames Avenue), encompassing approximately 342,000 square feet of space.¹ Under Massachusetts General Law, the commercial property classification is reserved for "all real property used or held for use for business purposes... including but not limited to any commercial, business, retail, trade, service, recreational, agricultural, artistic, sporting, fraternal, governmental, educational, medical or religious enterprise for non-profit purposes." Note that parcels owned by Cushing Academy, whatever their use, are not classified as commercial as they are considered exempt from taxation. Cushing Academy is Ashburnham's largest employer, however, and its students, faculty and parents could serve as catalysts for Village Center revitalization.



Commercial district businesses can generally be placed into one of four categories:

- *Convenience* businesses offer products and services that people purchase frequently to meet everyday needs. These include grocery stores, liquor stores, and drug stores, as well as personal service businesses such as laundromats and hair salons. Convenience businesses tend to draw from a limited market area; purchasing decisions are often based on proximity to home, work or school and expediency.
- *Shoppers' goods* businesses serve comparison shopping needs. They include specialty retailers such as gift shops, jewelers, and bookstores as well as department stores, furniture and home furnishings stores, apparel shops, and art galleries that tend to attract customers from greater distances. Although critical mass is important for all retail centers – multiple stores will generate more customer traffic – it is especially important for retailers of specialty goods, as shoppers rarely make a special trip to visit a single store.
- *Eating and drinking places* can be a separate classification, or can be subdivided into the convenience and shoppers' goods categories. A limited-service restaurant offers inexpensive food that is prepared and served very quickly (e.g., a fast food restaurant), while a full-service restaurant describes a restaurant with table service and a wide selection of foods and beverages (e.g., a fine dining establishment). Other eating and drinking establishments include bars and taverns, ice cream parlors, and coffee shops.

¹ This figure reflects the square footage of the *parcel*, not of the structures on the property. The 21 parcels add up to about 7.9 acres.

- *Non-retail businesses* are those that do not meet the definition of a retail store, with the primary examples being professional and medical offices and day care centers. This category may also include establishments that provide opportunities for entertainment and recreation, such as movie theaters and bowling alleys.

The business mix in the Ashburnham Village Center is relatively limited. Convenience and service businesses are well-represented, with a grocery store, convenience store, dry cleaner, liquor store, video store, and pharmacy among them. Several hair salons operate in the Village Center. Shoppers' goods businesses that might attract visitors from outside the community, on the other hand, are few in number. Creative Connections is a stand-out in this category, although another store offering gifts and specialty items, Ashburnham Country Store, opened at Routes 119 and 101 in September 2008. The membership list of the Ashburnham Business Council suggests that there are at least a handful of individuals in Ashburnham who sell specialty goods from their homes or online, but may or may not be interested in having a "storefront" presence.

As respondents to the Village Center Customer Survey pointed out, there is a lack of variety with respect to eating and drinking establishments in Ashburnham. Although residents recall a German deli that used to be on Main Street, today the dining options consist of two pizzerias and a small coffee shop. Ashburnham Wine and Spirits sells sandwiches at lunchtime but it is strictly a take-out operation; the Ashburnham Marketplace also sells take-out items. Since the closure of the Victorian House, residents have had to travel elsewhere to dine at a full-service restaurant. The closest fine-dining establishments are in Gardner, Princeton, Westminster, and Fitchburg, or some distance away in southern New Hampshire.



Some medical and professional (e.g., insurance) offices are present in the Village Center. These types of businesses do not generate much foot traffic, but probably aid in supporting other establishments – the local pharmacy, for example. There is a bank on Main Street, and a new credit union under construction less than a block away. The latter is expected to open in spring 2009.



On the north side of Main Street near its intersection with Ashby Road (Route 101) are Ashburnham's recently renovated Town Hall and the Frederick Piano Museum. Located in the former Stephens Library, constructed in 1890, the museum is home to the Frederick Collection of Period Grand Pianos, with twenty original pianos in playing condition. Its mission is to "give musicians and music lovers a chance to hear works by major piano composers, played on pianos such as those the composers knew, and for which their music was conceived." The museum occasionally holds concerts and other events at the Ashburnham Community Church, drawing visitors from the

Boston metropolitan area. The new Stephens Memorial Library, which had outgrown its original site, moved into a former elementary school on Memorial Drive in 1988.

Another cultural asset, on the west side of the Village Center, is the old Meeting House. First built in 1791 on Meeting House Hill, it was moved to Main Street and reconstructed in 1838, serving as the Town Hall until 1905, according to the Ashburnham Historical Society, which owns the building.

Despite the presence of Ashburnham Town Hall on Main Street, the Village Center seems to lack community gathering spaces to enhance the business district. In many small towns, the post office serves as an informal gathering spot, where neighbors meet and greet before proceeding to stores or restaurants nearby. The Ashburnham Post Office moved out of the Village Center at least a decade ago, however, and other places where people tend to gather, like pubs, are conspicuously absent.



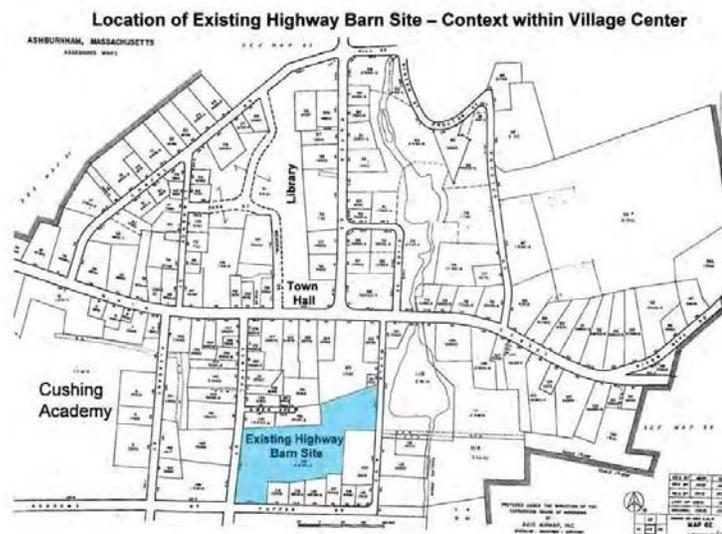
Several buildings in the Village Center are vacant and available for sale or lease. In addition to the lower level of Ashburnham Hardware, these include the former Sunnyvale Rest Home at 10 Central Street (on the market for \$235,000), first-floor retail and second-floor office space in the Drake Realty property at the corner of Main and Central, and 33 Main Street.

Directly east of the new GFA Federal Credit Union under construction, the 33 Main Street property consists of an historic brick building with four offices and an attached wing currently housing three apartments. A separate one-story building in the rear is being used as a day care center. The property is listed for sale at \$299,900.

It is important to mention the Town of Ashburnham’s Department of Public Works facility, also known as the Highway Barn site, at Central and Puffer Streets. At 4.2 acres, this site is the largest available in the Village Center, and has considerable potential for redevelopment and reuse. The *Ashburnham Highway Barn Site Charrette: Report and Recommendations* provides a brief analysis of the site and its context:

...[The] property served for half a century as Ashburnham’s train station. The depot was erected in 1875 and then dismantled in 1925, two years after passenger rail service was discontinued. The Town purchased the site in 1938 and moved the Highway Department moved there.

The largest available site in the Village Center Zoning District, the 4.2-acre Highway Barn Site is within walking distance of all the amenities of Ashburnham Town Center – shops, town hall, the library, the museum, the old mill pond, and the trailhead for the Ashburnham Rail Trail, which is planned to be part of a regional rail trail system...Directly north of the site is an approximately 1-acre parcel with frontage on Main Street owned by Gil Carriero that may become available as part of this redevelopment project...



The lot is level and served by municipal water and sewer. More than 4,100 vehicles per day pass by the site on Central Street.²

For the past several years, Town officials have considered relocation of the DPW, freeing up the Highway Barn site for potential development. Participants in a charrette organized to discuss ideas for the site reached consensus on a number of planning concepts for the property, including the construction of mixed use buildings on Central Street with ground-floor commercial space and second- and third-floor apartments; buffering of existing residential buildings around the site with landscape elements; space for a park; mixed-income housing units in multiple buildings; some sort of cultural activity, such as an art gallery; and sufficient parking. Unfortunately, relocation has been put on hold due to the Town's fiscal situation and the difficulty in identifying a suitable municipally-owned property elsewhere in Ashburnham to accommodate DPW operations.

Other Village Center properties that could be used for commercial purposes in the future include a vacant lot of less than half an acre on Ames Avenue; a Greek Revival-style home at 31 Main Street once considered for Cushing Academy faculty housing; and the Carriero property cited in the *Charrette Report* above. Located at 27 Main Street, the Carriero parcel consists of a three-family residence and a large vacant field (+/- 1 acre) north of the Highway Barn site; it was on the market several years ago with an asking price of \$349,000, but failed to sell.



Many of the businesses in the Village Center are members of the Ashburnham Business Council (ABC), an affiliate of the Greater Gardner Chamber of Commerce that works to identify, discuss and respond to specific economic development and business development issues in the Town of Ashburnham. The ABC hosts a Downtown Day in June of each year to promote local businesses. This event features a variety of activities, such as pony rides and a petting zoo for children, a silent auction, trolley rides, live music, and craft exhibits. The ABC also sponsors after-hours networking events and an annual dinner in January.

Vehicular access to Ashburnham Village Center is via Route 12 and Route 101. Route 12 runs east-west, connecting Ashburnham to Fitchburg and Winchendon; it is known as Main Street in the Village Center. Route 101, known as Central Street south of its intersection with Main, links Ashburnham to Gardner, providing access to Route 2. North of Main Street, Route 101 is known as Water Street and then Ashby Road; it ends at Route 119 (Rindge State Road), which crosses the border into New Hampshire.

As of 2006, the traffic count on Main Street in the Village Center was approximately 4,300 vehicles per day east of Water Street; 6,100 vehicles per day west of Water Street; and 5,400 west of Central Street, according to data from the Montachusett Regional Planning Commission. Central Street/Route 101 south of Main averaged 3,400 vehicles per day, while Water Street north of Main averaged 2,600.

² Massachusetts Smart Growth Alliance, Central Massachusetts Smart Growth Alliance, and Town of Ashburnham Focus Committee, *The Ashburnham Highway Barn Site Charrette: Report and Recommendations*, September 2007, pp. 4-5.

