

# CHAPTER 2

## ECONOMIC DEVELOPMENT

One description of local economic development planning describes a process that gives an area “a greater capacity to contribute to determining its own economic destiny<sup>1</sup>.” The path a community takes toward its “economic destiny” is best guided by the residents’ vision for their hometown. Through the 2001 Town Plan Survey process, an economic development goal with corresponding objectives was established to help guide this path. The goal and objectives have two general themes: residents of Shutesbury have a strong desire to maintain the community’s rural character; and there is a need to generate revenue for the municipality, so that community resources and services may be continued and enhanced without increasing residential property tax rates.

Using the survey results for an understanding of the overall landscape and resources of a town, selected strategies may be implemented to advance a community’s wealth and well-being. For more populated communities, large-scale industrial development may be a strategy. For more rural communities, such as Shutesbury, strategies to encourage low impact commercial development (such as bed & breakfast establishments or a general store), to promote small-scale production enterprises (such as farming and forestry operations, or manufacturers with five or less employees) or to support home-based, cottage industries (such as artists and independent entrepreneurs) are more effective efforts. However, to make any of these strategies successful, a coordination of efforts must be in place regarding work force, business location, adequate infrastructure, and access to financing. All of these elements must be in careful balance to encourage new business development while maintaining community character.

In 2001, residents and landowners of Shutesbury received a Town Plan Survey that addressed several subjects, including economic development. Nearly 26 percent of the 1,275 surveys mailed were returned. Using survey responses and the input from Town boards and committees, the following goal and objectives for economic development were created by the Town Plan Committee.

### **Goal:**

- To explore and potentially promote small home business and commercial uses including arts and crafts, bed & breakfasts, professional offices and services, retail, forest/farm-based operations and light industrial development compatible with the Town’s environment and rural character that will provide new employment opportunities and contribute tax revenues.

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<sup>1</sup> Blakely, Edward J. (1994). Planning Local Economic Development: Theory and Practice, 2<sup>nd</sup> Edition, Thousand Oaks, CA: Sage Publications Inc.

## **Objectives:**

- Encourage, through zoning, the development of local businesses which can be integrated into the community without adverse environmental impacts including forestry, specialty food products, aquaculture, nurseries, home based businesses, a coffee shop/eatery, artisans, and professional offices.
- Explore the feasibility of locating light industrial development and associated infrastructure including wastewater treatment in a suitable location and determine if the current zoning is compatible with the protection of environmental and scenic resources.
- Participate with regional efforts like Franklin-Hampshire Connect to help ensure Shutesbury residents and small business owners can have access to high-speed Internet connections.
- Explore the feasibility and desirability of working with a developer of retirement communities to establish a privately owned facility in Shutesbury as a means of generating real estate tax revenues.

## **Demographics**

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A review of the general demographic profiles of residents is useful in developing specific economic development strategies. The size and characteristics of the existing and prospective labor pool identifies to business developers the type of workers to which they may have access. The profile of workers may also direct the type of employment opportunities that could be sustained in the community and that would offer the greatest benefit to those in need of jobs. For example, the relative income of Shutesbury residents is reviewed to give a sense of the present wages offered and a direction for the types of jobs and wages needed to support residents looking for jobs. In addition, this demographic data may be used to guide entrepreneurs in the creation of their business plans, so as to best draw Shutesbury residents as a customer base.

### **Population**

In 2000, the U.S. Census Bureau reported that Shutesbury had a population of 1,810 people (Table 2-1). While this is considered a small town by metropolitan standards, it is slightly larger than some of its neighbors: Leverett (1,663), New Salem (929), and Pelham (1,403). Amherst to the south is a major employment and shopping center and had a population of 34,874 in 2000.

**Table 2-1: Total Population from 1970, 1980, 1990 and 2000**

Geography	1970 Population	1980 Population	1990 Population *	2000 Population
Shutesbury	489	1,049	1,561	1,810
Franklin County	59,223	64,317	70,092	71,535
Massachusetts	5,689,377	5,737,037	6,016,425	6,349,097

Source: U.S. Census Bureau – 1970 Census, 1980 Census, 1990 Census, and 2000 Census

\* Please note that there is a discrepancy between the Town Census population figure and the U.S. Census Bureau 1990 population figure. Town officials have noted that U.S. Census Bureau 1990 population is lower than the Town Census population.

The population change in Shutesbury in recent decades has been remarkable. From 1970 to 2000, the population in the Town of Shutesbury grew 270 percent (Table 2-2), with a net gain of 1,321. During this time frame, the greatest increase in population occurred from 1970 to 1980 with 114.5 percent growth. Since that time, the rate of population growth has diminished but still remains sizeable. For Franklin County, the rate of population growth was fairly consistent from 1970 to 1980 and 1980 to 1990 with 8.6 percent and 9.0 percent growth rates respectively. However, the growth rate from 1990 to 2000 in Franklin County diminished to 2.1 percent. In contrast to these trends, the State did not grow as much since 1970 (11.6%). However, the rate of growth continued to rise each decade.

**Table 2-2: Population Change from 1970 to 2000**

Geography	1970-1980 Change	1980-1990 Change	1990-2000 Change	1970-2000 Change
Shutesbury	114.5%	48.8%	16.0%	270.1%
Franklin County	8.6%	9.0%	2.1%	20.8%
Massachusetts	0.8%	4.9%	5.5%	11.6%

Source: U.S. Census Bureau – 1970 Census, 1980 Census, 1990 Census and 2000 Census

## Age Distribution

It is important to know the size of various population age groups and how they are changing over time. The rise and fall in the number of people in different age groups (called cohorts) can affect demand for various municipal services, including schools and housing. It can also impact the number of people in the labor pool available to local businesses.

U.S. Census Bureau age distribution data is used to predict how the labor force may change over time. The Town of Shutesbury and Franklin County share some similar age distribution patterns. From 1990 to 2000, there were decreases in the number of children under 9 years of age, while the number of young adults from 10 to 19 years of age increased (Table 2-3). In Shutesbury, the increase in this age group of 10 to 19 year olds was much greater than the County and State increases, respectively, 87.4 percent, 16.3 percent and 11.9 percent. In contrast, the State experienced a moderate increase in the number of children under 9 years of age (4.9%), and an increase in young adults aged 10 to 19 (11.9%).

**Table 2-3: Age Distribution in 1990 and 2000**

Geography	9 Years & Under	10 - 19 Years	20 - 24 Years	25 - 44 Years	45 - 64 Years	65 - 74 Years	75 Years & Over
<b>Shutesbury</b>							
1990	297	175	78	718	200	55	39
2000	223	328	73	524	558	61	43
% Change	-24.9%	87.4%	-6.4%	-27.0%	179.0%	10.9%	10.3%
<b>Franklin County</b>							
1990	10,196	8,819	4,518	23,959	12,429	5,741	4,430
2000	8,247	10,255	3,897	20,406	18,550	4,781	5,399
% Change	-19.1%	16.3%	-13.7%	-14.8%	49.2%	-16.7%	21.9%
<b>Massachusetts</b>							
1990	789,195	756,968	508,039	2,021,191	1,121,105	464,131	355,796
2000	828,129	846,984	404,279	1,989,783	1,419,760	427,830	432,332
% Change	4.9%	11.9%	-20.4%	-1.6%	26.6%	-7.8%	21.5%

Source: U.S. Census Bureau – 1990 Census STF3A and 2000 Census SF3

For the age group from 20 to 24 years old, there have been consistent decreases in the number of these individuals in each region: -6.4 percent in Shutesbury, -13.7 percent in Franklin County, and -20.4 percent in Massachusetts. This is in accordance with national population trends.<sup>2</sup> However, specifically in the Town of Shutesbury, this slight loss of 20 to 24 year-olds may be a result of young adults leaving the Town to attend college or to search for job opportunities elsewhere. Another explanation could be related to Shutesbury’s close proximity to the University of Massachusetts. A decline in rental housing for traditional college age students may account for some of the population loss in this age group.

