

TOWN OF LANCASTER

ECONOMIC DEVELOPMENT PLAN



<i>Prepared by:</i>	Montachusett Regional Planning Commission (MRPC)
<i>Funded by:</i>	Commonwealth of Massachusetts District Local Technical Assistance Program

JANUARY 2015

Table of Contents

Section 1: Introduction.....	3
Section 2: Assessment Of Lancaster’s Current Economic Base	4
Lancaster’s Labor Force	4
Measures of Wealth.....	4
Journey to Work.....	5
The Number and Types of Jobs in Lancaster	6
Education	8
Economic Sector Contribution to Local Tax Base	9
Chapter 43D Sites.....	12
Section 3: Development Potential	14
Section 4: Proposals and Recommendations.....	17
Attachment 1: Development Potential Map	21
Attachment 2: Preliminary Market Analysis – ESRI Bao Analysis	23

Section 1: Introduction

In March 2014, the Town of Lancaster submitted a request for District Local Technical Assistance (DLTA) service from the Montachusett Regional Planning Commission (MRPC). MRPC awarded DLTA to the Town of Lancaster on March 26th, 2014 to draft an Economic Development Plan with assistance from the Town of Lancaster Planning Director. The DLTA program provides technical assistance at no cost to the Town of Lancaster. The study was funded through the Massachusetts Department of Housing and Community Development (DHCD). The DLTA program was established by Chapter 205 of the Acts of 2006, which enables staff of Regional Planning Agencies (RPAs) such as MRPC to provide technical assistance to communities for projects meeting certain criteria determined by the Commonwealth of Massachusetts. MRPC is a unit of regional government created under the General Laws (MGL Chapter 40B, Sections 1-8). Regional planning commissions (agencies) provide planning advisory services and technical assistance to its 22 member communities.

This Economic Development Element consists of an inventory and analysis of economic data, and recommendations to identify policies and strategies for the expansion or stabilization of the local economic base and the promotion of employment opportunities. Moreover, MRPC GIS staff took a look at and mapped the environmental and development characteristics of all zoning districts within the community including undevelopable acres with absolute and partial development constraints, developed acres, and developable acres. Results can be found in Section 3 of this report. This is followed by proposals and recommendations for Lancaster to promote economic development while retaining community character.

Section 2: Assessment Of Lancaster's Current Economic Base

Lancaster's Labor Force

As can be seen in Table 1 below, the number of employed Lancaster residents peaked in the year 2011 (3,275 persons employed). Since 2011, employment decreased slightly to 3,199 persons employed in the year 2013. Conversely, Lancaster's local unemployment rate increased from a low of 4.3% in 2001 to a high of 9.1% by the year 2009; Lancaster's unemployment rate increased since the year 2001 and saw a big jump in unemployment between 2008 (5.6%) and 2009 (9.1%). Since 2009, the unemployment rate has declined slowly to 7.1% for the year 2013.

Of course Lancaster's unemployment rate is closely tied to that of the state and the nation as a whole, both of which saw similar increases in unemployment. However, it should be noted that Lancaster's unemployment rate has been consistently higher than that of the state, suggesting that Lancaster residents have been much more prone to layoffs than other communities when the state's economy declines. Recently there has been some improvement in the national and state unemployment rates and this is expected to continue, albeit slowly. While the economy continues to struggle, higher education and vocational training in Lancaster should be a priority.

Table 1
Lancaster's Labor Force, Employment Numbers and
Unemployment Rate over Time vs. the Unemployment Rate for the State

Year	Labor Force	Employed	Unemployed	Unemployment Rate	State Unemployment Rate
2013	3,443	3,199	244	7.1%	6.9%
2012	3,446	3,206	240	7.0%	6.7%
2011	3,533	3,275	258	7.3%	7.4%
2010	3,557	3,246	311	8.7%	8.5%
2009	3,114	2,830	284	9.1%	8.2%
2008	3,082	2,908	174	5.6%	5.3%
2007	3,166	3,008	158	5.0%	4.5%
2006	3,150	2,978	172	5.5%	4.8%
2005	3,053	2,887	166	5.4%	4.8%
2004	3,050	2,850	200	6.6%	5.2%
2003	3,017	2,808	209	6.9%	5.8%
2002	2,980	2,797	183	6.1%	5.3%
2001	2,913	2,787	126	4.3%	3.7%

Source: MA Department of Labor and Workforce Development

Measures of Wealth

There are measures of wealth that reflect the health of the local economy by describing the incomes of local residents: per capita, median household and median family incomes, as well as the percent of people for whom poverty status was determined. Per capita income is equal to the total incomes generated by a population divided by the number of persons in that area. Communities with higher

number of persons per household or smaller household incomes would likely have smaller per capita income figures. The per capita income for the State of Massachusetts was \$35,485, while that of Lancaster was just \$30,150, significantly below the State average. Lancaster's per capita income was also lower than that of Lunenburg, Clinton, Sterling, and Harvard but it was higher than Shirley.