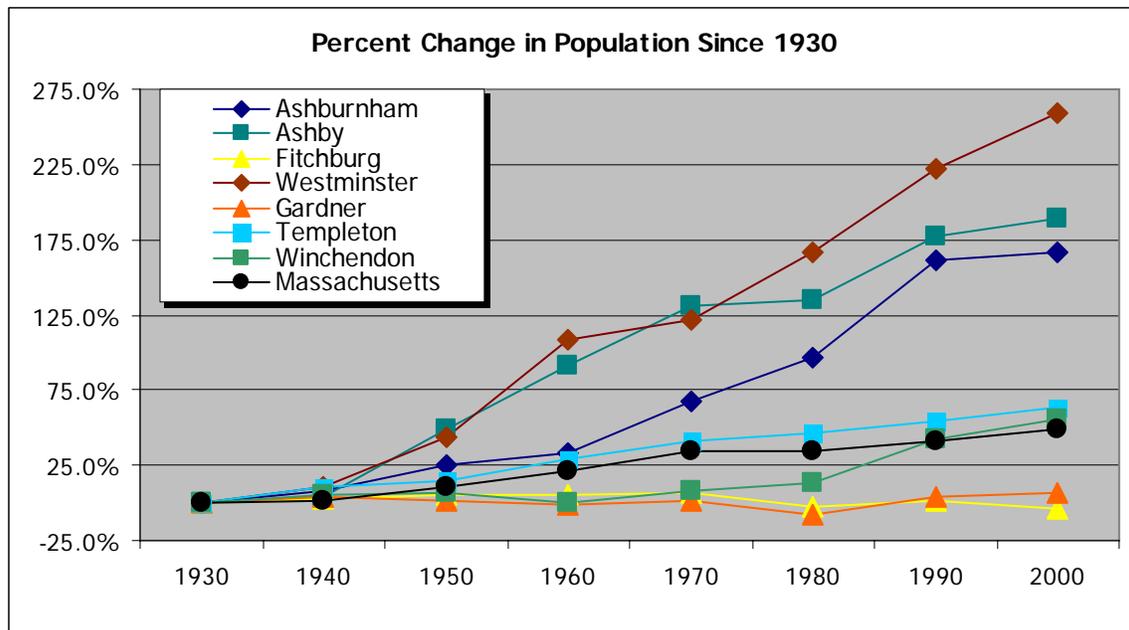
3. Interview Summary

E.M. Pemrick and Company conducted a series of one-on-one interviews in fall 2008 to identify issues and challenges and solicit feedback on potential opportunities for the Village Center. Interview participants included:

- Jonathan M. Dennehy, Ashburnham Selectman, attorney, and member of the Village Center Zoning District Study Committee;
- Mike Ellis, President of the Greater Gardner Chamber of Commerce;
- Stan Herriott, Chairman of the Village Center Zoning District Study Committee, Director of the Ashburnham Municipal Light Department, and a former president of the Ashburnham Business Council;
- Bob Johnson, Chair of the Visual Arts Department and Aesthetics Coordinator at Cushing Academy;
- Paul and Terry Maguire, owners/proprietors of the Maguire House Bed & Breakfast in Ashburnham;
- Christina Sargeant, Chairwoman of the Ashburnham Historical Commission, a member of the Ashburnham Focus Committee, and Realtor for Foster-Healey Real Estate; and
- John Zinna of Drake Realty, the owner of several commercial properties in the Village Center.

Ashburnham Today

The Town of Ashburnham was incorporated in 1765. The Town's early development was based on dispersed agricultural settlement until water-powered factories were established in the 1800s. The heyday of commercial and industrial activity in Ashburnham was in the nineteenth century; manufacturing included textile mills and chair factories, with the latter concentrated in today's Village Center, where a train depot was also located. Although the Town retained some factories, most had moved on by the early 1970s, and Ashburnham began its transition to a what is now primarily a bedroom community.



Over the last two to three decades, Ashburnham and many of its neighbors have experienced significant population growth, as the chart on the previous page indicates. This has been fueled by the rising cost of housing in the Boston metropolitan area. Although many residents have lived in the Town for generations, a segment of the population is comprised of families who purchased homes in Ashburnham because it was “the first place we could afford.” They are part of the Massachusetts commuter culture, driving alone in their cars for up to two hours each way, or traveling to Fitchburg to catch the MBTA train to Boston. Like most suburbanites, they are used to driving to shopping malls in nearby cities, or even to New Hampshire to meet many of their retail needs.

This characterization serves as a backdrop for discussion of the future of the Village Center. As the interviews confirmed, there is a divergence of opinion among locals – whether they are new or long-term residents – about the extent of commercial uses in Ashburnham. Some are against any commercial development, preferring to drive long distances to shop, while others view increased economic activity in the Village Center as a way to enhance the Town’s tax base. The interviews suggest, though, that some kind of change is necessary in order for the Village Center to remain viable, provided that any new businesses are attractive, low-impact and appropriately scaled to fit the character of the Town.

Perceptions of the Village Center

Asked how the Village Center is currently perceived, one interview participant bemoaned the loss of businesses and services. There used to be a gas station and a post office that drew people to the Village Center every day; now, the area has a “not a lot there” perception. The need for “gathering places” was mentioned by several of those interviewed, with one who stated that “everyone wants a [sit-down] restaurant” where they can get together with friends and neighbors, “or a bakery, or a bookstore.” The phrase “starving for socialization” was used in the context of describing the need for gathering places in Ashburnham. Another interview participant noted the excitement associated with the new GFA Federal Credit Union under construction, calling it a “win-win: it will serve local residents without adding extra traffic.”

Other perceptions of the Village Center related to its overall condition. One person cited the need for physical improvements, such as brick walkways, consistent signage, new sidewalks, parking – “something to encourage people to stop.” The look and feel of the Village Center could be improved “across the board.” Another specifically noted the poor condition of the sidewalks downtown, stating that “they haven’t been upgraded in 50-60 years.”

Virtually all of those interviewed agreed that the Village Center has enormous potential. With a better mix of businesses and aesthetic improvements, it could become a strong and vibrant commercial district.

Challenges

The regulatory environment presents a challenge to bringing new businesses to the Village Center, according to those interviewed. There is a need to make the local permitting process more efficient and user-friendly. One person cited the experience of the GFA Credit Union as an example, noting that it took 18 months for them to obtain a building permit after purchasing property on Main Street. In addition, because Massachusetts taxes and regulations are perceived as “not very small-business friendly,” many retailers are choosing to locate in southern New Hampshire instead. On the plus side, electric rates in Ashburnham are less than in neighboring communities thanks to the Ashburnham Municipal Light Department.

Only one person interviewed expressed skepticism that the Village Center could support more commercial activity, asserting that the Town's population is too low for businesses like the Victorian House and that people can go to Leominster, Marlborough, and even New Hampshire to shop. Instead, the Town should promote itself as a desirable place to live and encourage the development of townhouses on the Highway Barn site, as potential buyers would look favorably on a "low-key location with access to the malls."

Opportunities

Despite its challenges, the Village Center is "still charming" and "has ambience." Asked about the types of amenities, stores, or services needed in Ashburnham, one person suggested "specialty shops... create a downtown marketplace," cautioning that such businesses should not be so specialized that they cannot survive over the long haul. The stores should "meet everyday needs," to ensure a steady stream of customers.

With its current business mix, the Village Center primarily serves local residents, but there may be an opportunity for it to become more of a destination. That was the approach recommended by one interview participant, who described Ashburnham as "a blank page" with the potential to provide the "small-town experience" that defines typical New England. Peterborough, New Hampshire was cited as a good template, a larger example of what Ashburnham could be, with small shops, cafes, and galleries.

Others were less certain of Ashburnham's tourism potential. They acknowledged that the Town does have a lot to offer: great hiking on Mount Watatic and on State Forest lands, hunting and fishing opportunities, and a large number of recreational lakes. However, trailheads are miles away from the Village Center, the lakes lack public access, and there is little connectivity with the state to the north; while many Ashburnham residents shop in New Hampshire, the citizens of that state generally do not patronize Ashburnham businesses. That may limit the Town's ability to capitalize on its proximity to the Monadnock region.

Another opportunity identified for the Village Center centers on Cushing Academy. Although Cushing was described as having "an adversarial relationship" with town leaders, it is an asset to the Town. As one interview participant noted, students do patronize many of the businesses in the Village Center. However, they also spend their money in other communities nearby that offer a broader range of options. Asked about the types of businesses that would appeal to Cushing students and faculty, suggestions included:

- a moderately-priced restaurant – something more than a coffee shop or diner – where students can meet with their faculty advisors or dine with their parents;
- a small bookstore, possibly with a café, "like the Toadstool Bookshop" in Keene, NH;
- an ice cream shop;
- a nature shop like Wild Birds Unlimited or the Audubon Shop in Lincoln, which might also appeal to local residents; and
- a coffee shop with different kinds of teas – Cushing has many Asian students who prefer tea.

Cushing Academy is reportedly open to the idea of developing exhibition space for the arts in the Village Center. The arts could serve as an additional attraction if private galleries were willing to locate in Ashburnham, appealing to Cushing alumni and other visitors.

Other Issues

Other issues raised during the interviews included the need for follow-through with the long-discussed relocation of the Highway Department site, the development of a vision, and the lack of a coordinated effort with respect to the Village Center. One participant asserted that a master plan is needed for the downtown; once completed, the plan could be used to attract potential developers and investors, secure bank financing, and “kick-start” the redevelopment process. The establishment of a public-private Economic Development Commission was recommended to initiate and lead the master plan.

Another participant mentioned the need to “get everyone on board”; the biggest challenge to developing a strong commercial district is that “everyone has a different idea” about what it should or could be. Leadership from Town officials is needed to build consensus.

4. Market Analysis

The success of any retail marketing strategy ultimately depends on a clear understanding of the existing market. Understanding the market can help guide the Town of Ashburnham in making decisions about the types of businesses the Village Center might be able to support and the characteristics of the customers it can attract. A market analysis can also provide useful information about the future direction of the Village Center and help the community identify, evaluate, and prioritize market opportunities.

Typically, the types of demographic data in which retailers and developers are most interested include population, household size and type, age, and income. Educational attainment levels, race/ethnicity, sex, employment, and other characteristics may also be important. Retailers and developers want to know how these indicators have changed over time (e.g., is the population growing or declining?) and how local trends compare to those in neighboring communities, the surrounding region, or the state as a whole. The data provide an understanding of potential customers and sales.

Most national retailers today rely on a dizzying array of statistics to determine their best customers, evaluate sites and identify markets in which to locate new stores. A lot of this information is proprietary and thus not easily accessible to the small “mom-and-pop” businesses that tend to locate in village centers and downtown commercial districts. It is therefore important to provide such information as part of an overall recruitment package targeted to prospective businesses. (This is discussed further in the recommendations.)

Trade Area Definition

A *trade area* is generally defined as the geographic area from which local retailers draw the majority of their customers. For the purpose of this analysis, we have defined a potential trade area as *within a 15-minute driving time* of the Village Center. This area, the approximate boundaries of which are shown at right, includes the Town of Ashburnham itself and portions of Ashby, Fitchburg, Gardner, Templeton, Westminster, and Winchendon.³



Existing and potential new businesses in the Village Center may provide goods and services to people outside the trade area, such as visitors or tourists passing through Ashburnham and shoppers who live further away. Households within a 15-minute driving time, however, are more likely to patronize Village Center businesses on a *regular* basis due to proximity and convenience, assuming that their retail needs (in terms of quality, price, selection, etc.) can be met.

³ Original 15-minute drive-time map generated using ESRI Business Analyst Online. This map with an approximation of the trade area boundaries has been substituted as it provides more detail.

Market Demographics

This section analyzes population, household, householder income, and age characteristics of residents in the Town of Ashburnham and the defined trade area. The data used in the analysis is derived from the U.S. Census Bureau and ESRI Business Information Solutions, a leading national provider of market information.