Traditional work force age groups are the 25 to 44 age range and the 45 to 64 age range. Each of these age groups is likely to have a greater interest in specific amenities and services that will influence their desire to remain in or move to the Town of Shutesbury. The 25 to 44 year olds are more likely to be examining a community’s real estate options and daycare and early educational systems for their children. Whereas the age group from 45 to 64 years of age will more likely be considering educational opportunities for their older children and future retirement options.

In Shutesbury, there was a considerable decrease in the number of people in the 25 to 44 year age group, while a dramatic increase in the number 45 to 64 year olds, often referred to as the “Baby Boom” generation. The influx of this Baby Boom generation with their children is likely part of the 22 percent increase in the number of families in Shutesbury from 1990 to 2000.

From 1990 to 2000, the 65 to 74 year age group and the 75 year plus age group have both increased by a small number of individuals. This age group may have an increasing role in

<sup>2</sup> A note regarding national population trends: From 1946 to 1966, there was a dramatic population increase, referred to as the “Baby Boom”. A corresponding smaller population boom occurred in the 1980s and 1990s when the Baby Boomers had their own children. This is the population group presently under 20 years of age, and are often referred to as “Generation Y”. The children born in the late 1960s and the 1970s are often referred to as “Generation X”. This is a smaller age group in comparison and are presently in the age range from 20 to 40 years of age.

the work force than in previous decades. Postponement of retirement for financial or career reasons is increasing. Often members of this age group can be a valuable resource of experienced, part-time workers.

As the Baby Boom generation reaches retirement age, job vacancies will occur. However, they may also be apt to postpone retirement by reducing their hours or start in a new direction, such as consulting or a complete career shift into a new occupation. As will be discussed further in this chapter, Shutesbury has many self-employed workers. These individuals that postpone retirement may contribute to this trend.

Whether or not retiring residents would continue to reside in Shutesbury could impact the demand for elder services. Older residents with grown children may be tempted to move to a community with lower residential property taxes. This would create a supply for housing, which could be filled by young families with children that would result in higher education costs. Due to these potential outcomes, providing support to seniors makes economic sense.

### **Education and Skills**

The educational attainment level of the population is important to recognize for several reasons. From a business owner's perspective, it demonstrates the ability of a community to provide labor and expertise. This may be a vital element in a company's decision to locate to or remain in a community. In addition, the educational attainment level of a population, may be a factor for a business determining where to locate, so as to best access a potential customer base.

According to 1990 and 2000 Census data, Shutesbury has a significantly higher proportion of residents with a bachelor's degree or graduate/professional degree, than the County or the State (Table 2-4). Correspondingly, Shutesbury has a lower proportion of residents that have a high school diploma or less.

Interestingly, from 1990 to 2000, there was a noteworthy increase in the percent of Shutesbury residents with graduate degrees. The high proportion of residents with Graduate Degrees may be related to the Town's proximity to the University of Massachusetts (UMASS) and the other colleges located in the area. The Franklin County towns with the highest percentage of Graduate Degrees in 2000 are all located adjacent to Amherst: Leverett (43.3%), Shutesbury (38.1%) and Sunderland (23.2%).

**Table 2-4: Highest Educational Attainment Level in 1990 and 2000 \***

Geography	Population 25 years and over	% Less than High School Graduate	% High School Graduate	% Some College	% Associate Degree	% Bachelor Degree	% Graduate Degree
Shutesbury							
1990	1,012	6.4%	15.7%	14.3%	5.3%	29.8%	28.4%
2000	1,184	2.5%	14.7%	14.2%	5.9%	24.6%	38.1%
Franklin County							
1990	46,559	17.6%	33.2%	16.9%	8.0%	14.5%	9.8%
2000	49,121	12.0%	31.2%	19.0%	8.6%	16.2%	12.9%
Massachusetts							
1990	3,962,223	20.0%	29.7%	15.8%	7.2%	16.6%	10.6%
2000	4,273,275	15.2%	27.3%	17.1%	7.2%	19.5%	13.7%

\* All data is for persons 25 years and over.

Source: U.S. Census Bureau – 1990 Census STF3A and 2000 Census SF3

The Massachusetts Department of Education releases selected statistical data regarding public schools in the state, such as drop-out rates and plans of seniors. Public high school students in Shutesbury attend the Amherst-Pelham Regional School District, which also serves students from Amherst, Leverett, and Pelham. This district has among the lowest drop-out rates and highest college intention rates in the region. Table 2-5 shows a selection of data for this and other school districts in the region located near Shutesbury.

**Table 2-5: Selected School District Data 2000**

School District (Location)	Number of Students in District	Drop-out Rate	Graduate Plans for 4-Year College	Average Annual Per Pupil Expenditure	Students per Computer	Computers Connected to the Internet
Amherst-Pelham Regional School District (Amherst)	2,047	1.7%	76.3%	\$8,102	4.9	100.0%
Franklin County Vocational Technical School (Turners Falls)	490	3.7%	1.1%	\$14,164	2.3	100.0%
Frontier Regional School District (Deerfield)	661	1.7%	55.1%	\$8,022	1.9	100.0%
Gill-Montague Regional School District (Turners Falls)	1,540	5.7%	33.3%	\$7,412	6	100.0%
Greenfield Public School (Greenfield)	2,433	4.1%	48.2%	\$6,817	10.4	80.0%
Ralph C. Mahar Regional School District (Orange)	764	5.9%	42.3%	\$8,203	6.2	94.0%
Massachusetts Average	-	3.5%	53.6%	\$7,149	5.7	77.0%

Source: Massachusetts Department of Education – 2001 School District Profiles; October 2002

According to the Massachusetts Department of Education, a survey of high school seniors in 2000 was conducted to determine their plans upon graduation. For students at the Amherst-Pelham Regional School District, the survey indicated that 76.3 percent planned to attend a four-year college, which is much higher than the statewide average of 53.6 percent. The 15.1 percent of Amherst-Pelham Regional School District students that planned to attend a two-year college is less than the statewide average of 20.6 percent. The percent of local students entering the military or the workforce was also less than the Statewide average, 0 percent and 5.8 percent respectively, compared to 2.5 percent and 15.0 percent respectively across the

State. The remaining 2.7 percent of local students had no specified plans. Statewide, 2.3 percent of students had no specified plans, and for the remaining 2.7 percent of students, no data were available regarding their plans.