Table 2
Measures of Wealth
Lancaster and Neighboring Communities

Community	Per Capita	Median Household	Median Family	Below Poverty
Lancaster	\$30,150	\$77,321	\$87,679	10.2%
Shirley	\$24,653	\$69,750	\$81,118	11.5%
Lunenburg	\$35,944	\$78,452	\$92,292	5.2%
Clinton	\$30,567	\$66,308	\$83,135	9.5%
Sterling	\$42,211	\$102,847	\$115,658	2.2%
Harvard	\$53,284	\$144,143	\$155,972	6.3%
Bolton	\$54,018	\$140,439	\$151,563	2.8%
State	\$35,485	\$66,658	\$84,380	11.0%

Source: American Community Survey 2008-2012 Estimates

Another measure of wealth in a community is its median income, which is based on the type of household. In Table 2, family incomes are differentiated from other household incomes. For example, a single student living alone is considered a household but not a family. According to the American Community Survey 2008-2012 Estimates, Lancaster's median household income (\$77,321) is higher than Shirley (\$69,750) and Clinton (\$66,308) and slightly lower than Lunenburg (\$78,452) but substantially lower than Sterling (\$102,847) and Harvard (\$144,143). However, it should be noted that the median household income and median family income for Lancaster (\$77,321 and \$87,679 respectively) is above the state rate for both categories (\$66,658 and \$84,380 respectively). In terms of poverty, there is less in Lancaster (10.2%) than Shirley (11.5%) and the state (11.0%) but more than in Clinton (9.5%) and substantially more than Harvard (6.3%), Lunenburg (5.2%) and Sterling (2.2%).

Any effort to increase economic activity in Lancaster should focus on increasing wages and creating new jobs for the Lancaster labor force. There are some ways in which economic development efforts can support these goals. They include attracting and retaining businesses with good-paying jobs; stabilizing residential property tax rates; encouraging local entrepreneurship, and providing social services, such as subsidized daycare and pre-schools to support single-parent families and households with two working parents.

Journey to Work

According to the American Community Survey 2012 estimates, 99.3% of Lancaster's workforce worked in Massachusetts, 65.7% worked in Worcester County, and about 3.6% worked in Lancaster (not including those who work at home). Using data from the 2000 Census and 2012 ACS Estimates, a comparison can also be made on the following page as to how Lancaster's workforce gets to work and how its commuting patterns have changed during the past twelve years.

	<u>2000</u>	<u>2012</u>
Drove Alone	79.1%	82.7%
Car-Pooled	7.1%	7.9%
Walk/Bike	7.3%	2.9%
Public Transit	0.3%	.9%
Worked at Home	5.4%	5.3%
Other Means	0.8	0.3%

Reviewing the figures above, it is interesting to note that the “driving to work alone” category actually increased in Lancaster over the past decade as did car-pooling, and Public Transit. “Walk/Biking to Work” showed a rather significant decline from 7.3% in the year 2000 to just 2.9% in 2012. The town should and is focusing attention on walkability issues and is currently taking a proactive step by initiating the development of a Village District Bylaw and a Complete Streets Study to be conducted by MRPC this year.

As indicated in the Table below, the mean travel time to work for Lancaster’s residents is 26.9 minutes, slightly lower than the Massachusetts average (27.7), but a little higher than the national average of 25.4 minutes.

Table 3
Travel to Work

Mean Travel Time to Work	
Community	Minutes
Lancaster	26.9
Massachusetts	27.7
U.S.	25.4

Source: US Census 2008-2012 Five Year Estimates

Of notable interest, the mean travel time to work by total means of transportation increased in every community in the Montachusett Region from 1990 to 2000 and Lancaster was no exception as travel time increased substantially from 20.3 minutes to 26.2 minutes. This could be attributed, at least in part, to the dramatic increase in real estate prices during this time span, widening the gap between income and purchase price. Historically, the average house price in Central Massachusetts where Lancaster is located has been lower than state averages so that housing stock remained relatively affordable. This, along with the town’s scenic beauty and attractive quality of life, brought homebuyers who were willing to travel greater distances to work.

The Number and Types of Jobs in Lancaster

The Massachusetts Division of Unemployment Assistance (DUA) is the State entity in charge of tracking the changes taking place in the various sectors of the State’s economy at both the state and local levels. The table below presents the changes that took place in Lancaster’s local economy from 2008 to 2012. The number of establishments increased during this five year period by 6 (or 3.3%) and employment

increased by 69 workers or 3.4% of the employment base in Lancaster. The largest loss in employment did not occur during the height of the economic recession between 2008 and 2011 but instead decreased by 101 jobs between 2011 and 2012 along with a loss of 12 establishments. Historically speaking, the cyclical nature of the regional economy has resulted in Lancaster gaining jobs during one decade, losing jobs the next, and so on although the recent economic downturn has been nationally recognized as the most severe in decades.

Total wages has been increasing steadily and some good news is that average weekly wage increased by 11.8% during the period even despite the loss of employment and establishments between 2011 and 2012. In contrast, the Consumer Price Index for the nation increased by about 6.5% during the period, indicating that wages in Lancaster increased somewhat faster than inflation. As a result, employed consumers might have a little more disposable income to spend locally and spread more dollars throughout the economy.

Table 4
Employment and Wages in Lancaster

	2008	2009	2010	2011	2012	Change	
Establishments	182	183	194	200	188	+ 6	3.3%
Total Wages (Millions \$)	\$72.7	\$74.7	\$80	\$81	\$84	+ \$11.3	15.5%
Average Employment	2,006	2,111	2,176	2,176	2,075	+69	3.4%
Average Weekly Wage	\$697	\$681	\$708	\$720	\$779	+ \$82	11.8%

Source: Massachusetts Division of Unemployment Assistance

Table 5 provides information on the type of jobs found in Lancaster. The largest number of jobs is found in Education and Health Services, with about 809 education and Health Services jobs, or about 39% of all jobs in Lancaster – however, it should be noted that since 2010 there has been a reduction of 306 jobs in this sector. Besides Education and Health Services, strengths of the local economy include Trade, Transportation and Utilities (373 jobs in 2012), Manufacturing (266 jobs) and Professional and Business Services (183 jobs). Results of the recession can be seen in the loss of jobs in Financial Activities, Leisure and Hospitality, and as previously noted, Education and Health Services.