The table below summarizes population trends in the 15-minute drivetime zone, the defined trade area, from 2000 projected to 2013. The 2008 population of the trade area is estimated at 51,621, an increase of 2,580 persons (or 5.3%) since 2000. With an estimated 6,202 residents, the Town of Ashburnham accounts for about 12% of the trade area population.

Market Area	Market Area Population			% Change	
	2000	2008 (est.)	2013 (proj.)	2000-08	2008-13
Town of Ashburnham	5,546	6,202	6,504	11.8%	4.9%
15-Minute Drivetime Zone	49,041	51,621	53,055	5.3%	2.8%

Source: ESRI and E.M. Pemrick and Company.

Projections from ESRI indicate that the trade area population will continue to grow over the next five years, albeit at lower annual rates than during the 2000 to 2008 period. The number of residents in the trade area overall is expected to increase by 2.8%, to 53,055, while Ashburnham's population is expected to increase by 4.9%, reaching 6,504 persons by 2013.

The Census Bureau defines a household as all persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more persons living together, or any other group of related or unrelated individuals who share living arrangements outside of an institution. While population data allows the total size of the market to be quantified, household data provides insight into the *composition* of the market and its characteristics with respect to income and age.

As shown in the table below, approximately 20,000 households currently reside within a 15-minute drive of the Village Center, with an average household size of 2.50 persons. Household sizes in Ashburnham tend to be larger, averaging 2.88 persons. ESRI projects an increase in the number of households in each area over the next five years, with somewhat more rapid growth occurring in the Town than in the larger trade area.

Market Area	Market Area Households			% Change	
	2000	2008 (est.)	2013 (proj.)	2000-08	2008-13
Town of Ashburnham	1,929	2,149	2,257	11.4%	5.0%
15-Minute Drivetime Zone	19,136	20,032	20,611	4.7%	2.9%

Source: ESRI and E.M. Pemrick and Company.

With respect to the types of households found in this market, 47.5% of trade area households are married-couple families, 17.1% are other family households, and 35.4% are nonfamily households, the majority comprised of individuals living alone, according to ESRI. More than one-third of the households have related children under age 18 present. Interestingly, households in the Town of Ashburnham are more likely to have related minor children at home (43.6%).

Householder income is a good indicator of the spending potential of the trade area, since it often correlates with retail expenditures. As shown below, median income levels have been consistently higher in the Town of Ashburnham than in the defined trade area. In 2008, the median household income (MHI) in Ashburnham was estimated at \$75,574; in comparison, the MHI in the trade area was just \$50,524.

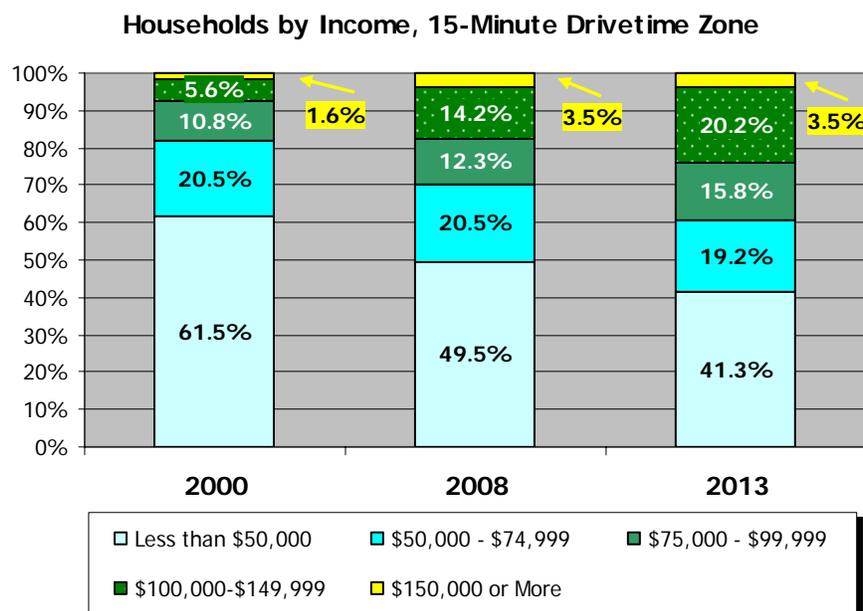
Market Area	Market Area Median Household Income			% Change	
	2000	2008 (est.)	2013 (proj.)	2000-08	2008-13
Town of Ashburnham	\$ 55,899	\$ 75,574	\$ 89,658	35.2%	18.6%
15-Minute Drivetime Zone	\$ 39,675	\$ 50,524	\$ 60,952	27.3%	20.6%

Source: ESRI and E.M. Pemrick and Company.

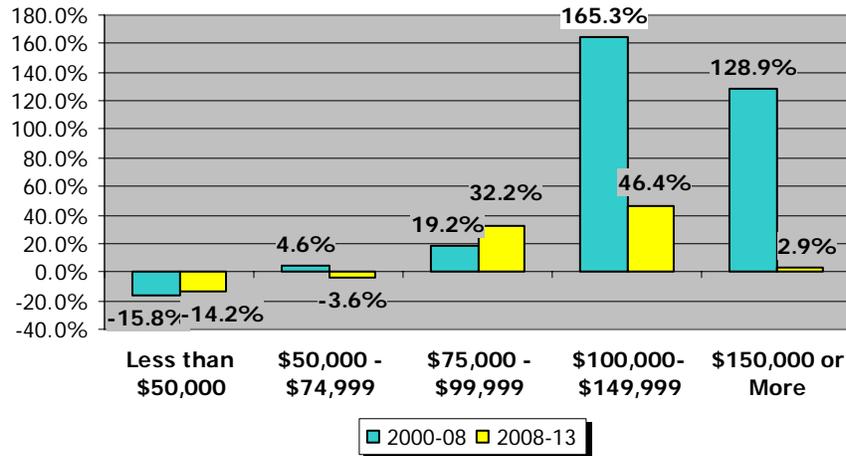
Several factors might explain Ashburnham’s affluence relative to the surrounding area:

- Fully two-thirds of Town households, compared with 47.5% of trade area households, are married-couple families, and are thus more likely to have dual incomes.
- According to ESRI, 60.1% of employed Ashburnham residents age 16 and over work in higher-paying white-collar occupations, including professional and managerial positions. The proportion of trade area residents in these occupations is 56.0%.
- Nearly 30% of Town residents at least 25 years of age have earned a bachelor’s, graduate or professional degree; in contrast, 19.5% of trade area residents have attained a bachelor’s degree or higher.

Nevertheless, the data indicate that higher-income groups in the trade area are growing. As shown below, the number of households in the \$100,000-\$149,999 income bracket more than doubled from 2000 to 2008, and is projected to increase 46.4%, with the addition of 1,318 households, by 2013. In contrast, the number of households with incomes of less than \$50,000 per year is declining both in number and proportion.



Change in Households by Income, 15-Minute Drivetime Zone



One of the most important factors impacting consumer spending is age. During the 1990s, the aging of the vast baby-boom generation resulted in a significant increase in the number of households headed by individuals between the ages of 45 and 54, peak earning years for Americans. According to the annual Consumer Expenditure Survey conducted by the Bureau of Labor Statistics, the typical household headed by a person aged 45-54 spends more, on average, than other households; over the course of the '90s, these households had an enormous influence on increased consumer spending.

Consistent with national demographic trends, the trade area population became more concentrated in the 45-54 age range between 2000 and 2008. As illustrated in the table below, persons aged 45-54 accounted for 13.4% of the population in 2000 and an estimated 15.5% in 2008. In the next five years, however, more dramatic growth is projected in the number of persons aged 55-64. Representing 7.8% of the trade area population in 2000, individuals aged 55-64 are projected to comprise nearly 13% by 2013.

	Population by Age - 15-Minute Drivetime Zone						% Change	
	2000		2008 (est.)		2013 (proj.)		2000-08	2008-13
	Number	Percent	Number	Percent	Number	Percent		
Under age 20	13,878	28.3%	13,267	25.7%	12,998	24.5%	-4.4%	-2.0%
20 - 24	2,844	5.8%	3,614	7.0%	3,767	7.1%	27.0%	4.2%
25 - 34	6,669	13.6%	6,763	13.1%	7,375	13.9%	1.4%	9.0%
35 - 44	8,337	17.0%	7,279	14.1%	6,738	12.7%	-12.7%	-7.4%
45 - 54	6,571	13.4%	8,002	15.5%	8,011	15.1%	21.8%	0.1%
55 - 64	3,825	7.8%	5,730	11.1%	6,844	12.9%	49.8%	19.4%
65 - 74	3,286	6.7%	3,149	6.1%	3,608	6.8%	-4.2%	14.6%
75 - 84	2,648	5.4%	2,530	4.9%	2,334	4.4%	-4.5%	-7.7%
85 and over	981	2.0%	1,291	2.5%	1,379	2.6%	31.6%	6.9%
Total population	49,039	100.0%	51,623	100.0%	53,054	100.0%	5.3%	2.8%

Source: ESRI and E.M. Pemrick and Company.

Individuals between the ages of 55 and 64 are generally characterized as “empty nesters”; their children are out of the house and for the most part, out of college. Although they are often more risk-averse, empty nesters have more flexibility in their budgets, and tend to spend more than average on reading, household furnishings and equipment (often to replace older and outdated items), and gifts for others, according to the Consumer Expenditure Survey.

Overall, the trade area population is somewhat younger than that of the Town of Ashburnham. As shown in the table below, the 2008 median age is estimated at 38.1 years in the 15-minute drivetime zone compared to 40.6 years in the Town.

Market Area	Market Area Median Age			% Change	
	2000	2008 (est.)	2013 (proj.)	2000-08	2008-13
Town of Ashburnham	37.1	40.6	41.9	9.4%	3.2%
15-Minute Drivetime Zone	36.5	38.1	38.6	4.4%	1.3%

Source: ESRI and E.M. Pemrick and Company.

Market Segmentation

Market segmentation is defined as the classification of consumers according to demographic and socioeconomic characteristics, lifestyles, and product preferences. It is based on the concept that “birds of a feather flock together”: that is, people with similar tastes, lifestyles, and behaviors naturally gravitate toward each other and into the communities in which they live. Segmentation systems allow companies to better understand their customers or prospects, develop effective strategies that attract customers to their stores, and select products suited to customer preferences and lifestyles.

Developed by ESRI Business Information Solutions, Community Tapestry categorizes U.S. neighborhoods into 65 market segments, each reflecting a range of opportunities and influences. Neighborhoods are analyzed and sorted by a variety of demographic and socioeconomic attributes as well as other determinants of consumer behavior.

Households in the Town of Ashburnham and the defined trade area have been grouped into Tapestry market segments as summarized in the table below. The descriptions reflect the propensity of households within that segment to exhibit certain characteristics and preferences relative to the general population. While each segment paints a slightly different “picture” of the trade area market, there are some common features; for example, households tend to be married-couple families with or without children and owners of single-family homes. They prefer domestic vacations and day trips, and tend to be active in civic and community activities. There are also some notable differences between Ashburnham households and those in the larger trade area, particularly with respect to income levels. Market segmentation analysis provides yet another perspective in understanding existing and prospective customers for businesses in the Village Center.