## Income

There are three statistics from the decennial Census that reflect how well residents are benefiting from the local economy by describing the incomes of residents. Using these statistics, it may be noted that the residents in the Town of Shutesbury are earning higher incomes than residents in the County or State overall. One such measure is per capita income, which is determined by dividing the total amount of income earned in Town by the number of residents (including a portion of the population that might not be generating income such as children and the elderly). Per capita income is often used as a relative measure for comparative purposes. The Shutesbury per capita income reported for 1999 was \$26,260, which was higher than both the County figure of \$20,672, and State figure of \$25,952, and was among the highest of the twenty-six towns in Franklin County (Table 2-6).

Median household income is a better statistic for describing the distribution of income. Median income figures describe the middle statistic in a data set, which is unaffected by any extreme numbers (either the very wealthy or very poor) from influencing the overall figure. This data relates information about families as well as individuals living alone. The median household income for Shutesbury is \$60,437 in 1999, which is higher than the County (\$40,768) and the State (\$50,502) figures. In fact, the Shutesbury median household income in 1999 was the second highest in the twenty-six towns in Franklin County, below only neighboring Leverett (\$73,333).

**Table 2-6: Selected 2000 Income and Poverty Statistics**

Geography	Per Capita Income in 1999	Median Household Income in 1999	Individuals Below Poverty Level*
Shutesbury	\$26,260	\$60,437	3.8%
Franklin County	\$20,672	\$40,768	9.4%
Massachusetts	\$25,952	\$50,502	9.3%

\* For whom poverty status was determined.

Please note that income data was reported for the previous year, in this case 1999, of when the Census survey was taken.

Source: U.S. Census Bureau – 2000 Census SF3

Poverty level data provide another way to describe a community's income and economy. Poverty status is established using federal income thresholds that vary according to family size and composition. Individuals are then determined to have income levels above or below these thresholds. In Shutesbury, 3.8 percent of residents, for whom poverty status was determined (for Shutesbury 99% of the population was included in the sample), were living below the poverty level in 2000. This was significantly less than in the County (9.4%) and State (9.3%).

## **Labor Force Characteristics and the Local Economy**

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The following is a discussion of the quantity of labor available in the regional labor force. In this section, data will be given for the Town of Shutesbury, Franklin County and Massachusetts, as well as neighboring Hampshire County because of the close economic ties between Shutesbury and employers in Hampshire County. Commuting data is used to identify the boundaries of the regional labor pool, which will likely influence the potential for business growth in Shutesbury. Additional tables with data for the Towns of Amherst, Leverett, New Salem, Pelham, and Wendell are included in Appendix C for reference.

Data for this section come from two different sources, one federal and one state. The federal source is decennial Census data. Data from these surveys offer a snapshot in time of the employment status and characteristics of the labor force. This data may be compared to previous decennial census surveys. However, data available on an annual basis may be of greater value for identifying trends. State data from the Massachusetts Division of Employment and Training (DET) are available on an annual basis for the number of total employment and for unemployment rates. This information will be used to determine the employment patterns occurring in the Town of Shutesbury.

### **Commuting and the Regional Labor Force**

Commuting pattern data of the regional labor force are used to garner an understanding of where Shutesbury residents work and where residents from neighboring communities work as well. If Shutesbury is to pursue a strategy of business development, a source of potential labor within and outside of the community must be identified.

Commuting pattern data from the decennial Census are determined for basic geographic boundaries (town, county and state). Table 2-7 shows that the percentage of workers who work in their town of residence has increased in Shutesbury from 1990 to 2000; whereas in the neighboring towns of Amherst, Wendell and New Salem, and in the Counties and State, there has been a greater trend for resident workers to be employed outside the town of residence. Shutesbury has also shown an increase in the number of residents who do not work in Town but work in Franklin County, and a corresponding decrease in the number of residents who work outside of Franklin County. The decline in the number of residents working in their town of residence, as experienced in Wendell, New Salem, and Franklin County and State overall, demonstrates the general increase in commuting behavior of residents.

The University of Massachusetts, as well as other educational institutions and businesses in the Town of Amherst, constitute a major regional employment center. This is assumed to be the reason why such a high percentage of Shutesbury workers commute out of Franklin County.

**Table 2-7: Worker Commute Patterns 1990 and 2000**

<b>Geography</b>	<b>Total Workers*</b>	<b>Worked in Town of Residence</b>	<b>Worked out of Town but in County of Residence</b>	<b>Worked out of County but in State of Residence</b>	<b>Worked out of State of Residence</b>
<b>Shutesbury</b>					
1990	824	12.3%	14.6%	71.2%	1.9%
2000	1,047	14.9%	18.3%	65.1%	1.6%
<b>Franklin County</b>					
1990	34,674	35.8%	35.8%	24.9%	3.4%
2000	37,053	27.6%	34.9%	33.4%	4.1%
<b>Hampshire County</b>					
1990	75,478	43.8%	22.8%	30.9%	2.5%
2000	81,424	37.8%	25.7%	33.1%	3.4%
<b>Massachusetts</b>					
1990	2,979,594	36.5%	35.9%	24.5%	3.1%
2000	3,102,837	31.3%	35.4%	30.1%	3.3%

\* Employed workers 16 years and over.

Source: U.S. Census Bureau – 1990 Census STF3A and 2000 Census SF3

The decennial Census also provides statistics on the number of workers who work at home and, the commuting time for those who do not. In Shutesbury and the neighboring towns, the percentage of workers who work at home has increased since 1990 (Table 2-8 and Appendix C Table 2-8). This is a common trend occurring in Franklin County and the State overall. This trend of increasing telecommuting or establishing of home-based businesses could continue and expand if broadband telecommunications services were available.

Between 1990 and 2000, there has been an increase in the percent of Shutesbury commuters whose travel time is less than 10 minutes, 30-39 minutes or 90 minutes or more, to get to work. The increase of travel time greater than half an hour experienced by Shutesbury commuters is consistent with trends for Franklin County, Hampshire County, and the State. As for the increase in Shutesbury workers commuting less than 10 minutes, this trend is not consistent with patterns for Franklin County, Hampshire County, and the State, nor is it common for most small communities. This could be a result of the increased number of workers who work in Town as well as the close proximity to Amherst from the southern area of Shutesbury.

This close proximity to the major employment center of Amherst also provides a reciprocal opportunity for Shutesbury businesses to access this labor pool. In addition, the large college student population in Amherst offers a great resource of labor depending upon the needs of the employer.

**Table 2-8: Travel Time to Work in 1990 and 2000**

Geography	Total Workers*	Work at home	Less than 10 Min.	10 - 19 Min.	20 - 29 Min.	30 - 39 Min.	40 - 59 Min.	60 - 89 Min.	90 or More Min.
Shutesbury									
1990	824	6.2%	4.0%	24.3%	31.3%	16.0%	11.2%	5.2%	1.8%
2000	1,047	9.0%	5.0%	21.5%	25.8%	20.2%	11.1%	4.3%	3.2%
Franklin County									
1990	34,674	4.7%	21.8%	32.1%	17.8%	11.5%	7.7%	3.2%	1.1%
2000	37,053	5.1%	16.3%	30.0%	19.1%	14.2%	9.7%	3.3%	2.3%
Hampshire County									
1990	75,478	3.5%	23.6%	32.9%	18.2%	12.7%	6.4%	2.1%	0.7%
2000	81,424	4.1%	19.5%	29.7%	19.8%	14.1%	8.1%	2.8%	1.8%
Massachusetts									
1990	2,979,594	2.5%	15.6%	31.3%	18.7%	15.5%	10.7%	4.7%	1.0%
2000	3,102,837	3.1%	12.6%	27.4%	18.6%	16.3%	13.0%	6.5%	2.4%

\* Employed workers 16 years and over.