Table 5
Lancaster Workforce by Sector

	2008	2009	2010	2011	2012	Change
Construction	104	80	98	100	78	-0.25%
Manufacturing	207	193	197	244	266	28.5%
Trade, Transportation and Utilities	118	248	299	316	373	216.1%
Financial Activities	27	32	26	19	15	-445%
Professional and Business Services	92	109	110	160	183	98.9%
Education and Health Services	1,078	1,102	1,115	998	809	-25%
Leisure and Hospitality	184	162	162	173	169	-8.2%
Other Services	94	117	98	97	101	7.5%
*Total All Industries	2,006	2,111	2,172	2,176	2,075	34.4%

Source: Massachusetts Division of Unemployment Assistance

**Not all industry category data is published by the MA DUA due to the confidentiality of those industries.*

Table 6 allows for a comparison of the number of jobs in neighboring towns. The Table also provides 2012 employment and wages to compare Lancaster with neighboring communities.

Table 6
Employment and Wages
Year 2012 Comparison

	Lancaster	Shirley	Lunenburg	Clinton	Sterling	Harvard	Bolton
Establishments	188	151	237	334	237	169	145
Total Wages (Millions \$)	\$84	\$150	\$88.8	\$202	\$102	\$53	\$71.4
Average Employment	2,075	2,559	2,167	4,398	2,422	906	1,312
Average Weekly Wage	\$779	\$1,130	\$788	\$884	\$811	\$1,129	\$1,047

Source: Massachusetts Division of Unemployment Assistance

Table 6 indicates that Lancaster has more establishments than Shirley and Harvard but less than Lunenburg, and Sterling – and, significantly less than Clinton which is not surprising. Over \$84 Million was earned in wages in Lancaster in 2012 – less than its neighbors with the exception of Harvard and Bolton. As a result Lancaster also has fewer employees than communities with higher total wages as well. Moreover, the average weekly wage is lower than communities with higher total wages. To improve its economy, the town should strategize and seek to diversify its economy by attracting higher paying jobs.

Education

As shown in Table 8 below, residents with a high school diploma, but no higher education, represent the largest segment of the Lancaster population (26.3%) in terms of educational attainment –this is more than Sterling (21.8%) and Harvard (16.5%) and the state (25.9%). The second largest group (19.1%) has some college education, followed by residents with a Bachelor's degree (17.7%) and a Graduate Degree (16.6%).

The state percentages reveal how the population in Lancaster compares to the overall state population in terms of educational attainment. As in Lancaster, the largest segment contains those with a high school diploma, but no higher education (25.9%). However, the second largest group is those with a bachelor's degree (22.2%) followed by those with a graduate degree (16.8%).

The state data contains slightly higher numbers in the groups of the upper echelon of the educational attainment spectrum than the Lancaster data since 39% of the state's population is reported to have a Bachelor's or Graduate Degree – a little more than the rate of Lancaster (34.3%). Although the difference between Lancaster and the state is not substantial, the difference could be due in part that more Lancaster residents might be attending a trade school (Montachusett Technical Vocational is located in nearby Fitchburg) or obtaining a two year degree at Mount Wachusett Community College.

Table 7
Educational Attainment
Population 25 Years and Over

Amount of School	Lancaster	Shirley	Lunenburg	Clinton	Sterling	Harvard	Bolton	State
No High School Diploma	10.1%	17%	7%	13.8%	4.3%	4.5%	2.2%	10.9%
High School Diploma	26.3%	33.6%	27.7%	29.3%	21.8%	16.5%	17.1%	25.9%
Some College, No Degree	19.1%	21.6%	19.2%	17.8%	14.3%	12.7%	10.8%	16.6%
Associate's Degree	10.3%	5%	11.6%	8.1%	7.2%	4.7%	5.6%	7.7%
Bachelor's Degree	17.7%	14.4%	22.9%	21.3%	30.1%	27.6%	33.1%	22.2%
Graduate or Prof. Degree	16.6%	8.5%	11.6%	10.8%	22.2%	32.9%	31.2%	16.8%

Source: American Community Survey 2008-2012 Estimates

There are numerous public school districts within the region educating young persons from pre-kindergarten through high school and private schools educating residents at approximately the same age levels. The area also has new charter schools. As previously indicated, Montachusett Technical Vocational High School is located in Fitchburg offering trade school curriculum at the high school level. Located in Gardner/Leominster/Devens, Mount Wachusett Community College (MWCC) offers two-year programs while Fitchburg State University offers four-year programs. In addition, there are many private sector educational operators offering training courses. The North Central Massachusetts Workforce Investment Board, Inc. promotes the economic and social welfare of the region through education, employment and training programs that increase employability of young people and adults.

Economic Sector Contribution to Local Tax Base

In fiscal year 2014 Lancaster levied a total of \$14,898,360 in taxes, based on a local tax rate of \$18.91 per \$1,000 of assessed valuation. Lancaster homeowners accounted for roughly 86.6% of the total tax base (\$12,904,495) while the business and industries accounted for 10.9% (\$1,628,886). The remainder (2.5%) was derived from taxes on personal property (\$364,979). The next two tables look at how Lancaster compares to its adjacent neighbors in terms of commercial and industrial tax base.