Top Tapestry Segments in the Trade Area			
Market Segment	Demographic & Socioeconomic	Residential	Consumer Preferences
<p>Main Street USA</p> <p>Trade area households (HH): 34.2%</p>	<ul style="list-style-type: none"> Mix of household types Occupation and industry distributions very similar to U.S. 	<ul style="list-style-type: none"> Mix of single-family homes and multi-unit dwellings Suburbs of small cities 	<ul style="list-style-type: none"> Active community members: civic or volunteer work Visit theme parks and beaches Eat at family restaurants (e.g., Applebee's) Evening leisure: dinner and a movie, billiards at local pub
<p>Simple Living</p> <p>Trade area HH: 10.3%</p>	<ul style="list-style-type: none"> Mix of singles and married-couple families Older than average; 20% are age 65+ Live on fixed incomes Mostly high school graduates 	<ul style="list-style-type: none"> Urban or suburban neighborhoods Older single-family homes and multi-unit dwellings Low vehicle ownership 	<ul style="list-style-type: none"> Enjoy bicycling, canoeing, fishing, team sports Community and church activities Buy essentials at discount stores May not own a PC
<p>Cozy & Comfortable</p> <p>Trade area HH: 10.1%</p> <p>Ashburnham HH: 29.8%</p>	<ul style="list-style-type: none"> Middle-aged married couples Above-average labor force participation Above-average earnings 	<ul style="list-style-type: none"> Single-family homes in suburban areas Settled – often live in the same homes where they raised their kids 	<ul style="list-style-type: none"> Home improvement projects Domestic vacations (e.g., to Disney World) Internet access not a high priority Eat at family restaurants
<p>Sophisticated Squires</p> <p>Trade area HH: <10%</p> <p>Ashburnham HH: 46.9%</p>	<ul style="list-style-type: none"> Mostly married-couple families Well-educated; most in white-collar jobs Affluent market 	<ul style="list-style-type: none"> “Cultured country living” on fringes of urbanized areas Single-family homes Own two or more vehicles Long commutes 	<ul style="list-style-type: none"> Do own landscaping work, home improvement and remodeling projects Family activities include soccer and baseball games Enjoy photography and golf
<p>Green Acres</p> <p>Trade area HH: <10%</p> <p>Ashburnham HH: 23.3%</p>	<ul style="list-style-type: none"> Married couples with and without children Educated and hardworking, with high level of self-employment Above-average earnings 	<ul style="list-style-type: none"> Rural/exurban settings and open spaces Single-family homes Own two or more vehicles 	<ul style="list-style-type: none"> Country living High pet ownership Avid gardeners and do-it-yourselfers Mountain biking, water sports, fishing

Source: ESRI and E.M. Pemrick and Company.

Retail Sales

This section examines retail trends in trade area, identifying potential market opportunities based on current and potential sales, consumer demand, and the “leakage” of consumer dollars outside the local economy. As previously described, the trade area is comprised of the Town of Ashburnham and portions of other communities within a 15-minute driving time of the Village Center.

The table below profiles the retail sector in the trade area. It includes the total number of establishments, estimated sales, and the distribution of sales for each store type. According to ESRI, retailers within a 15-minute drive of the Ashburnham Village Center comprise 351 establishments generating an estimated \$376.1 million in annual sales.

Retail Sales Profile - Ashburnham 15-Minute Drivetime Zone			
	Store Count	Estimated Retail Sales	Sales Distribution
Food Services & Drinking Places	98	\$67,072,194	17.8%
Limited-Service Eating Places	22	\$32,013,848	8.5%
Full-Service Restaurants	65	\$24,102,054	6.4%
Special Food Services	3	\$9,708,033	2.6%
Drinking Places	8	\$1,248,259	0.3%
Convenience Retail	60	\$97,282,371	25.9%
Grocery Stores	18	\$51,632,446	13.7%
Health & Personal Care Stores	13	\$21,147,574	5.6%
Building Materials & Supplies Dealers	19	\$19,966,794	5.3%
Specialty Food Stores	5	\$4,308,897	1.1%
Lawn and Garden Equipment Stores	5	\$226,660	0.1%
Automotive-Related Retail	49	\$115,761,160	30.8%
Automotive Dealers	20	\$60,590,573	16.1%
Gasoline Stations	12	\$46,596,096	12.4%
Auto Parts, Accessories and Tire Stores	15	\$7,287,642	1.9%
Other Motor Vehicle Dealers	2	\$1,286,849	0.3%
Shoppers' Goods Retail	144	\$95,975,040	25.5%
General Merchandise	14	\$37,324,558	9.9%
Furniture & Home Furnishings Stores	15	\$23,858,248	6.3%
Beer, Wine, & Liquor Stores	14	\$13,148,368	3.5%
Clothing Stores	11	\$6,856,425	1.8%
Office Supplies, Stationery, and Gift Stores	16	\$3,958,756	1.1%
Sporting Goods/Hobby/Musical Instruments Stores	23	\$3,536,642	0.9%
Electronics & Appliance Stores	10	\$2,786,836	0.7%
Other Miscellaneous Store Retailers	16	\$1,425,318	0.4%
Shoe Stores	2	\$840,576	0.2%
Jewelry, Luggage, and Leather Goods Stores	4	\$814,759	0.2%
Florists	8	\$687,675	0.2%
Book, Periodical, and Music Stores	1	\$381,477	0.1%
Used Merchandise Stores	10	\$355,402	0.1%
Total Retail Sales	351	\$376,090,765	100.0%

Source: ESRI and E.M. Pemrick and Company.

The store types with the highest annual sales in the trade area are automotive dealerships (\$60.6 million), grocery stores (\$51.6 million), and gas stations (\$46.6 million). The automotive category is often a sales leader because cars and trucks are a “big ticket” item. The relatively high level of grocery store sales is also typical because groceries are a basic commodity that must be purchased on a regular basis regardless of income.

In the shoppers’ goods category, there are few standouts. Of the estimated \$96.0 million in annual sales, the largest share is in general merchandise and department stores (\$37.3 million), followed by furniture and home furnishings stores (\$23.9 million) and liquor stores (\$13.1 million). Only with respect to general merchandise and furniture do average sales per establishment exceed \$1 million.

Sales Leakage

The demand for goods and services that is not being met locally is referred to as *sales leakage*. The leakage occurs because consumers make purchases at establishments outside the area, or even outside the state via mail order and Internet sales. Purchasing decisions are typically influenced by one or more factors: convenience (e.g., stopping at a store located on the way to or from work), opportunity, quality, price, service, selection, and marketing.

Sales leakage is calculated as the difference between the total retail spending of area residents, regardless of where the money is spent, and the total retail purchases made within the trade area. For instance, if trade area residents are spending a total of \$2 million on groceries, but total trade area grocery sales are only \$500,000, it is assumed that \$1.5 million of grocery sales are “leaking” out of the trade area – meaning that some groceries are being purchased elsewhere. This leakage represents an opportunity for local businesses to “recapture” the business leaving the area.

The table on the top of the following page shows the sales leakage for various categories of retail (excluding automotive-related establishments) in the trade area. The area evidences a substantial net outflow of sales dollars. The sales leakages total \$93.8 million, offset in part by sales surpluses of \$41.0 million, for a net outflow of \$52.8 million. In other words, approximately \$2,600 per household is being spent outside the defined trade area each year.

Sales leakage is highest for grocery stores (\$31.5 million), full-service restaurants (\$20.1 million), and clothing stores (\$15.0 million); in fact, fully 71% of the leakage involves these types of establishments. However, there is also significant leakage – in terms of the *proportion* of the sales in that category not being captured locally – with respect to book, periodical, and music stores (\$4.0 million), electronics and appliance stores (\$12.3 million), and lawn and garden equipment stores (\$1.0 million). Recapturing a portion of the trade area sales leakage represents a potential opportunity for additional stores, retail sales and associated tax revenue in the Village Center.

Sales Leakage Analysis - Ashburnham 15-Minute Drivetime Zone			
	Estimated Surplus (millions)	Estimated Leakage (millions)	Distribution of Sales Leakage
Food Services & Drinking Places			
Full-Service Restaurants		-\$20.1	21.4%
Limited-Service Eating Places	\$13.2		
Special Food Services	\$5.2		
Drinking Places		-\$2.1	2.2%
Convenience Retail			
Building Materials & Supplies Dealers	\$4.2		
Lawn and Garden Equipment Stores		-\$1.0	1.1%
Grocery Stores		-\$31.5	33.6%
Specialty Food Stores	\$1.3		
Health & Personal Care Stores		-\$1.0	1.1%
Shoppers' Goods Retail			
General Merchandise	\$5.4		
Furniture & Home Furnishings Stores	\$4.6		
Electronics & Appliance Stores		-\$12.3	13.2%
Beer, Wine, & Liquor Stores	\$5.7		
Clothing Stores		-\$15.0	16.0%
Shoe Stores		-\$2.9	3.1%
Jewelry, Luggage, and Leather Goods Stores		-\$2.0	2.1%
Used Merchandise Stores		-\$0.2	0.2%
Sporting Goods/Hobby/Musical Instruments Stores		\$0.0	0.0%
Book, Periodical, and Music Stores		-\$4.0	4.2%
Office Supplies, Stationery, and Gift Stores	\$1.4		
Florists		-\$0.2	0.2%
Other Miscellaneous Store Retailers		-\$1.5	1.6%
Total Surplus and Leakage (excl. automotive)	\$41.0	-\$93.8	100.0%

Source: ESRI and E.M. Pemrick and Company.

Selected Business Opportunities - Ashburnham 15-Minute Drivetime Zone						
	Total Sales Gap in Trade Area (millions)	Est. Capture Rate	Est. Sales Per Square Foot	Supportable Square Footage	Avg. SF Per Store*	Projected Store Count
Book, Periodical, and Music Stores	\$4.0	9%	\$200	20,000	5,000	4
Electronics & Appliance Stores	\$12.3	18%	\$250	49,200	6,000	8
Lawn and Garden Equipment Stores	\$1.0	18%	\$200	4,969	20,000	0
Shoe Stores	\$2.9	22%	\$225	12,889	2,500	5
Jewelry, Luggage, and Leather Goods Stores	\$2.0	29%	\$225	8,716	1,500	6
Clothing Stores	\$15.0	31%	\$225	66,667	5,000	13
Drinking Places	\$2.1	38%	\$225	9,129	4,000	2
Other Miscellaneous Store Retailers	\$1.5	48%	\$200	7,620	3,500	2
Full-Service Restaurants	\$20.1	55%	\$250	80,276	5,000	16
Grocery Stores	\$31.5	62%	\$200	157,400	50,000	3

Source: E.M. Pemrick and Company, based on ESRI data.

Sales per square foot adapted from data on national retailers.

* Square footage (SF) shown is for locally-owned independent stores; national chain stores are generally larger.

The table on the bottom of the last page takes the sales leakage analysis one step further, by estimating the amount of additional retail development that could be supported within the trade area if *all* of the sales leakage could be captured locally. The total amount of new retail development that could be supported by this unserved demand is approximately 417,000 square feet, or 60 new establishments.