Source: U.S. Census Bureau – 1990 Census STF3A and 2000 Census SF3

## Labor Force Participation and Employment

The labor force is defined as the pool of individuals who are over the age of 16 and are actively seeking employment. Enrolled students, retirees, stay-at-home parents and other persons not actively seeking employment are excluded from the labor force. When comparing 1990 and 2000 labor force characteristics, it is important to consider the very different economic climates of the respective years. The recession of the early 1990s led to high unemployment rates for most areas across the country. By the latter part of the decade many areas had recovered their employment levels. A better demonstration of this is available through State employment data. However, federal Census data provide an important comparison between the population growth and labor force trends.

The difference between the number of people in the labor force and the number of people who are over 16 years of age is termed the participation rate. The participation rate is a potential source of additional workers. Flexible, part-time employment opportunities or additional support services such as skills training, public transportation or day-care facilities could influence the number of people included in the labor force. According to the 2000 Census, the Town of Shutesbury had the very high participation rate of 81.3 percent, which was considerably higher than Franklin County (69.1%), Hampshire County (65.6%), and State (66.1%) rates (Table 2-9). In regards to the participation rate for females in the region, the rate in Shutesbury was 77.3 percent, which was also much higher than Franklin County (64.4%), Hampshire County (62.7%) and the State (60.4%). Historically, Franklin County has had a higher female participation rate than in other areas of the State. Female participation rate may indicate the need for additional child-care facilities or services.

**Table 2-9: Selected Labor Force Characteristics**

Geography	Population 16 Years and Over	Labor Force (Civilian)	Total Employed	Unemployment rate	Participation Rate	Female Participation Rate
<b>Shutesbury</b>						
1990	1,142	891	866	2.9%	78.0%	72.0%
2000	1,359	1,105	1,075	2.8%	81.3%	77.3%
% Change/Difference*	19.0%	24.0%	24.1%	-0.1%	3.3%	5.3%
<b>Franklin County</b>						
1990	54,597	37,723	35,245	6.6%	69.1%	62.1%
2000	56,950	39,357	37,577	4.5%	69.1%	64.4%
% Change/Difference*	4.3%	4.3%	6.6%	-2.1%	0.0%	2.3%
<b>Hampshire County</b>						
1990	121,153	81,153	76,948	5.5%	67.0%	62.5%
2000	126,209	87,297	82,826	5.4%	65.6%	65.8%
% Change/Difference*	4.2%	7.6%	7.6%	-0.1%	-1.4%	3.3%
<b>Massachusetts</b>						
1990	4,809,772	3,245,950	3,027,950	7.2%	67.5%	60.3%
2000	5,010,241	3,312,039	3,161,087	4.8%	66.1%	60.4%
% Change/Difference*	4.2%	2.0%	4.4%	-2.4%	-1.4%	0.1%

Source: U.S. Census Bureau – 1990 Census STF3A and 2000 Census SF3

\* The percent change from 1990 to 2000 is indicated for the population 16 years and over, the labor force and total employed. The difference in the percentage rates from 1990 to 2000 is indicated for the unemployment rate, participation rate and female participation rate.

Employment information released by the Massachusetts Division of Employment and Training (DET) is derived from federal data from the U.S. Bureau of Labor Statistics. Labor force estimates are derived from the federal Current Population Survey, the federal Current Employment Statistics program and the unemployment insurance program. Employment information released by the Census Bureau is a result of the decennial census survey. Due to the different methodologies used by the DET annual data and the Census Bureau, these figures are not directly comparable. However, both sets of data are included to give a complete overview of employment trends.

The unemployment rate describes the percentage of people in the labor force, who are presently not employed, but are actively seeking employment for a given time period. This statistic is often used as a gauge of economic prosperity or distress. Rate of unemployment may be influenced by an over abundance, or a drastic decline, in the number of employment opportunities in an area. In 2001, the Town of Shutesbury had an unemployment rate of 2 percent, much lower than Franklin County (3.2%), Hampshire County (4.1%) and the State (3.7%). The higher unemployment rates in Franklin and Hampshire Counties indicate a regional labor force that could be accessed for potential Shutesbury businesses ventures.

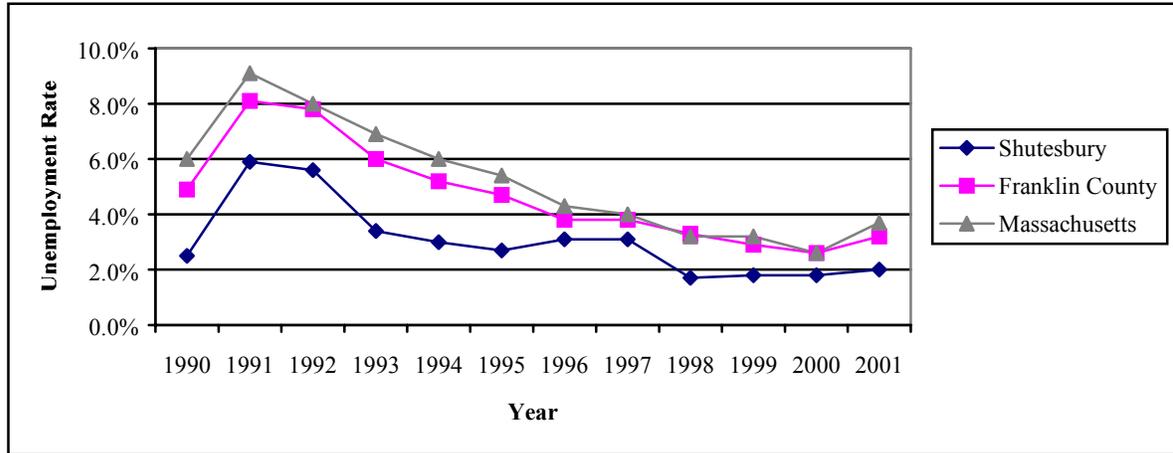
**Table 2-10: Labor Force and Unemployment Data 2001**

Geography	Labor Force	Employed Persons	Unemployed Persons	Unemployment Rate
Shutesbury	1,002	982	20	2.0%
Franklin County	37,376	36,189	1,187	3.2%
Hampshire County	81,176	79,170	15,020	4.1%
Massachusetts	3,283,700	3,163,100	120,600	3.7%

Source: Massachusetts Division of Employment & Training, ES-202 Data

From 1990 to 2001, the Town of Shutesbury has consistently had a lower unemployment rate than the County and the State. This lower rate indicates that Shutesbury has not been as severely impacted by the economic recessions and recoveries experienced over the past ten years as other areas have in terms of high unemployment rates. However, it is evident that Shutesbury's labor force and number of employed are influenced by the greater economy, as demonstrated by the highs and lows in Figure 2-1.