Table 8
Commercial Tax Base Comparison

Community	FY2014 Tax Rate	Commercial Taxes Levied	Assessed Valuation	% Total Tax Levy
Lancaster	18.91	1,003,345	53,058,979	6.7%
Shirley	16.75	303,300	18,107,458	3.3%
Lunenburg	17.99	1,146,276	63,717,379	5.7%
Clinton	30.19	2,115,300	70,066,258	10.8%
Sterling	16.93	652,063	38,515,235	4.2%
Harvard	17.09	579,165	33,889,096	3.2%
Bolton	21.20	859,996	40,565,856	4.6%

Source: Department of Revenue

The previous table indicates that Lancaster's commercial sector raises the second highest percentage of tax dollars when compared to neighboring communities, with Clinton, the more urbanized community in this area of the region, raising the highest percentage. Lancaster's Assessed Valuation and Commercial Taxes Levied are third highest behind Clinton and Lunenburg.

Table 9
Industrial Tax Base Comparison

Community	FY2014 Tax Rate	Industrial Taxes Levied	Assessed Valuation	%of Total Tax Levy
Lancaster	18.91	625,541	33,079,900	4.2%
Shirley	16.75	381,784	22,793,100	4.2%
Lunenburg	17.99	361,450	20,091,700	1.8%
Clinton	30.19	1,864,299	61,752,200	9.5%
Sterling	16.93	858,960	50,736,000	5.5%
Harvard	17.09	41,409	2,423,000	0.2%
Bolton	21.20	240,747	11,356,000	1.3%

Source: Department of Revenue

The table above indicates that Lancaster raises more tax dollars from its industrial sector than Shirley, Lunenburg, Bolton, and Harvard but fewer than Clinton and Sterling. Lancaster's combined commercial and industrial annual tax levy makes up about 10.9% of their overall tax base. While these comparisons seem somewhat favorable for Lancaster in terms of Commercial and maybe a little less so in terms of Industrial, it should be noted that the Town has more potential and needs to maintain and expand upon this and do better to avoid residential property taxes accounting for a higher percentage of the Town's total tax base into the future. In order to do so, the Town should devise a comprehensive economic development strategy.

Table 10
Lancaster's Tax Levy 2007-2014 (with rate)

Fiscal Year	Tax Rate	Residential	Commercial	Industrial	Personal Property	Total
2007	\$13.77	10,450,258	594,529	310,756	212,043	11,604,123
2008	\$13.64	10,853,739	694,430	359,894	216,610	12,124,673
2009	\$14.84	11,192,445	778,989	437,284	266,621	12,675,339
2010	\$16.07	11,710,695	776,863	477,393	309,292	13,274,243
2011	\$17.13	12,124,089	860,493	477,230	334,879	13,796,691
2012	\$17.94	12,335,833	909,492	572,491	329,846	14,147,662
2013	\$19.08	12,422,592	969,915	622,962	375,796	14,391,265
2014	\$18.91	12,904,495	1,003,345	625,541	364,979	14,898,360

Source: Department of Revenue

The previous table highlights the change in tax rate, and change in total levied taxes for Lancaster from 2007-2014. From 2007- 2014 the tax rate increased from \$13.77 to \$18.91 and the Town was able to generate increases in overall levied taxes due to increases in the residential/commercial/industrial sector as well as personal property. Currently, Lancaster's tax rate is \$18.91, higher than surrounding towns with the exception of Clinton.

On the following page is the FY 14 tax rate by class for each community within the Montachusett Region as well as the Average Single Family Tax Bill. Five Montachusett communities have a higher residential tax rate than Lancaster while 16 have a lower residential tax rate. In regards to the Average Single Family Tax Bill, just two (2) communities are higher (Groton and Harvard), while nineteen (19) communities have a lower Average Single Family Tax Bill.

Table 11
FY 14 Tax Rate by Class/
Average Single Family Tax Bill for
Montachusett Region Communities

Community	Tax Rate by Class			Average Single Family Tax Bill
	Res	Comm.	Ind.	
Ashburnham	19.83	19.83	19.83	3997
Ashby	19.10	19.10	19.10	3802
Athol	18.43	18.43	18.43	2373
Ayer	14.08	28.55	28.55	3749
Clinton	16.15	30.19	30.19	3500
Fitchburg	19.83	26.32	26.32	3078
Gardner	18.87	18.87	18.87	3056
Groton	17.83	17.83	17.83	6857
Harvard	17.09	17.09	17.09	9341
Hubbardston	14.52	14.52	14.52	3286
Lancaster	18.91	18.91	18.91	5310
Leominster	18.89	18.89	18.89	3961
Lunenburg	17.99	17.99	17.99	4414
Petersham	15.93	15.93	15.93	3741
Phillipston	16.29	16.29	16.29	3170
Royalston	12.29	12.29	12.29	2057
Shirley	16.75	16.75	16.75	4206
Sterling	16.93	16.93	16.93	4779
Templeton	16.24	16.24	16.24	2722
Townsend	19.57	19.57	19.57	4150
Westminster	18.98	18.98	18.98	4364
Winchendon	15.96	15.96	15.96	2592