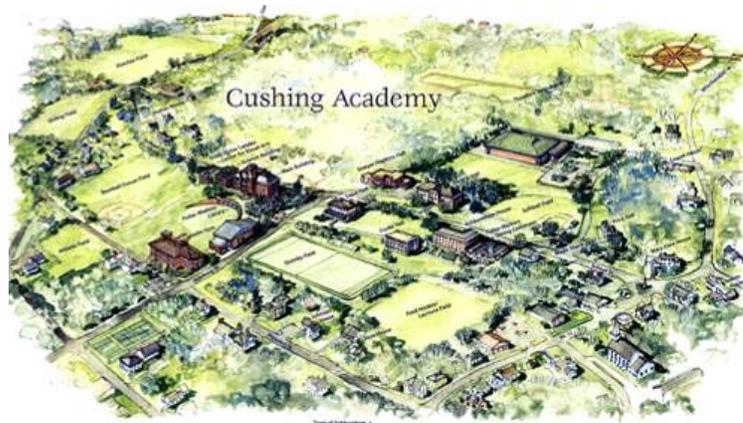
It is important to note that while the trade area may *theoretically* be able to support a large amount of additional retail space, numerous factors make this scenario unlikely. These factors range from physical and regulatory barriers (e.g., the availability of developable land, municipal land use regulations) to the existence of competing retail centers in neighboring communities to the economic conditions that impact commercial development. Nevertheless, the market analysis does indicate the presence of selected business opportunities upon which a business owner or prospective entrepreneur may be able to capitalize.

5. Non-Resident Market Segments

In addition to the resident market described in the prior section, there are two non-resident market segments that could influence the success and viability of the Village Center: the students, faculty, and other individuals associated with Cushing Academy; and visitors who travel to the region, primarily for leisure activities.

Cushing Academy

Cushing Academy is Ashburnham's largest employer as well as a major property owner in the Town. Founded in 1865, the independent coeducational boarding school has approximately 450 students in grades 9-12, the majority of whom live on campus. The student body represents 28 states and 28 different countries.



According to the school's website, Cushing Academy has 55 full-time teaching faculty, with 70% of them residing on campus, and roughly 100 other employees. The academy has a strong and extremely impressive visual arts program, with instruction in silversmithing, architectural design, photography, pottery, sculpture, painting and drawing, and glassworks. Cushing students participate in art shows in New York City and at Oxford University in the United Kingdom.

Cushing Academy holds events for alumni and parents throughout the school year. It also offers open houses and tours to prospective students. No data has been collected to determine annual spending on lodging, shopping, and restaurants by visitors to Cushing Academy, or by Cushing students and faculty. Studies around the country have found, however, that the employee, student, and visitor spending associated with educational institutions can have a significant economic impact on their host communities. An annual report produced by Fitchburg State College, for example, estimated the college's total economic impact in Massachusetts at \$137.5 million, with student spending comprising \$20.0 million and visitor spending accounting for \$3.8 million. The report stated that each student spends an estimated \$1,500 per year in the state, beyond tuition, fees, food, and housing, while visitors to the region spend an average of \$150 per day.⁴ There is no real consensus on spending by individual students, but even high school students today have some discretionary income, especially if they have a part-time job.

Visitor information is available on the Cushing Academy website. It lists several places that accommodate overnight visitors, including Main Fare Bed & Breakfast and the Maguire House Bed & Breakfast in Ashburnham, and notes that "you'll find several shops on Main Street in the center of town where you may buy sandwiches, salads, and pizza." Visitors looking for a full-service restaurant are directed to several establishments, all of which are located *outside* Ashburnham. Clearly, this is an underserved market, although its size is as yet undetermined.

⁴ Annual report accessed at http://www.fsc.edu/news-events/annual_report.pdf.

Increasingly, colleges and universities – if not independent secondary schools – are recognizing the need for retail stores and other amenities near campus to attract students, faculty and staff. Indeed, the condition of the surrounding community and the local retail mix play an integral role in competing for the “best and brightest” students. They also influence the decisions made by prospective employees and their families, especially when those employees are expected to reside on-campus or elsewhere in the host community.



Small towns face unique challenges, as the number of full-time residents is limited and retail establishments need to appeal both to students and locals in order to be economically viable year-round. In many communities, college and university leaders have worked with local officials to create more vibrant retail districts, whether by engaging with residents and businesses to redefine the town center, establishing administrative operations downtown to boost the demand for restaurants, contributing funds for outside assistance, or even building facilities to accommodate new businesses.

A unique model with potential applicability in Ashburnham is that of the Hamilton Initiative in central New York. Hamilton, New York is the home of Colgate University, a liberal arts college with 2,800 students. The community is comprised of the Town and Village of Hamilton, which have a total of 5,700 residents, about 3,500 of whom live in the Village. According to Executive Director Roger Bauman, the Hamilton Initiative was established in response to the #1 concern of Colgate’s admissions office: that potential students were reluctant to attend Colgate because of the condition of downtown Hamilton. There was a perception that the downtown was run-down and isolated; the historic village had a high vacancy rate, the movie theater had closed, and there was little for students to do off-campus. Shopping and dining opportunities were limited to a small strip mall outside town. Similar concerns about the community affected the attraction of faculty and staff to Colgate.

To financially assist the community and avoid the political issue of the university’s tax-exempt status, Colgate University established the Hamilton Initiative as a for-profit limited-liability company, with Colgate as its sole member. Over the last eight years, the Hamilton Initiative has purchased and renovated 8 key downtown buildings and attracted a variety of tenants, including retail stores, restaurants, and a massage and wellness center, all of which are independently owned and operated. The Hamilton Initiative also oversees the operations of four downtown businesses: the Colgate University Bookstore, the Colgate Inn (an historic inn with guest rooms, meeting space, and restaurants), the revived Hamilton Movie Theater, and the Palace Theater, which presents concerts, plays, and dances. As a for-profit company, the Hamilton Initiative pays property taxes on all of its buildings, resulting in a “win-win” situation for the university and its host community.



The renovation of the downtown and its associated cultural programming has transformed Hamilton into a much more vital community, so much that the admissions office no longer cites this as a major barrier to attracting students. It should be noted that the Hamilton Initiative does

operate at a loss, with Colgate University committed to covering the difference; Colgate also made a significant investment up-front to allow the purchase of property. Nevertheless, the Hamilton Initiative represents a viable option for addressing retail needs, particularly in smaller communities where private educational institutions are major employers.⁵

Visitor Market

The visitor market is another segment to be considered in the context of the Village Center. While a detailed analysis of the attractions and amenities in the region is outside the scope of this project, the discussion provides an overview of tourism expenditures and some of the activities that drive visitation to Ashburnham and the surrounding area.

The Massachusetts Office of Tourism and Travel (MOTT) collects data and conducts research on the impact of tourism on the Massachusetts economy; data is available for the entire state and for individual counties. In 2006, the most recent data available, direct spending by domestic visitors in Massachusetts was \$12.6 billion.⁶ Suffolk, Middlesex and Barnstable counties were the top three generators of visitor expenditures.

Visitors spent \$638.1 million in Worcester County. Based on state room occupancy tax collections, roughly \$81.2 million of these expenditures were for lodging, leaving \$556.9 million for other travel-related spending. Statewide figures on visitor spending patterns were used to distribute this amount among the remaining categories, as shown in the table below.

Estimated Tourism Expenditures In Worcester County, 2006	
Spending Category	Amount
Lodging	\$81,157,895
Auto Transportation	\$173,765,937
Food	\$231,687,916
Entertainment & Recreation	\$70,731,647
Retail	\$80,756,605
Total	\$638,100,000

Source: E.M. Pemrick and Company based on MOTT data.

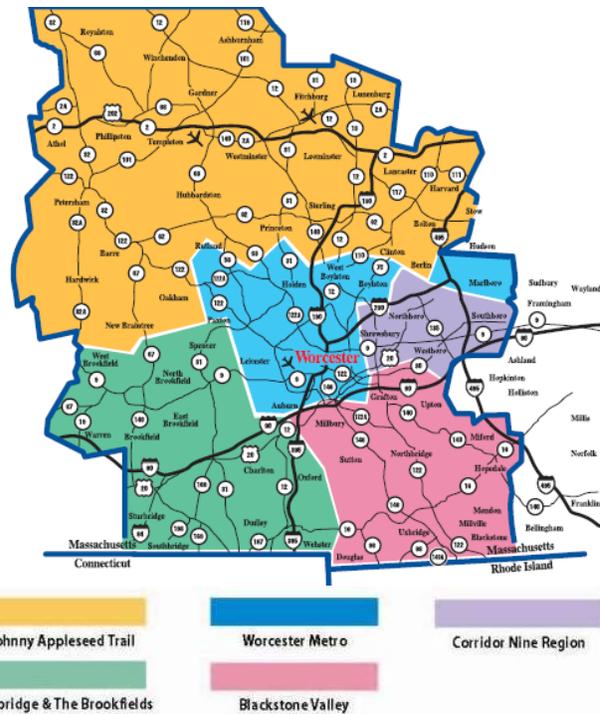
Because MOTT data is only available by county, it is not possible to determine the level of tourism expenditures and thus quantify the visitor market in Ashburnham. However, the estimates above can be further broken out to focus on the northern or north central portion of Worcester County.

According to the Central Massachusetts Convention and Visitors Bureau, which is responsible for promoting tourism in this part of the state, Central Massachusetts encompasses five distinct regions: Metropolitan Worcester, Sturbridge and the Brookfields, the Blackstone Valley, Corridor Nine, and the Johnny Appleseed Trail. These regions are presented in the map below.

⁵ More information on the Hamilton Initiative can be found at <http://www.hamiltoninitiative.net>.

⁶ Massachusetts Office of Tourism and Travel, *2007 Annual Report*, accessed at http://www.massvacation.com/pdf/annual_report_07.pdf. A “visitor” is defined by the agency as someone who travels at least 50 miles one way or stays overnight. International visitors, who accounted for \$1.6 billion in visitor spending in Massachusetts, are excluded from this analysis because the report calculates only the impact of domestic visitors on counties.

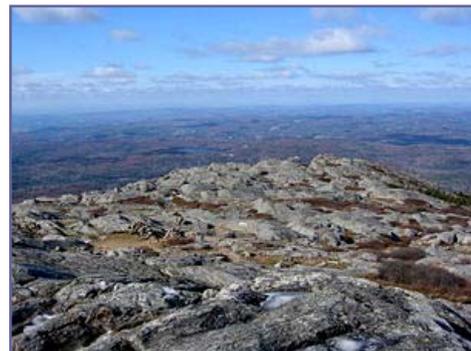
Ashburnham is located in the Johnny Appleseed Trail region of North Central Massachusetts (area shown in gold). The communities lining this route are noted for their “stunning natural beauty, delightful shops and restaurants, and fascinating historical sites that attract visitors year-round... The area is blessed with abundant apple orchards and farms that are well worth exploring... [and its communities offer] a unique blend of cultural, historic, and recreational activities.”⁷ The Johnny Appleseed Visitor Center is located southeast of Ashburnham, on the westbound side of Route 2 in Lancaster.