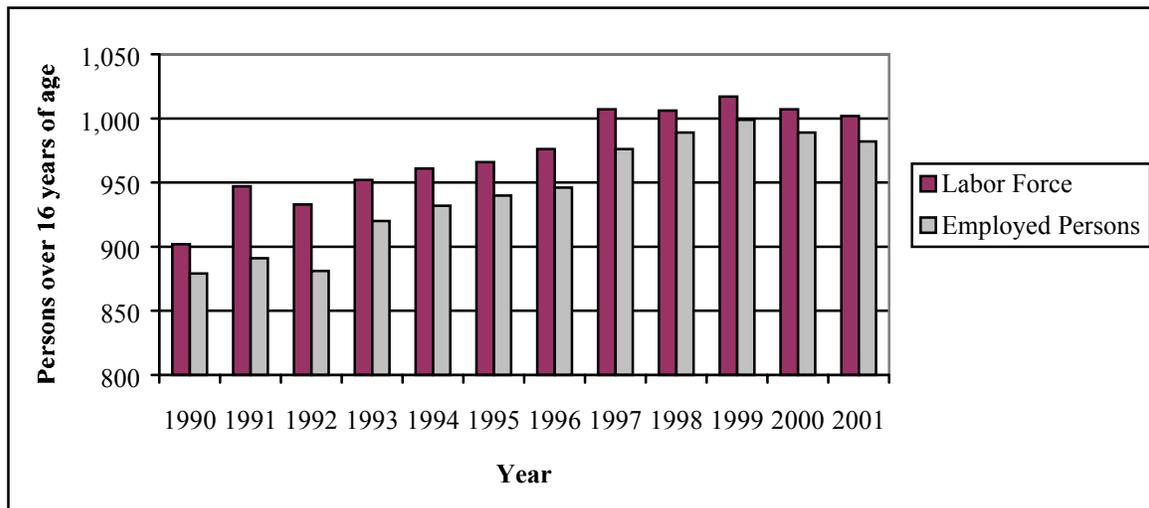
**Figure 2-1: Unemployment Rates from 1990 to 2001**



Source: Massachusetts Division of Employment & Training, ES-202 data

As Figure 2-2 demonstrates, from 1990 to 2001, Shutesbury has had tremendous growth in the size of its labor force overall as well as the number of employed within that labor force. In 2000 and 2001, the size of the labor force has decreased slightly. The greatest driver of employment levels may be related to the State budget and its impact on the University of Massachusetts. Layoffs may be a factor in the decreasing number of employed persons; whereas early retirement incentive programs may be a factor in a decreasing labor force.

**Figure 2-2: Labor Force and Employed Persons in Shutesbury**



Source: Massachusetts Division of Employment & Training, ES-202 data

## Industry Sectors & Employment

An important element to the employment profile of residents is understanding the type of work done by residents. This section reviews employment trends by specific classes of workers and by industry sectors for residents. Specifically, Census Bureau has established classes of workers, which refers to the type of employer (such as a private or government employer). The Census Bureau has also identified 13 distinct employment sectors that represent different economic industries, such as manufacturing or retail trade.

According to 2000 Census data, over one-third of Shutesbury workers were employed by a federal, state or local governmental entity. This percentage of those who work for a governmental entity is significantly higher than the Franklin County, Hampshire County and State average. In addition, there is a higher proportion of self-employed workers in Shutesbury, than compared to both Counties and the State overall. While, it is not uncommon for small, rural areas to have higher proportions of workers in these two classes of workers, Shutesbury's figures for government workers is higher than most other areas. This may be assumed to be related to the prominent role the University of Massachusetts plays in the employment profile of residents.

**Table 2-11: 2000 Class of Worker**

Geography	Total Employed *	Private Wage and Salary Workers	Government Workers	Self-employed Workers**	Unpaid Family Workers ***
Shutesbury	1,075	49.2%	34.0%	16.6%	0.2%
Franklin County	37,577	70.5%	19.3%	9.8%	0.3%
Hampshire County	82,826	69.4%	22.9%	7.6%	0.1%
Massachusetts	3,161,087	80.0%	13.5%	6.4%	0.2%

\*Employed Civilian Population 16 years of age and over.

\*\* Self-employed workers in own, non-incorporated business.

\*\*\* Unpaid family workers are individuals who work 15 or more hours without pay in a business or on a farm operated by a relative.

Source: U.S. Census Bureau – 2000 Census SF3

For residents of Shutesbury, the largest employment sector of residents is the educational, health & social services, with 46.4 percent of all workers employed in this sector (Table 2-12). This is higher than Franklin County (30.4%), Hampshire County (38.0%) and the State (23.7%). The next largest employment sector in Shutesbury is the professional, scientific, management & administrative services industry with 8.4 percent of all workers employed in this sector. This is higher than both the Counties averages but not as high a percentage as the State. Percentage of employment in this sector tends to be low in most small, rural towns. The reason this may be higher in Shutesbury could be a combination of the close proximity of Amherst (which is a regional hub for this type of employment), and the desirability of Shutesbury as a place of residence. Another factor may be that there are a number of Shutesbury workers who are employed as independent consultants in this sector. Evidence of this is known anecdotally as well as statistically in the high number of self-employed and at-home workers.

**Table 2-12: Employment by Sector in 2000**

<b>Employment Sector</b>	<b>Shutesbury</b>	<b>Franklin County</b>	<b>Hampshire County</b>	<b>Massachusetts</b>
Educational, Health & Social Services	46.4%	30.4%	38.0%	23.7%
Professional, Scientific, Management, & Administrative Services	8.4%	6.4%	6.8%	11.6%
Retail Trade	6.2%	11.0%	9.9%	11.2%
Arts, Entertainment, Recreation, Accommodation & Food Services	6.0%	6.5%	7.8%	6.8%
Public Administration	5.8%	4.4%	4.3%	4.3%
Construction	5.4%	6.0%	4.2%	5.5%
Manufacturing	4.8%	15.0%	10.3%	12.8%
Other Services (except Public Administration)	4.8%	4.8%	4.2%	4.4%
Finance, Insurance, & Real Estate	3.9%	4.1%	4.7%	8.2%
Information Services	3.7%	2.6%	2.9%	3.7%
Wholesale Trade	2.1%	2.8%	2.4%	3.3%
Transportation, Warehousing & Utilities	1.7%	4.2%	3.7%	4.2%
Agriculture, Forestry, Fishing, Hunting, & Mining	0.7%	1.8%	0.8%	0.4%
Total Employed*	1,075	37,577	82,826	3,161,087

\*Employed Civilian Population 16 years of age and over.

Source: U.S. Census Bureau – 2000 Census SF3

For most of the remaining employment sectors, Shutesbury has a similar employment distribution among sectors as compared to Franklin County, Hampshire County and the State, with a few notable exceptions. In the retail trade sector, there are less Shutesbury workers in this segment than compared to the Counties and State. This is also common for small, rural towns because of the very limited number of retail establishments in these communities. Another difference is in the manufacturing sector. For Franklin County, Hampshire County and Massachusetts, this is the second largest employment sector. According to data released in recent years, manufacturing sector employment in Franklin County has been growing in the 1990s, which is opposite from what is occurring in the State and Nation. It is most likely that those Shutesbury residents employed in the manufacturing sector commute to industrial employment centers such as Deerfield, Turners Falls and Orange. Similarly, those few Shutesbury residents employed in the transportation, warehousing & utilities sector must travel to locales that offer such employment.