Source: Department of Revenue

Chapter 43D Sites

On August 2, 2006, Massachusetts General Law Chapter 43D was signed into law. This program offers communities a tool to promote targeted economic and housing development by providing a transparent and efficient process for municipal permitting, guaranteeing local permitting decisions on priority development sites within 180 days, increasing visibility of the participating community, and targeting development site(s) known as Priority Development Sites (PDS). According to state regulations, a PDS must be:

- Commercially or industrially zoned (including mixed use);
- Eligible for construction of a structure of 50,000 sq. ft. or more;

The Expedited Permitting Program gives a town the ability to promote commercial development on pre-approved parcels by offering expedited local permitting on those parcels. Such development must be primarily commercial however mixed-use properties also qualify for priority designation so long as they conform to the statutory requirements for a priority development site. Other advantages of designating priority development sites in a community include eligibility for and priority consideration for MassWorks funding, priority consideration for other quasi-public financing, brownfields remediation assistance, enhanced online marketing and technical assistance from MassDevelopment and/or the Montachusett Regional Planning Commission.

Projects located on Priority Development Sites continue to have flexibility; the applicant may still apply for permits and approvals under Chapter 40B to the same extent as if the property was not designated as a Priority Development Site. However the provisions of Chapter 43D relating to permit processing and appeals shall not apply to projects seeking permits and approvals under Chapter 40B. A full listing of additional resources concerning Chapter 43D including fact sheets, frequently asked questions, and contact persons can be found at www.mass.gov/mpro.

In the year 2009 there was a majority vote at Lancaster Town Meeting to accept the provisions of Chapter 43D of the MA General Laws, as amended, pursuant to Section 11 of Chapter 205 of the Acts of 2006, and to approve the filing of an application with the Interagency Permitting Board for the designation of land. The Town of Lancaster then designated Lancaster Technology Park; Ascetic Hill Park; Chisholm Property; and Hill Property as Chapter 43D sites.

Section 3: Development Potential

Lancaster has a long list of financial matters (including facility and capital equipment needs) that will need to be addressed during the next decade. If Lancaster's commercial and industrial sectors do not grow and increase their contribution to the local tax base, then it will be up to the homeowners to cover a larger percentage of the Town's annual budget. Simply put, the right mix of commercial development combined with appropriate industrial development will help ease the tax burden on local homeowners while creating jobs and lowering the unemployment rate. Thus the question becomes, what opportunities for appropriate economic development exist for Lancaster? As part of this master plan element, MRPC took a look at the development potential of all districts including the districts where commercial/industrial development can take place in order to gain an assessment of how much they will be able to contribute to the Town's future economic base. Table 12 along with the attached development potential map (See Attachment 1) present this information.

Methodology: An environmental and development characteristics analysis involves two phases: mapping followed by quantification of development. In order to reach accurate results, it is crucial to have the necessary geographical data to perform the initial phase of the analysis. To conduct the analysis, current parcel data from the Town of Lancaster was provided as well as current Zoning coverage. Additionally environmental and land use data was provided by the state GIS (Geographic Information Systems) agency, MassGIS. For the purpose of this analysis the area of Lancaster encompassed by Devens was completely removed.

The first step was to identify lands that have already been developed. Based on MassGIS Land Use data, the categories that are included in "Developed Lands" are participation, spectator, and water recreation, residential, commercial, industrial, transportation, waste disposal, power lines, cemeteries, and urban public/institutional.

With the remaining land, the next step was to compile environmental data, which is a key component to the development potential analysis. Certain environmental elements are considered inappropriate for development and can be either defined as "Absolute Constraints" or "Partial Constraints" for the purposes of the development potential analysis. Absolute constraints are defined as water (as coded by Land Use data), 100 Foot DEP (Department of Environmental Protection) RPA (River Protection Act) Buffers, Slopes >26%, and Permanently Protected Open Space. Partial Constraints are defined as FEMA 100 and 500 year Flood Zones, DEP Wetlands and other limited-protection Open Space. Absolute constraints are completely unsuitable for development, while partial constraints could be developed if pursued in an appropriate manner.

The final category that is determined is "Future Developable Lands". In order to determine what has potential for development, GIS tools are utilized and involve combining all of the currently developed lands and constraints.. This result is a new coverage indicating lands that are developable without any existing development or constraints.

The development potential map depicts all of these data categories (Absolute Constraints, Partial Constraints, Developed Lands, and Future Developable Lands) and provides information for local officials to identify the location and current zoning of future developable lands. GIS tools offer additional useful information by calculating the acreage for each category (Absolute Constraints, Partial Constraints, Developed Lands, and Future Developable Lands) by zoning district. The data provided by the GIS phase of the build-out analysis is then given to the planner who further investigates the future developable lands within the given zoning districts and provides recommendations for development opportunities.

The Table below displays information on existing conditions in Lancaster quantifying acres of land by zoning district for the three categories of Undevelopable, Developed, and Developable Land. It is to be used with the Development Potential Map in **Attachment 1**.

Table 12
Lancaster Development Characteristics by Zoning District

Zoning District	Undevelopable Acres (Absolute Constraints)	Partial Constraints	Developed Acres	Developable Acres not including Acres listed under partial Constraints	Developable Acres including Acres listed under Partial Constraints
Enterprise District	171.09	183.91	42.13	596.29	780.20
EZ-A Retail Sub-District	37.95	62.74	59.88	382.61	445.35
General Industry	13.25	15.15	43.23	33.86	49.00
Light Industry	16.46	25.16	18.09	16.01	41.17
Light Industry 2	13.13	10.27	9.05	40.65	50.93
Neighborhood Business	0.07	7.84	15.42	0.94	8.78
Residential	2,508.66	2,241.61	2,033.07	4,062.22	6,303.83
Residential- Multi Family Permitted	23.93	0.45	83.64	33.46	33.91
Area Not Zoned	2.72	10.96	104.12	88.03	98.99
TOTAL OF ALL ZONING DISTRICTS	2,784.55	2,547.12	2,304.53	5,166.05	7,713.17

Source: MRPC Environmental and Development Characteristics Analysis for the Town of Lancaster, December 2014.