Data on the amount of Worcester County tourism expenditures made within the Johnny Appleseed Trail region is not available. However, an estimate of, say, 10% of the total would indicate a regional visitor market conservatively valued at \$63.8 million, including \$23 million spent on food and \$8 million on retail purchases. Some portion of this market could be directed to businesses in Ashburnham and the surrounding area.

Indeed, Ashburnham is within close proximity of a number of attractions and destinations in Massachusetts and New Hampshire, as the map on the following page suggests. The owners of the Maguire House Bed and Breakfast describe their customers as “people coming to the [New England] area for its beauty,” noting that they receive many international visitors. Ashburnham is only an hour from Boston, the Berkshires, Nashua, and Keene, with Brattleboro (Vermont) not far beyond, so it serves as an excellent location from which to make day trips. Surprisingly, visits related to Cushing Academy (e.g., prospective students, parents, alumni) account for a relatively small proportion of the Maguires’ business.

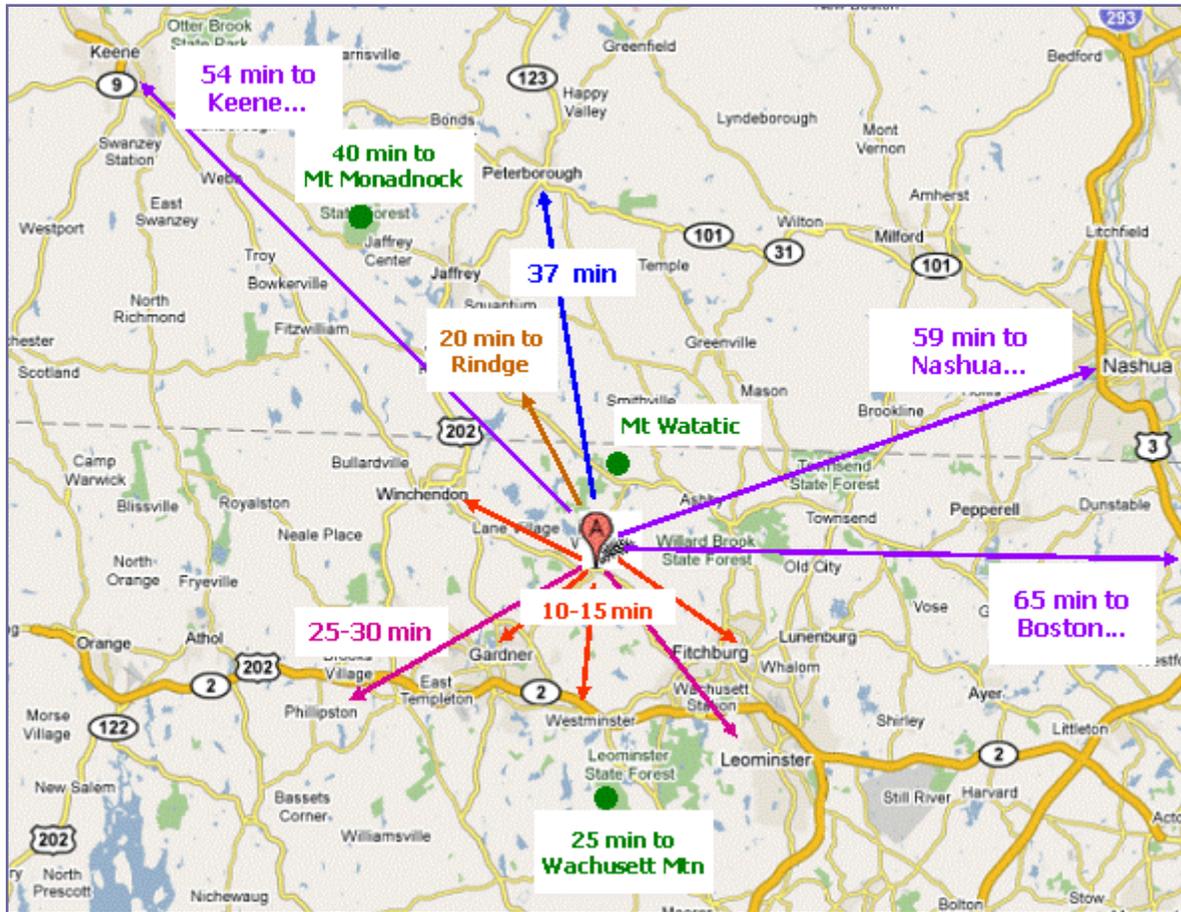
To the north of Ashburnham is the Monadnock Region of southwestern New Hampshire. Marketed by the Monadnock Travel Council, the region includes the communities of Rindge, Keene, Jaffrey, and Peterborough. It is named for Mount Monadnock, a 3,165-foot peak said to be the second most climbed mountain in the world; an estimated 125,000 people hike to the top year-round for views of multiple states.



Rindge, the community closest to Ashburnham, offers a wide range of goods and services to residents of both New Hampshire and Massachusetts; in fact, many Ashburnham residents make the approximately 20-minute drive to Rindge to purchase groceries and other necessities. No sales tax is charged in New Hampshire, a key advantage in attracting consumers from Massachusetts border communities. Rindge has a population of less than 6,000, but it is home to several

⁷ *The Official Central Massachusetts and Worcester County Visitors Guide*, spring/summer 2008, pp. 7-8.

private schools, an historic 1796 Town Meeting House, and the striking Cathedral of the Pines. The Rindge chamber of commerce notes that Rindge “still retains much of its small town flavor while providing many convenient locations for groceries, health care products, dry goods, entertainment, banking services, alcoholic beverages, as well as medical, dental and legal services.”

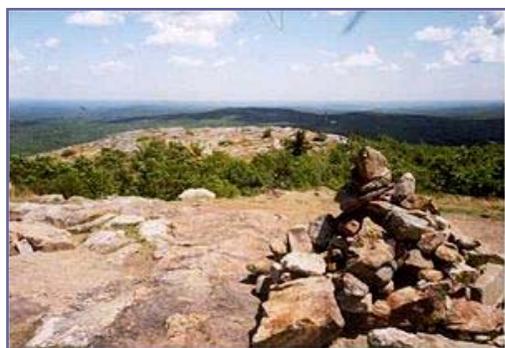


Further north is Peterborough, cited by many of those interviewed as a potential model for the Ashburnham Village Center. Similar to Rindge in population, Peterborough has become a destination, perceived as a “quaint and classic New England town” with numerous one-of-a-kind stores, restaurants, galleries, and cultural events. The town has a summer theater, an artists’ colony, and a summer classical music series; it is also the headquarters for Eastern Mountain Sports (EMS), a regional sporting goods chain focused on outdoor recreation. In September 2007, Peterborough was named one of the Top Ten Coolest Small Towns in America by *Budget Travel Magazine*.

South of Ashburnham, about 25 minutes away, is Wachusett Mountain, the second highest mountain in Massachusetts. The Wachusett Mountain State Reservation encompasses 2,500 acres in Princeton and Westminster, with interpretive programs, bird-watching opportunities, and trails for hiking, snowshoeing, and cross-country skiing. A visitor center is located near the summit. Part of the mountain is leased by the state to a private entity for skiing. According to the Wachusett Mountain Ski Area website, more than 600,000 people visit the mountain year-round, with at least half of that number visiting the Wachusett Mountain State Reservation in

summer and fall. Also nearby is the 600-acre Wachusett Meadows Wildlife Sanctuary operated by the Massachusetts Audubon Society, which offers 11 miles of trails and a variety of nature programs.

Tourism related to Wachusett Mountain has had a significant impact on area communities. According to Princeton's comprehensive plan, leisure and hospitality play a central role in the Town's economy; accommodations and food services comprise 12% of all jobs in the Town. In fact, many of the fine dining restaurants recommended to guests by Cushing Academy and Maguire House are located in Princeton or Westminster. Like Ashburnham, Princeton has a very small commercial base, and residents – the majority of whom commute to jobs in nearby cities – have historically opposed business growth. However, Princeton has an active arts community, and as its comprehensive plan notes, "The arts and outdoor recreation facilities seem to go hand-in-hand in Princeton." The ski area sponsors various musical events and seasonal festivals, and the Town supports arts and cultural programs produced by the Princeton Cultural Council and other groups.



Ashburnham has its "own" mountain, too: Mount Watatic. With an elevation of 1,832 feet, the mountain has long been a popular destination for hiking, and is considered a great small mountain for families to climb. Trailhead access and parking are located along Route 119 in the Ashburnham State Forest.

According to the Mount Watatic Reservation Resource Management Plan (RMP), the number of visitors to the mountain has increased over the past several years, "probably due in part to the publicity surrounding the

Campaign for Watatic that led to the successful land protection."⁸ A visitor survey administered by the Watatic Management Committee in fall 2004 found that "[n]early half of the survey participants came from Ashby or Ashburnham or towns directly abutting them, and a similar number came from other communities in eastern and central Massachusetts. Approximately 40% of the survey responders had been visiting the site for two years or less, including many first time visitors, indicating a steadily increasing number of people who are becoming aware of the Reservation."⁹ The economic impact of Mount Watatic on the Town of Ashburnham has not been studied; it is not known, for example, whether and to what extent hikers patronize local

⁸ The RMP notes that acquisition was completed in July 2002, with six partners - the Ashby Land Trust, Ashburnham Conservation Trust, the Towns of Ashburnham and Ashby, the Massachusetts Department of Conservation and Recreation, and the Massachusetts Department of Fish & Game - holding an undivided interest in the property.

⁹ Massachusetts Department of Conservation and Recreation, *Resource Management Plan, Mount Watatic Reservation: Executive Summary*, January 2008, <http://www.mass.gov/dcr/stewardship/rmp/rmp-mtWatatic.htm>, p. 3. A total of 22% of visitors came from Ashburnham and Ashby, 23% from abutting MA or NH towns, 22% from central MA, and 26% from eastern MA. The results were not considered statistically significant.

businesses. Individuals interviewed as part of the Village Center Marketing Plan, however, agreed that hiking is a “big draw to the area.”

Two long-distance hiking trails, the 21-mile Wapack Trail and the 92-mile Midstate Trail, traverse the Mount Watatic Reservation. Completed in 1923, the Wapack Trail links Mount Watatic to North Pack Monadnock in New Hampshire’s Wapack Range, while the Midstate Trail connects Rhode Island and New Hampshire via central Massachusetts. Other trails in the area include the North Central Pathway, a multi-use trail that will eventually connect the historic downtowns of Gardner and Winchendon, and the proposed Ashburnham Rail Trail, which would follow sections of the former Fitchburg Railroad corridor. Although funding has delayed the construction of the rail trail, plans call for it to extend to the Ashburnham Village Center and ultimately connect to the North Central Pathway.

6. Conclusions and Recommendations

Strengths, Challenges, and Opportunities

This analysis has found that while the Village Center currently faces a number of challenges – including a limited business mix and vacant commercial space – it does have a strong asset base. In addition, there are several potential opportunities that can be tapped to address the Village Center’s economic revitalization. The chart below summarizes the strengths, challenges, and opportunities of the Village Center, in no particular order.