There is little information available concerning employment within the Town of Shutesbury. The Massachusetts Division of Employment & Training has employment statistics by selected sectors for each municipality in the Commonwealth. However, if the level of employment meets specific criteria (such as total number of employees), the information is not released due to confidentiality requirements. In small towns such as Shutesbury, it is common for many employers to have employment figures below these thresholds. Given available information, the largest employer located within Shutesbury is the Town itself. According to Town sources, the Shutesbury Elementary School employs approximately 50 workers, while municipal departments employ 17 full- and part-time workers.

## **Economic Development Factors and Issues**

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There are many factors and issues to consider when planning for economic development. These are some of the elements that are essential for business growth and success. This section highlights some of these factors.

### **Land & Landscape**

#### *Natural Resources*

The Town of Shutesbury is known for its scenic natural landscape with its forests, hilly terrain, and access to bodies of water. Historically, these natural resources were the foundation of the community's economy. Both lumber operations and mineral spring water bottling were successful enterprises in previous times<sup>3</sup>. Natural resource based businesses still operate, but to a lesser degree.

Today, much of the public access to this landscape is not for economic purposes but for recreational activities. The Commonwealth of Massachusetts owns extensive tracts of land managed by the Department of Environmental Management and the Metropolitan District Commission. These State-owned lands offer great hiking trails and beautiful vistas of the Quabbin Reservoir, while Lake Wyola offers swimming and boating activities.

A common desire expressed by residents in the 2000 Town Plan Survey was the preservation of the Town's rural, natural landscape. Suggestions have been put forth to use these natural assets to promote economic activities in a way that does not harm them. Some of these suggestions include increased forestry activities, a water bottling operation, imposing of fees for outdoor recreation-related activities, and using open space for agricultural purposes.

#### *Village Areas & Municipal Facilities*

The village center of Shutesbury is located at the juncture of Leverett, Wendell, and Cooleyville Roads. This area is home to the Town Hall, the Post Office, the Old Town Hall, the Shutesbury Community Church, the M. N. Spear Memorial Library and the Town center. In addition, the Town Highway Department, Fire Department and Elementary School are nearby. According to the 2000 Town Plan Survey, several new uses have been suggested for the Town center area, including a small general store or café, and a seasonal outdoor farmers market.

Another village area of note within the community is the Lake Wyola area. The Lake Wyola area is home to both year-round and seasonal dwellings, as well as a lakeside recreation area, and a private club. In the 2000 Town Plan Survey suggestions were made to locate a store or concession stand in this area.

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<sup>3</sup> Massachusetts Department of Housing & Community Development; Commonwealth Communities Profiles

### *Home Based Businesses & Cottage Industries*

Shutesbury has a high percentage of the labor force employed at home, and this rate is increasing. In 1990, there were fifty-one (51) workers identified as working at home. The number grew to ninety-four (94) in 2000, which represents 9 percent of the total workers in Shutesbury working out of the home. Also according to 2000 Census data, 16.6 percent of all workers were self-employed. This is also a very high rate of self-employed compared to 9.8 percent in Franklin County and 6.4 percent in Massachusetts. Given these trends, it is important to review the current zoning regulations to determine potential restrictions or growth opportunities that may impact these businesses.

The Shutesbury Zoning Bylaw currently designates only one Zoning District encompassing the entire town that is called Rural Residential District<sup>4</sup>. Within this District, the most common of the primary allowed uses are single and two family dwellings. The Bylaw also allows, by right, various agricultural related operations as primary uses. A wide variety of accessory uses are also allowed as long as they are secondary to one of the primary uses and compatible with a residential neighborhood. No more than five (5) people, in addition to those who live at the premises, may also be employed at the site. By this count, a family operated home business might have as many as ten (10) or even more people regularly working without the need for any Special Permit. The type of accessory uses allowed varies from typical garages and swimming pools to small home-based businesses and structures that contain the operations of self-employed individuals. These self-employed individuals may work in a diversity of fields, as long as no continuous manufacturing is involved. Governmental, educational, religious or other non-profit institutional uses can only be restricted in very limited ways as specified by Massachusetts General Law Chapter 40A.

An extensive variety of uses may be allowed, after a public hearing, by Special Permit as long as the proposed use is not detrimental to the community or to the land according to the Zoning Bylaw. In fact, nearly every use conceivable may be allowed by Special Permit, including those that have many employees, as long as the use is retail in its business nature. In all cases, Special Permit findings must be made by the approving authority that the proposal is in harmony with the purpose and intent of the Bylaw and that it is compatible with the other uses in the neighborhood. The only types of uses that are specifically prohibited are trailer homes, trailer parks, junk yards, and apartment buildings larger than two dwelling units. Industrial and manufacturing facilities are not allowed under current Special Permit regulations but are not specifically prohibited.

According to the 2000 Town Plan Survey, respondents identified the most popular forms of economic development they would like to have established in Shutesbury. Most of the favored business endeavors could be home-based, such as home offices, dentist/doctor/veterinarian offices, arts & crafts production, and bed & breakfast establishments.

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<sup>4</sup> Shutesbury Zoning By-Laws as of the April 1997 printing.

Local support for more of these home based businesses and cottage industries could play a substantial role in future economic development opportunities in Shutesbury. If these businesses are to grow in terms of employment opportunities and/or space needs, decisions need to be made whether such development should occur within the Town, and if so, where it should go. The decision for where to locate these establishments requires an understanding of the potential direct and indirect impacts on traffic, environmental quality, residential development, and the tax base.

### *Municipal Taxes*

The services a municipality provides is funded through the combination of state aid programs, and revenue generated from local receipts (fees) and the tax levy (property taxes), as well as other funds (free cash or reserves). Of these revenue sources, the largest amount of funds generated is by the payment of taxes by property owners. Property is assessed to determine its value for the purpose of levying taxes. A tax rate is applied to that assessment to determine the overall tax payment due.

The average single-family tax bill in the Town of Shutesbury has been within the top third of all communities ranked since 1993. Only in one fiscal year since 1990, did the average single-family tax bill decline from the previous fiscal year (from \$2,841 in 1998 to \$2,814 in 1999). Overall, Shutesbury has consistently had one of the highest property tax rates in the region, and in recent times, in the State. These rates are impacted by increased expenses related to the rising costs of education and the growing number of students (see Table 2-3 for school age population trends from 1990 to 2000).

**Table 2-13: Shutesbury Selected Municipal Tax Information**

<b>Fiscal Year</b>	<b>Total Assessed Value</b>	<b>Number of Parcels</b>	<b>Average Assessed Value</b>	<b>Tax Rate (per \$1,000 assessed value)</b>	<b>Average Single Family Tax Bill</b>	<b>High to Low Rank*</b>	<b>State Median Single-Family Tax Bill</b>
1990	75,001,625	640	\$117,190	\$12.75	\$1,494	166 of 323	\$1,504
1991	79,544,200	657	\$121,072	\$13.40	\$1,622	139 of 265	\$1,640
1992	84,220,700	670	\$125,703	\$14.45	\$1,816	130 of 339	\$1,663
1993	85,914,000	680	\$126,344	\$15.75	\$1,990	109 of 339	\$1,747
1994	87,882,160	693	\$126,814	\$16.39	\$2,078	110 of 340	\$1,808
1995	90,144,100	653	\$138,046	\$16.89	\$2,332	93 of 340	\$1,872
1996	94,686,400	732	\$129,353	\$18.99	\$2,456	92 of 340	\$1,959
1997	95,428,500	726	\$131,444	\$20.30	\$2,668	83 of 340	\$2,031
1998	96,823,300	728	\$132,999	\$21.36	\$2,841	76 of 340	\$2,121
1999	96,756,300	732	\$132,181	\$21.29	\$2,814	90 of 340	\$2,191
2000	100,230,300	747	\$134,177	\$22.19	\$2,977	87 of 340	\$2,297
2001	103,177,000	751	\$137,386	\$22.19	\$3,049	94 of 340	\$2,418
2002	120,010,900	753	\$159,377	\$19.97	\$3,183	99 of 340	\$2,577

\* High to low rank of the municipalities ranked. There are 351 municipalities in Massachusetts.