As shown in Table 12, in its entirety about 7,713.17 acres of land in Lancaster is available (not including absolute constraints) for residential, commercial and industrial development. About 2,784.55 acres in Lancaster is made up of absolute constraints and is undevelopable and about 2,304.53 acres is already

developed. The **vast majority of developable land is within the residential district** – not including land listed under absolute and partial constraints, the Residential District has 6,303.83 acres of developable land. Although it should be noted that land locked areas, subdivision control, etc. would reduce the amount of developable land), Section 3 of this plan indicates that there is substantial potential for development. However, in contrast, the Residential – Multi Family Permitted District has just 33.47 acres of developable land.

About 171.09 acres of the Enterprise District is undevelopable, 42.13 acres has been developed, and 780.20 acres is developable with partial constraints (596.29 Acres with no partial constraints). The EZ-A Retail Sub-District follows the Residential and Enterprise Districts with a total of 382.61 acres of developable land with no partial constraints, and General Industry, Light Industry, and Light Industry 2 Districts have about 33.86, 16.01 and 40.65 acres respectively of developable land not including land with partial constraints. So, besides having ample developable land for residential development, the amount of developable land when looking at the non-residential use districts in their entirety is about 1,070.37 acres (not including land with partial constraints), which is much more than that occupied by existing development (187.81 acres) and undevelopable acres (51.96 acres).

If used efficiently, there does seem to be some developable land zoned for commercial/industrial to promote opportunities and enhance economic development. However, commercial and industrial build-out isn't possible without public water/sewer service. Currently, the Town of Lancaster is seeking alternative water sources to supply North Lancaster, which is currently served 100% by private wells. The Town has worked with the Shirley Water District to bring water in and the town will also be speaking with the Lunenburg Water District for the same purpose. Meanwhile, local officials are also working with the town's municipal Water Department to understand the feasibility of supplying North Lancaster with water from a new Lancaster public water supply located off of Route 110 on the Bolton/Lancaster line. The land for this site is owned by the State, which makes the situation a bit more complicated, but not impossible.

As for sewer, the Lancaster Sewer District has no plans to expand into North Lancaster. Because Lancaster sewer waste is received and treated by the Clinton Sewer, there is no possibility of any major expansion in Lancaster. There is a sewer line on Duval Road that comes from Leominster, but further expansions into Lancaster have been denied by the City. However, the town should continue to explore possibilities/opportunities to promote infrastructure in areas that are suitable to support economic development. Moreover, the town should work to ensure that appropriate design guidelines are in place to retain community character along with adequate performance standards to protect the environment.

Section 4: Proposals and Recommendations

The following is a description of recommendations, based upon the inventory and analysis of this report, to enhance economic development in the Town of Lancaster. These will help local officials gain an understanding of the range of possibilities available to the Town to promote economic development while maintaining the character of the community. Generally, these recommendations could be characterized as a mix of both short and long range strategies that could be implemented following community outreach and support.

1. **Establish a Local Economic Development Committee:** The Town did have an Economic Development Committee but it disbanded some time ago. The town should work to re-establish a local Economic Development Committee to coordinate all the various elements of an economic development strategy for Lancaster. Some neighboring communities in the Montachusett Region (Town of Shirley and Westminster) have successfully done so and have very active committees. And, just recently, the nearby Town of Templeton has formed such a committee.

The Town could include local officials, business owners, and a real estate professional as part of the committee's makeup. The committee could start by reviewing this document and its recommendations, the Town's zoning scheme, tax policies, road improvement plans and water/sewer expansion plans as they relate to the Town's ability to retain existing businesses and attract new businesses. Such a committee could also monitor vacant buildings for potential economic development possibilities – the closing of Atlantic Union College has had a major impact on the community including walkability, local employment, and housing and reuse could have a substantial impact on economics in Lancaster. The committee would need to work with the various municipal boards and departments including but not limited to the Board of Health, Finance Committee, the Sewer, Water, Fire and Police departments, emergency services and the School Board.

2. **The Town could prepare a Market Study to identify Potential Business:** Some research required for a market study has already been completed as part of this project utilizing ESRI Business Analyst – See Attachment 2. MRPC has already obtained a market profile for the Town of Lancaster. An economic market study draws on information from a variety of sources, mainly the US Economic Census, to determine the amount of purchasing demand in the study area for various types of retail businesses. It compares this to sales standards for typical business to determine whether the demand is being met locally, or if there is unmet demand. This unmet demand, or "leakage," indicates the potential for additional retail establishments in the trade area. A current market study would provide a tool for the town to target its business development efforts.
3. **Continue Efforts to Review Adequacy of Current Zoning and Identify New Areas for Economic Development Opportunities:** The Town should continue a review of current zoning bylaws and determine their adequacy for accommodating desired land use and development within the

community. This includes the exploration of zoning for a Village District Bylaw which is currently underway. Also, as indicated in Section 3 of this report, if used efficiently, there does seem to be some developable land zoned for commercial/industrial to promote opportunities and enhance economic development. However, it should be noted that the vast majority of developable land is within the residential district. Lancaster has done much in terms of rezoning to promote economic development (i.e. creating the Enterprise Zone and IPOD Overlay for mixed use development, rezoning Four Corners NB) and should continue to look at areas of improvement.