Ashburnham Village Center – Strengths, Challenges, & Opportunities
Strengths
<ul style="list-style-type: none"> ▪ Safe, friendly community with historic character ▪ Growing resident population with relatively high median income levels ▪ Cushing Academy located close to the Village Center ▪ Several businesses that have served the community for decades (e.g., Ashburnham Hardware) ▪ New GFA Federal Credit Union under construction will add to banking options ▪ New lighting fixtures and removal of above-ground power lines have enhanced the appearance of the Village Center ▪ Competitive electric rates offered by Ashburnham Municipal Light Department ▪ Events organized by Ashburnham Business Council
Challenges
<ul style="list-style-type: none"> ▪ Lack of a critical mass of retail stores (especially specialty retail) or an “anchor” ▪ Limited dining options other than pizzerias and take-out items ▪ Competition with retailers in tax-free New Hampshire ▪ Lack of community gathering spaces... post office no longer in Village Center ▪ Ashburnham’s reputation in the business community for having a lengthy and inflexible development review and permitting process... although this is currently being addressed by the Village Center Zoning District Study Committee ▪ Limited marketing of Village Center businesses and opportunities ▪ Poor condition of sidewalks in some areas
Opportunities
<ul style="list-style-type: none"> ▪ The majority of residents surveyed come to the Village Center at least once a week, with 40% visiting 3-5 times a week ▪ A sizable middle- to upper-middle class demographic within a 15-minute drive ▪ General agreement between the types of stores most desired by residents and potential opportunities based on market research, including a full-service restaurant and a bookstore ▪ The potential of the Highway Barn site for mixed-use redevelopment ▪ Potential involvement of Cushing Academy in revitalization efforts ▪ Central location relative to other visitor destination points including Boston, Brattleboro, and the Berkshires ▪ Proximity to recreational, cultural, and historic assets within 30 to 40 minutes

Introduction to Recommendations

The recommendations outlined in this section are designed to provide Town officials and other stakeholders with strategies for restoring the economic vitality of the Village Center. The initial goal of the proposed effort should not only be *to fill vacant commercial space*, but also *to enhance the existing business mix*. Later, once a critical mass of commercial establishments has been achieved, more emphasis should be placed on *marketing the Village Center to consumers* as a destination for shopping and dining.

The recommendations provided below focus on market positioning, business development and recruitment, marketing and promotion, business assistance resources, leadership, and other activities.

Market Identification

The Ashburnham Village Center should be positioned to serve multiple consumer markets:

- Year-round residents of Ashburnham and the surrounding trade area, as previously defined;
- Cushing Academy students, faculty, and their associated guests (e.g., parents, alumni); and
- Visitors to the Johnny Appleseed Trail and Monadnock regions.

Some stakeholders have alleged that the Town of Ashburnham is “too small” to support a restaurant, a bookstore, or other types of desirable retail businesses. However, it is important to recognize that trade areas do not generally follow municipal boundaries. The potential exists to for the Village Center to serve a larger share of the region’s population.

The 15-minute drivetime zone defined in the market analysis is a promising target. Within this trade area, there are approximately 51,251 year-round residents comprising *more than 20,000 households*. Most are married-couple families with and without children who own their home; 30% have incomes exceeding \$75,000 a year. Compared to the U.S. overall, trade area households are more likely to be active participants in civic and church activities; spend their leisure “nights out” at dinner and a movie, or playing billiards at their favorite bar; take domestic vacations and day trips; and enjoy various forms of outdoor recreation, including bicycling, fishing, and team sports. Households in this trade area spend *\$435.1 million* at retail stores and *\$57.9 million* at restaurants every year.

Cushing faculty members who live on campus or nearby are included in the resident figures. However, the 450 students at the school represent an additional spending potential that probably ranges from \$500,000 to \$1.0 million annually. This represents an important market opportunity for the Village Center, especially given the location of the Cushing Academy campus within walking distance.

The potential impact of visitors, including Cushing alumni and parents, on Ashburnham cannot be definitively quantified. Nevertheless, the appeal of the Village Center could be enhanced to attract a greater proportion of visitors to the Johnny Appleseed Trail and Monadnock regions who are now traveling to shops and restaurants in other communities. The opportunities associated with the visitor market are not insignificant, but are more likely to be seasonal, representing a smaller share of the market. Moreover, until the existing business mix in the Village Center has been expanded, aggressive marketing to this segment would not be productive.

Business Development & Recruitment

Recruit Additional Businesses To The Village Center. One of the primary goals of the marketing plan is the recruitment of additional businesses to develop critical mass and increase economic activity within the Village Center. The results of the survey, interviews, and market analysis suggest that the following types of businesses would be most viable, compatible, and appropriate for the Village Center:

- *Casual Dining Restaurant:* “Casual dining” is defined as a full-service restaurant that offers lunch and dinner and typically includes a full bar; it serves moderately-priced food in a relaxed and friendly atmosphere, with an average dinner check ranging from \$15 to \$25. A pub like the Gardner Ale House is a good local example.
- *Bookstore:* Although some independent booksellers have found it difficult to compete with national chains, many have succeeded by addressing specific market niches. A bookstore in Ashburnham could focus on a limited array of new books and periodicals: e.g., nature, local history, and outdoor recreation (including guides to hiking trails in the region), as well as topics of interest to Cushing Academy students. It could also serve as a source of evening activity through readings, book signings, and other special events.
- *Specialty Shop:* To be successful, this type of store would need to sell unique products that appeal to “locals” as well as visitors. Creative Connections is an excellent example of such an establishment, offering jewelry, crafts, candles, cards, and glassware, among other items. Having another specialty retailer in the Village Center with a complementary selection would ultimately benefit *both* businesses. Although Ashburnham is too far from an interstate for a franchise like Wild Birds Unlimited, it might be able to draw an independent retailer with a selection of birdwatching accessories, bird feeders, and nature gifts.
- *Arts-Related Businesses:* As noted previously, Cushing Academy has an excellent visual arts program and may be open to developing exhibition space in the Village Center. A single gallery is not enough to make Ashburnham into an arts “destination”; however, there may be some long-term potential for additional activity related to the arts in the Village Center if Cushing and cultural organizations are involved.



An alternative business model that the Town of Ashburnham may want to consider is a *community-owned* store. As explained on the website of the Greenfield Mercantile, a community-owned store is “locally owned by community members in contrast to the distant, corporate shareholders of national retailers... [and is] designed by residents to meet specific local shopping needs at fair prices. Everyone in the community is given the opportunity to invest in the store by buying shares. Community-owned stores support local economies by keeping locally generated dollars recycling in the community, creating a benefit for the store, the

shopper and the local community.”¹⁰ There are successful community-owned stores operating in Powell, Wyoming and Ely, Nevada, and the Adirondack village of Saranac Lake, NY is actively pursuing the concept.

Residents in the small town of Hardwick, Vermont (population 3,000) even established a community-owned restaurant. Like Ashburnham, downtown Hardwick “had a pizza place and a diner, but no proper restaurant.” In 2003, the owner of a successful local bookstore mobilized a campaign to create a restaurant, selling shares of \$1,000 to raise money for operating capital, getting some residents to commit to \$5,000 loans, and pursuing grants and angel investments. The community investment effort took five years, but finally paid off with the opening of Claire’s Restaurant and Bar in May 2008.¹¹

Marketing and Promotion

Develop An Effective Business Recruitment Package. Business attraction or recruitment is essentially a sales effort: municipal leaders, realtors, and others must “sell” the Village Center to business owners, prospective entrepreneurs, and developers by convincing them that investing in Ashburnham will be a good business decision. To assist in this effort, a business recruitment package highlighting the opportunities available in the Village Center should be produced and distributed. Its contents should include the following:

- Area maps showing the location of the Town of Ashburnham and the Village Center, the trade area, proximity of various attractions, neighboring communities, etc.
- A list of the businesses currently located in the Village Center
- The types of businesses the Town would like to attract, based on the opportunities identified
- Current market demographic and sales data
- Recent news articles on local business successes, special events, public improvements, etc. that show Ashburnham in a positive light
- An inventory of space available to lease or purchase, updated regularly, with contact information for realtors/brokers
- Traffic counts for local roadways
- Information about sources of financial and technical assistance available to business owners and prospective entrepreneurs (see below)
- Contact information for Town officials, chambers of commerce, and/or others who can answer questions or provide additional information as needed

¹⁰ Information from <http://www.greenfieldmercantile.com/whatis.html>. The development of the Greenfield Mercantile has been a long-term process that was initiated when a local Ames department store closed in 2003. The Greenfield Mercantile started selling shares in November 2007.

¹¹ American Booksellers Association, *Bookselling This Week*, “Community Investment Model Brings New Life to Vermont Town,” June 19, 2008, <http://news.bookweb.org/news/6130.html>.

The recruitment package should be distributed to prospective tenants, starting with locally-owned retail stores and restaurants that have been successful in other communities in the region; they may be interested in opening additional locations or pursuing new markets. An obvious initial target is the membership of the Greater Gardner Chamber of Commerce, and possibly the members of other business organizations in north central Massachusetts and southern New Hampshire. Distribution should be accompanied by direct outreach and follow-up. It may be worthwhile to publicize the Village Center recruitment effort in the business section of the local newspaper.

Reaching out to professional service providers such as attorneys, accountants, and management consultants is equally important. These individuals interact regularly with the owners of small businesses and may be able to provide referrals. Other potential sources of leads include commercial lenders, economic development officials, real estate professionals, and business administration faculty at area colleges and universities, as well as Cushing Academy alumni and parents. Organizations that provide technical assistance and support to small businesses may also be able to identify prospective entrepreneurs who are looking for a business location.

Enlist Real Estate Professionals And Property Owners To Assist In Marketing The Business Opportunities In The Village Center. Several properties in the Village Center are currently on the market. Listing agents and property owners represent key stakeholders, and it is important to involve them directly in business recruitment efforts by sharing information, leads, and marketing materials to the extent possible. This should include making them aware of the types of businesses the Town would like to attract. Real estate professionals will need to be contacted regularly to keep the inventory of available property in the Village Center up-to-date.

Establish A Web Presence for the Ashburnham Business Council. The Ashburnham Business Council (ABC) works to identify, discuss and respond to specific economic development and business development issues in the Town of Ashburnham. The group focuses on the revitalization of the commercial core and the continued support of community-wide initiatives. It also serves as the liaison between Chamber staff and town government representatives.

As a committee of the Greater Gardner Chamber of Commerce, the ABC does not currently have its own website. Its members are listed on the Chamber's website, but the online business directory can be searched only by the name or type of the business, not by community. Moreover, the Chamber website is focused primarily on the region, and does not provide the level of detail required for the Village Center business recruitment effort.

Establishing a web presence for the Ashburnham Business Council could be achieved via a separate page on the Chamber of Commerce website, or by purchasing a domain name (e.g., www.ashburnhambc.com) and designing its own website. The site would serve multiple purposes:

- *Marketing to prospective tenants:* It would provide a home page for the Village Center business recruitment package, allowing users to download lists of businesses, maps, market data, property sheets, and other information. This would significantly reduce the cost associated with the printing and distribution of these materials. Links to sources of business assistance, economic development agencies, and so on could also be provided on the website for the benefit of prospective tenants as well as existing ABC members.