Source: Massachusetts Department of Revenue – Division of Local Services; April 2002

The tax revenue raised in Shutesbury is from the homeowners' residential property tax assessment. With so few businesses in Town, the business sector does not off-set the high residential tax burden. To explain in further detail, commercial and industrial areas are important for two reasons. First, they are the locales of economic activity in a community, which provide services and employment opportunities. Secondly, commercial and industrial property is often very valuable and the taxes generated every year from these uses can help pay for a portion of the expenses of municipal services.

The amount of money needed to fund schools, highway maintenance, public safety, libraries and municipal government is always rising. Careful planning for how to generate this money must be examined. Property taxes for some types of land uses generate revenue for a community, while other land uses may generate the need for more services. One process to determine whether a land use has a positive or negative fiscal impact is called a Cost of Community Services (COCS) analysis.

In 1991 the American Farmland Trust (AFT) conducted a Cost of Community Services analysis for several towns in the region including Deerfield and Gill. The results of that study showed that in Deerfield, protection of farmland and open space is an effective strategy for promoting a stable tax base. The AFT study found that for every dollar generated by farmland and open space, the municipal services required by that land cost only twenty-nine cents (\$0.29) resulting in a positive fiscal impact to the town. Similarly, for every dollar generated by commercial and industrial tax revenues, only thirty-eight cents (\$0.38) were spent by the town in municipal services. In contrast, the AFT study found that for every dollar generated by residential development, the municipal services required by that land cost one dollar and sixteen cents (\$1.16) indicating that residential development costs more in terms of town services that it generates in tax revenues.

In 1995, the Southern New England Forest Consortium (SNEFC) commissioned a study of eleven (11) southern New England towns that confirmed the findings of the earlier AFT study. One of the study towns was neighboring Leverett. The purpose of the SNEFC study was to evaluate the fiscal contribution of developed land versus that of open space using the methodology developed by AFT. This study was based on allocating one year's worth of income and expenses to different land use sectors to show the impact of these land uses on the local economy. The results of the study concluded that for eleven southern New England towns, the conversion of open space for residential development is not advisable on a financial basis alone. For every dollar of tax revenue raised from the residential sector, these towns spent an average of one dollar and fourteen cents (\$1.14) on residential services, which is a negative fiscal impact. The commercial and industrial development sectors on average cost the towns only forty-three (\$0.43) cents on services for each dollar of tax revenues received generating a positive fiscal impact. This figure does not, according to the study, take into account other costs associated with commercial and industrial development such as the potential for increased residential development, increased traffic and noise pollution, the loss of open space to filter water and air, or the need to provide recreation opportunities. Finally, farm, forestland and open space in comparison costs on average forty-two (\$0.42) cents in municipal services. This is an interesting statistic demonstrating that the protection of farmland and open space not only plays an important role in protecting natural resources,

but like commercial and industrial land, it also may have a function in balancing the municipal tax base. For Shutesbury, an approach that encompasses both appropriate business development with conservation of natural resources will best satisfy the desires of residents to maintain their community character while off-setting the tax burden.

## **Infrastructure & Utilities**

### *Transportation*

There are two perspectives when considering a community's transportation infrastructure: the level of ease and safety of moving people and goods *to and from* the community and the level of ease and safety of moving people and goods *within* the community. In terms of the transport of people and goods to and from the community, the most significant transportation feature in Shutesbury is Route 202 that connects two east-west corridors which traverse the entire State: Route 2 in Orange to the north, and Route 9 in Belchertown to the south. In terms of the transport of people and goods within Shutesbury, there are some limitations of the transportation system due to the character of the road network. Further discussion of the transportation system in Shutesbury is included in Chapter 5.

As for transit facilities, the Franklin Regional Transit Authority provides demand-response transportation services for the elderly and disabled residents within their jurisdiction, which includes Shutesbury. No formal park-and-ride lots have been established in the community. Given the number of commuters that travel to the same destination, the University of Massachusetts, this could be a consideration. If a store or area of retail activity were to be developed, the establishment of a park-and-ride lot nearby could be beneficial to the venture.

In terms of aviation, there are three international airports located approximately within a two hours drive from Shutesbury. They are Albany International Airport in Albany, New York; Logan International Airport in Boston, Massachusetts; and Bradley International Airport in Windsor Locks, Connecticut. In addition, there are the regional airports of Green State Airport in Warwick, Rhode Island; Manchester Airport in Manchester, New Hampshire; and Worcester Regional Airport in Worcester, Massachusetts, that also provide passenger service. Locally, the transportation network includes the municipal airports of Orange Municipal Airport and Turners Falls Municipal Airport, both located adjacent to industrial parks. They serve some private passenger as well as recreational services.

### *Water & Sewer Systems*

Shutesbury has no municipal water or sewer systems. Further discussion of community facilities such as these will be included in Chapter 4: Community Facilities and Services.

### *Telecommunications*

The telecommunications infrastructure and services available in Shutesbury and the greater Franklin County region are often inadequate for present day business functions. Issues of reliability, affordability and access are major obstacles for large and small businesses.

Access to advanced, affordable broadband and telephone services is stifled by the absence of competition in the telecommunications services sector. Telecommunications services are critical to the region to attract and cultivate new employers as well as keep existing businesses competitive. Services such as satellite technology, cable internet, digital subscriber lines (DSL) and T-1 class broadband allow for “always on”, high speed access to the Internet and private networks. As more business to business transactions are occurring electronically, this is important for large manufacturers to communicate with their suppliers. For smaller businesses and at-home workers, affordable broadband access is important for efficient communication to retailers and clients.

For Shutesbury in particular, the lack of telecommunications broadband services is a tremendous obstacle for many home-based businesses. Most users would be satisfied with greater than dial-up speed service, such as DSL or cable broadband. Shutesbury does not have access to DSL because of the distance from the Amherst Central Office, where the equipment is located to provide such services. In addition, the Town does not have cable television service.

There are a few strategies to consider which may be able to bring broadband service to Shutesbury. Each of these strategies needs to be assessed and evaluated to determine their usefulness, their potential success, and cost of implementation. While it is of little comfort, this issue of the lack of broadband telecommunications is one faced by many small and rural communities across the region and across the country.

A regional strategy underway coordinated by the Franklin Regional Council of Governments, is called Franklin-Hampshire Connect. This project has business and community leaders from Franklin and Hampshire Counties joined together to advocate for services and to implement strategies to create a competitive telecommunications marketplace in the region. Active participation in this effort is one way to support the development of broadband deployment. Another approach is to encourage a cable television and broadband service provider to install infrastructure and provide service in Shutesbury. Other approaches include the development of a locally-based wireless broadband network or the evaluation and recommendation of satellite broadband technology for individual adoption.