The identification of any new and appropriate areas may be best accomplished through a charrette. A charrette is basically a design focused public meeting where boards, committee's, departments and the public get together to brainstorm ideas. Those in attendance are divided into small groups to develop ideas and proposal. The groups will then present their schemes to the larger group for discussion. Ultimately the goal is to have at a minimum two possible alternatives for Lancaster's planners to explore more in depth prior to making any final proposal or recommendation. By holding a charrette all the stakeholders will have the opportunity to voice their opinions and concerns, public officials will have the opportunity to respond and the possibilities of reaching a consensus are increased.

The Town could also keep in mind that it can adopt additional Chapter 43D Priority Development Sites. This program offers communities a tool to promote targeted economic and housing development by providing a transparent and efficient process for municipal permitting, guaranteeing local permitting decisions on priority development sites within 180 days, increasing visibility of the participating community, and targeting development site(s) known as Priority Development Sites (PDS). A PDS also has priority when it comes to receiving state grants and other resources.

4. **Continue to Work to Redevelop any "Brownfields"** to eventually allow remediation to take place, redevelopment to occur and generate new tax revenue. The Town has recently been highly successful in this effort when the former landfill off of Route 70 was converted to the Lancaster Landfill Solar Farm with more than 2,200 solar panels with the power produced used to offset power used in municipal facilities. An Economic Development Committee as described above could also be instrumental in seeking and facilitating additional opportunities. Reuse efforts are generally difficult and time-consuming with obstacles to overcome. An Economic Development Committee would also act as a liaison with state economic development officials and be alert for new programs and opportunities that may support the Town's efforts.

The Town should also continue to send a representative to attend meetings of the Montachusett Brownfields Group (MBG) – The Lancaster Planning Director has and continues to attend meetings when meetings are held. The MGB is made up of local officials, private sector representatives, MassDevelopment, economic development and environmental proponents, and representatives of the federal Environmental Protection Agency (EPA) who generally meet a few times per year to discuss brownfields related issues. MGB meetings are staffed by MRPC and meetings are held at MRPC offices in Fitchburg. Because of the wealth of knowledge of meeting attendees, some communities have utilized these meetings as a vehicle to work with others and resolve brownfields questions and sometimes even acquire grant funds - MRPC is sometimes successful in acquiring grant funds from EPA to fund environmental site assessments (ESA) – Lancaster is eligible to apply to

MRPC to fund ESA's – several MRPC communities have taken advantage of this program over the years including the Town of Lancaster which lead to the redevelopment of the landfill.

5. **Enhance Communication with Businesses:** The town should develop a survey that can be used to solicit information from existing businesses. Such a survey - whether a mailed document, web-based form, phone call, or a simple and informal personal visit to a business site - can be used to determine future business needs in the community and help local officials to plan ahead for necessary changes or improvements. The Town should also continue to work with the Chamber of Commerce to establish a small business association which could also serve as a forum where businesses can communicate with the town. Moreover, the town should have a Business Development web site. The Town should put additional local and regional economic information on the webpage including data included within this report such as the top employers; contact information; economic, housing, demographic, labor, education; transportation; any market information; and current/ future projects. This is the easiest and least costly way to make information available to those who need it. The town should also have its open space and recreation plan on the business development web site which is positive; firms place a premium on quality of life issues.

It should also be noted that MassDevelopment can provide assistance to potential businesses and manufacturers that wish to locate in Lancaster. MassDevelopment provides low-cost financing to businesses for real estate and equipment. Its programs and tools are especially advantageous for manufacturers including industrial bonds, the emerging technology fund, and the export program. MassDevelopment can also provide real estate pre-development services and various levels. More details are found at <http://www.massdevelopment.com/>.

6. **Aggressively seek Funding for Road/Infrastructure Improvements:** Town officials should seek federal and state funds for Road/Infrastructure Improvements including the regular participation in the transportation planning process at MRPC (the Board of Selectmen's appointment regularly attends the Joint Transportation Committee) and ensure that key road projects are listed on the Transportation Improvement Plan (TIP) and continue to press for regular funding of local projects.

According to Section 3 of this report, there does seem to be some developable land zoned for commercial/industrial to promote opportunities and enhance economic development. However, it is unlikely that this potential for commercial and industrial is anywhere near possible without appropriate infrastructure so the town needs to promote infrastructure in these areas that are suitable to support economic development. In particular, the town should strive to bring water and sewer into North Lancaster where it could assist in the development of commercial/industrial zoned land thus providing jobs, services, and lessening the residential tax burden.