- *Marketing to potential customers:* Users could find out about the goods and services available in the Village Center – and other parts of the Town – prior to coming to Ashburnham. Links to the websites of local businesses could also be included.
- *Visitor information:* A portion of the site could be designated specifically for visitors from outside the region, providing links to lodging, restaurants, and attractions as well as to tourism promotion agencies where maps and brochures are often available. Instead of having to create and update their own online content about places to go while visiting the area, Cushing Academy and the Maguire House B&B could link directly to the ABC website.

Expand Special Events To Create More Energy And Vitality In The Village Center. Ashburnham Downtown Day is an annual event that brings individuals and families to the Village Center. Sponsored by the Ashburnham Business Council and the Ashburnham Lions Club, it offers a variety of activities, and has become important for local businesses as well as for the community organizations that conduct fundraising during the event.

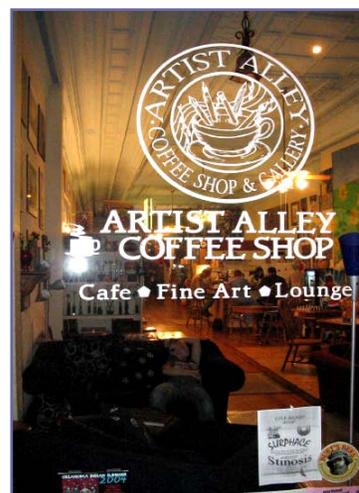
Special events like this one can be very effective in introducing residents, students, and visitors to what Ashburnham has to offer, while providing opportunities for social interaction and promoting a sense of community pride. Consideration should be given to developing additional events to attract people to the Village Center at other times of the year, especially during the fall “leaf-peeping” season when Cushing Academy students are on campus and many people are traveling through the region.

Efforts should focus on a limited number of high-quality events that build on and promote local and regional assets rather than merely duplicating the types of themed activities that seem to work well elsewhere. The area’s historic and cultural resources suggest that an event related to the visual and performing arts – coordinated in partnership with Cushing Academy’s Visual Arts Department and the Frederick Piano Museum, for example – might be appropriate. Village Center events can also be scheduled to coincide with and complement activities planned by the Ashburnham Historical Society, Cushing Academy, and so on.

Village Center businesses should be contacted and invited to establish a sales promotion during each event. Special pricing or discounts attract more people to the Village Center for the event, especially if promoted in advance through an ad or window display, and encourage shopping and dining on the day of the event.

Undertake A Student Marketing Campaign. As discussed previously, the student population at Cushing Academy represents an important market opportunity for the Village Center. In order to capitalize on this opportunity, the Ashburnham Business Council (ABC) should undertake a promotional initiative early in the school year to inform students of the stores, services, and amenities offered in the Village Center by developing materials to be included in an orientation packet. Another option would be to plan a special event to coincide with a parents’ weekend, providing an opportunity for interaction with students and family.

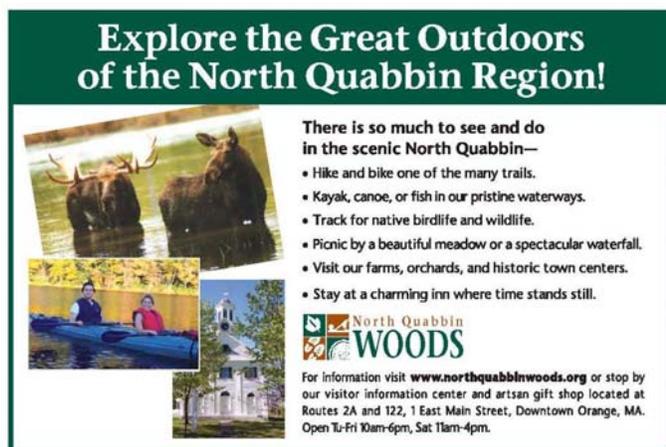
In the long-term, the ABC may want to consider working with the Greater Gardner Chamber of Commerce to cross-promote Ashburnham, Gardner, and Winchendon to students at both



Cushing Academy and Mount Wachusett Community College. (The latter has approximately 4,000 students, although not all are based on the college's main campus in Gardner.) Current plans call for the three communities to be connected via the North Central Pathway and Ashburnham Rail Trail, allowing students to walk or bicycle between them. The average student is probably less concerned about municipal boundaries than about the shopping and dining opportunities available. By pooling their resources, these communities would be able to make limited funds go farther, increasing the effectiveness of the marketing campaign.

As A Long-Term Strategy, Pursue Cooperative Marketing Opportunities, Including Tourism Marketing Linkages. Once a critical mass of shops, restaurants, and other commercial uses has been developed in the Ashburnham Village Center, businesses should consider engaging in cooperative marketing, perhaps through the Ashburnham Business Council. By definition, cooperative marketing refers to an agreement between two or more establishments to promote each other's products with their own; it is essentially a cost-sharing arrangement that benefits all partners. By participating in joint advertising that promotes the Village Center as a single entity, individual businesses would be able to maximize their advertising dollars.

Cooperative advertising has proven to be an invaluable marketing tool in the travel and tourism industry, particularly for small communities with limited advertising budgets. The Johnny Appleseed Trail Association and the Central Massachusetts Convention and Visitors Bureau offer numerous opportunities for businesses and communities to advertise in their publications (see example at right). Businesses in Ashburnham, and/or the Ashburnham Business Council, may want to advantage of these opportunities in the future.



Another possibility is to direct Mount Watatic visitors to Village Center businesses. Although trailhead signage is probably too intrusive, signs along Route 119 could point to the Ashburnham Village Center so that visitors are aware that they can purchase snacks or get dinner after their hike. An alternative might be to have local businesses sponsor trail brochures and maps, if allowed.

Business Assistance Resources

Promote The Availability Of Financial And Technical Assistance In The Region To Existing And Prospective Village Center Businesses. The small, independently-operated businesses that are likely to locate in the Ashburnham Village Center may have difficulty qualifying for traditional bank financing or accessing services. New and existing businesses should be made aware of the alternative sources of financial and technical assistance available in the region.

An important source of business financing, other than banks, is the North Central Massachusetts Development Corporation (NCMDC). For more than 20 years, the NCMDC has offered local business owners and entrepreneurs access to a variety of non-traditional business loan programs. NCMDC financing can be used for new construction, facility upgrades and expansions, leasehold improvements, and the acquisition of new or used equipment.

The NCMDC administers a revolving loan program that serves as an alternative loan source for both start-up and existing businesses. The premise of the program is to approve loans that were not qualified to gain approval through traditional bank sources. NCMDC is often the sole lender, but in many cases, it participates in a loan with another financial institution. To be eligible, a company must be a for-profit corporation, partnership or proprietorship located in north central Massachusetts; have an average net profit after taxes of less than \$2 million during the previous two years; and have a tangible net worth of no more than \$6 million. The NCMDC can also assist in locating other sources of financing for business ventures and expansions.

Based in Holyoke, the Western Massachusetts Enterprise Fund (WMEF) is a nonprofit community development financial institution that offers business loans to start-ups, existing enterprises, and nonprofits. Loans may be used for capital equipment purchases, leasehold improvements, inventory, start-up costs, and working capital. The WMEF offers term loans ranging in size from \$500 to \$250,000 and lines of credit; microenterprise loans, for businesses with five or fewer employees, are generally \$35,000 or less. The WMEF can provide financing directly as well as in partnership with other lenders to meet the full financing needs of the business. Area community development corporations, including the Greater Gardner Community Development Corporation, often partner with the WMEF to sponsor loans to businesses located within their service area.

Technical assistance is available to new or prospective business owners at the Greater Gardner Chamber of Commerce by appointment. The services are provided through the Small Business Development Center based at Clark University in Worcester. All counseling services are free and confidential, and open to anyone; it is not necessary to be a member of the Chamber.

The Greater Gardner Community Development Corporation (GGCDC) also offers technical assistance through subsidized grants to existing businesses and qualified start-ups. Typical areas of assistance include business planning, marketing strategies, web site design, and legal or accounting services. Depending upon the funding source used, grant funds may be limited by the number of employees; most businesses served by the GG CDC employ fewer than 20 and gross under \$500,000 annually. The CDC assists many microenterprise business owners with gross annual incomes of under \$250,000.

Leadership

Establish A Town Of Ashburnham Economic Development Committee (EDC) With Membership From Both The Public And Private Sectors. Many Massachusetts towns have established Economic Development Committees to advise the Board of Selectmen on business development issues, and in some cases, to actively market the town and provide direct assistance to businesses.

The current fiscal crisis facing the Town of Ashburnham, the loss of institutional knowledge and staff capacity with the departure of the Town Administrator and Planner, and the need to move forward on efforts to revitalize the Village Center – this unique combination of circumstances calls for *leadership* to ensure that the recommendations of this marketing plan can be implemented.

The Town of Ashburnham should establish an Economic Development Committee (EDC) with public and private representatives appointed by the Board of Selectmen. The membership of

the EDC should include Town officials, business and property owners, realtors, Planning Board members, and citizens at large. To ensure continuity of effort, the EDC should include at least one member of the Village Center Zoning District Study Committee.

The EDC's mission would be to:

- Advise the Board of Selectmen on economic development issues and business concerns in Ashburnham;
- Attract new businesses and facilitate the growth of existing businesses; and
- Serve as a point of contact for existing and prospective entrepreneurs seeking to maintain and develop businesses in Ashburnham.

The EDC would work in coordination with regional and state agencies, including the North Central Massachusetts Development Corporation, the Ashburnham Business Council, and the Greater Gardner Chamber of Commerce. It could also provide support for the redevelopment of the Highway Barn site, once the DPW has been successfully relocated. That role could involve marketing the site or issuing a Request for Proposals to potential developers, for example.

Establish And Enhance Partnerships With Cushing Academy. The apparent tension and mistrust that have characterized the “town-gown” relations between the Town of Ashburnham and Cushing Academy over the years needs to be transformed into something positive and productive. Cushing Academy is a huge asset for the Town, and continues to invest in maintaining and improving its campus. There is potential for the establishment of at least an informal partnership between the Town and the school. It is unknown at this time whether Cushing would want or have the ability to take on the responsibility of a for-profit subsidiary, like the Hamilton Initiative in central New York, to assist in the revitalization of the Village Center. It is recommended, however, that community leaders begin a dialogue with Cushing Academy now, particularly since the school is in the process of updating its master plan.

Other Recommendations

Prioritize And Accelerate Efforts To Relocate The Existing Highway Barn. Consistent with its economic development goals, the Town of Ashburnham should continue to look for an alternative site outside the Village Center to support its DPW operations. This may require the purchase of land or even a land swap by the Town. The Highway Barn site is critical as a potential location for an anchor project in the Village Center. Although a feasibility analysis is outside the scope of the Village Center Marketing Plan, we agree with other stakeholders that the site should accommodate a mix of residential and commercial uses.

Implement Updated Zoning For The Village Center. Changes proposed by the Town Planner and the Village Center Zoning District Study Committee are expected to facilitate the permitting process for new commercial businesses in the Village Center. The scope of these changes is still under review; however, the Town continue to pursue the development of an “expedited” process to make it easier for retail businesses to locate in the Village Center.