## **Statewide Economic Development**

In Fall 2002, the Commonwealth of Massachusetts Department of Economic Development produced a document to guide statewide economic development activities titled “Toward a New Prosperity: Building Regional Competitiveness Across the Commonwealth.”<sup>5</sup> In the document, four factors were identified as critical elements that have driven economic development in the State: “the supply of knowledge workers; our capacity for networked

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<sup>5</sup> This document may be found online at <http://www.mass.gov/portal/index.jsp?pageID=aghome&agid=ded>.

entrepreneurship; the opportunities presented by globalization; and the challenge of maintaining the quality of life in our communities.” The report highlights how these factors influence future imperatives to enhance the State’s economic competitiveness. Some of the themes highlighted in this document have particular applicability to Shutesbury.

As the data show, Shutesbury has a high percentage of residents that are well-educated and related to the “knowledge sector” fields, such as education and professional services. This segment of workers is known for its entrepreneurship and mobility (greater ability to move to areas where they want to live and are not tied to a particular area for a specific economic or social need). The high quality of life available in Shutesbury is an attractor for these residents.

Another characteristic of the “knowledge sector” worker is the greater likelihood for entrepreneurial initiatives. An important element to enhance entrepreneurial and innovation endeavors are networking opportunities. Through networking, entrepreneurs may find nearby customers as well as potential collaborators and competitors. When several businesses are located in a specific geographic region and are related either through their processes or the industries they serve, this is referred to as a cluster. Often when businesses within these clusters are in contact with one another new initiatives develop and common needs are identified. Activities to foster entrepreneurship and networking may be accomplished not only on the statewide scale, but the regional and local scale as well.

### **Local Entrepreneurship and Business Development Resources**

Economic growth is created through the development of new businesses and the expansion of existing businesses. In the 2000 Town Plan Survey, respondents identified the most popular forms of economic development they would like to have in the community. These included home-based businesses, arts and crafts based business, bed & breakfasts, dentists/doctors/veterinarian offices, restaurant/coffee shop, farming, gas station/convenience store, very small manufacturing (less than or equal to 5 employees), and software development (less than 25 employees). Each of these potential businesses is small in size and would be expected to have a minimal impact on the landscape of the community.

The development of these types of businesses in Shutesbury would most likely come from a local entrepreneur that presently lives in or nearby the community. The advantage of locally based businesses is that they are more likely to stay in the area where they originated. For example, there is a greater likelihood for a business to establish and remain in Shutesbury by a resident, rather by than someone living outside of the community.

Resources to assist entrepreneurs are vital to help home-based businesses and cottage industries become established and grow. The entrepreneurs behind these ventures understand the markets they are in, and they have thrived due to their ability to identify trends and adapt to them. They need resources to move their business plans forward. Access to a skilled labor force is necessary to lower training costs, which is a great expense for smaller firms.

Access to financial and technical resources that help these businesses grow are very important. Several regional and statewide organizations are available to assist with such efforts for new and growing businesses in Shutesbury. Contact information for economic development organizations is included in Appendix C.

An additional element for the success of small businesses is the support of these establishments by local residents. Creating linkages between local producers and retailers are a few ways to encourage local business development.

## **Advantages & Disadvantages Summary**

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Given the information in this chapter, a brief list of advantages and disadvantages for economic development in the Town of Shutesbury has been assembled. These identified circumstances reflect potential opportunities and impediments to be addressed when forming recommendations for future action.

**Table 2-14: Summary of Advantages and Disadvantages**

<u>Advantages</u>	<u>Disadvantages</u>
<ul style="list-style-type: none"><li>- Desirable place to live due to high quality of life for individuals and families.</li><li>- Highly educated workforce with a considerable number of workers in professional occupations.</li><li>- Presence of entrepreneurs, self-employed and at-home workers.</li><li>- Plentiful natural and recreational resources.</li><li>- Strong sense of community.</li><li>- Proximity to Amherst employment center.</li></ul>	<ul style="list-style-type: none"><li>- Impacts of population growth on rural landscape and demand on services.</li><li>- Poor telecommunications infrastructure.</li><li>- Limited business activity.</li><li>- Limited in-town access to entry level work force.</li><li>- High property tax rates.</li><li>- Lack of adequate transportation system for large scale commercial and industrial development.</li></ul>

## **Recommendations**

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The following list identifies recommendations to forward economic development in the Town of Shutesbury.

- **Create a town committee to support the strengths, address the challenges, and execute the tasks necessary to encourage entrepreneurship and business development in Shutesbury** (as outlined in this chapter).
- **Implement strategies to support entrepreneurship and business development among home-based businesses.** These strategies could include:

### Business Survey

A survey of home-based businesses could be conducted. Survey respondents may or may not elect to include identifying information. The survey could be distributed through the Town newsletter and feature questions regarding the type of business, potential needs to support these businesses (for example, if a publicly available copy machine or a drop-off box for express mail delivery is needed in Town), the desirability of networking opportunities amongst these businesses, and the potential for growth of their business.

### Network Development and Access to Resources

If the survey responses demonstrate an interest by the home-based business community in Town to collaborate, strategies may be pursued to create a communication system that would allow businesses to network, to access informational resources and to make recommendations to the community at-large to support their businesses. Examples of strategies may include the creation of networking opportunities, such as meetings or other events that bring people together; or the creation of an information resource center, in a community space and/or online that could provide a directory of useful small business assistance organizations.

### Business Incubator Space

If the survey responses demonstrate that a space for business growth is needed in Town, another strategy to pursue could be the development of a business incubator space. A business incubator allows for multiple businesses to have their own office space while sharing resources, such as adequate infrastructure, receptionist services, conference room, or copier. A local example of a business incubator space is the Venture Center on Wells Street in Greenfield. The Venture Center was created by the Franklin County Community Development Corporation, which is also housed in the facility. The Venture Center shares receptionist services, conference rooms, and other community facilities (such as bathrooms and kitchen area) for a dozen businesses of varying sizes.

If a business incubator space is not necessitated at this time, a smaller scale business development center could be developed. A center could be created in an existing or

new community space that would offer similar resources (such as a copier, books on entrepreneurship, conference tables, etc.) and be used as site for networking activities.

- **Conduct a feasibility study to determine the potential to develop business ventures that would create revenue for the Town, by leasing municipally owned land, by municipal ownership and operation, or by private sector contribution to the tax base.** A study such as this, would inventory municipally owned land to identify appropriate parcels for potential development; explore examples of town-owned revenue generation ventures by other municipalities; and determine the suitability of specific types of development. In addition, the study would be careful not to compete with existing businesses already existing in the community. Some examples of potential operations include: alternative energy generation, renewable natural resource products, eldercare facility, or small retail store.
- **Continue to advocate for advanced telecommunications broadband services to be made available in the community.** Establish a relationship between Shutesbury town officials and the ad hoc group presently existing that is dedicated to pursuing local and regional broadband options.
- **Promote a campaign to encourage the buying of local goods and services.** Examples may include the exploration of a formal policy for town government to employ the services of local residents (in coordination with the State procurement laws and regulations); the coordination of annual events to encourage the purchase of local and regional products; or the development of a directory of local and regional businesses.