7. **Regionalization of Services and Consolidation:** Lancaster should explore any regionalization opportunities with neighboring towns that have the potential to reduce operating costs. One resource that could further any effort made by the town is MRPC's District Local Technical Assistance (DLTA) Program. The DLTA program, funded by the Commonwealth of Massachusetts, enables MRPC staff to provide technical assistance at no cost to its 22 communities to encourage municipalities to work together to achieve and/or enhance cost-effective service delivery. Over the past eight years, MRPC received funding from the Commonwealth in fall/early winter. Shortly

thereafter, MRPC forwarded a Request for Service Delivery to member communities. This year, examples of eligible projects categorized as municipal partnerships included but were not limited to:

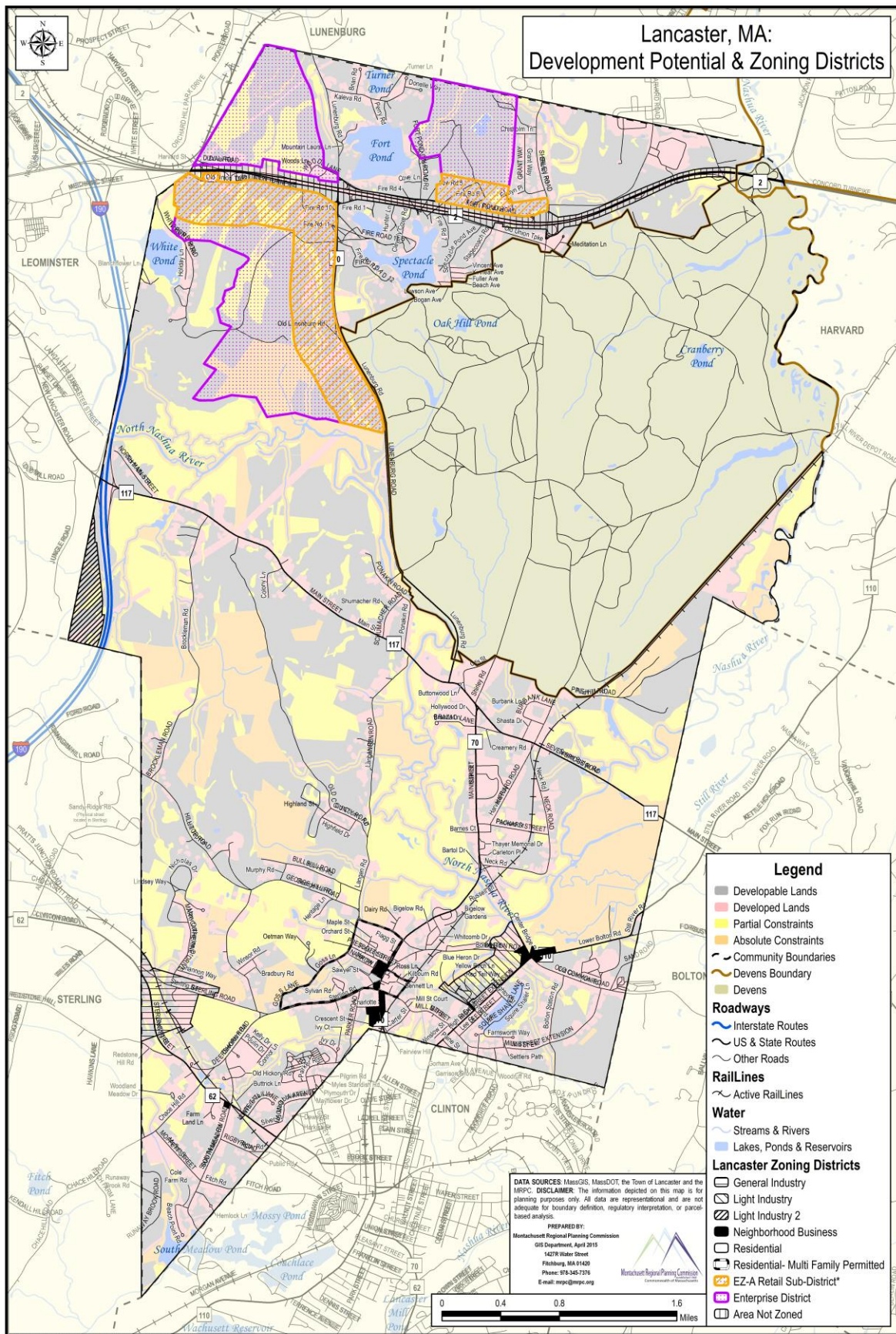
- Shared services (e.g., regional lockup, regional 911 centers, other public safety and emergency response responsibilities, information technology/data management, school district/regional school district analysis, shared professional and administrative services, agreements to operate shared waste disposal/recycling facilities/programs);
- Collective purchasing (if such purchasing cannot be otherwise accomplished using statewide contracts or can be achieved regionally for less than the state contract price, or items proposed for purchase are specific to municipal and/or school district agreements).

It should be noted that funding from the Commonwealth of Massachusetts is not guaranteed each year, and applications must be discussed in a public meeting and signed by the Chair of the Board of Selectmen.

8. **Research and Consider Ways to Guide Development to Enhance Community Character and Promote Smart Growth and Connectivity within the Community:** With land available to promote economic development in designated zoning districts, the Town could research and consider the concept of design guidelines for development in areas with significant characteristics worthy of preservation. Design guidelines can provide a flexible tool for influencing the visual quality of new development. ‘Guidelines’ are not mandatory, but they provide a vehicle to open dialogue with developers, engineers, and architects about features the community finds desirable. This helps to reinforce community character by identifying development standards that are consistent with the built environment. Design guidelines may be applied to town centers, highway corridors, industrial parks, etc. Guidelines may be prepared by an architect, urban designer or planner, and often contains photographs or renderings that illustrate the preferred design treatments.

Simultaneously, the Town should conduct a study on the downtown area to promote traffic/safety enhancements/crosswalks, sidewalks, appropriate pavement markings and signage, etc. and the identification of links to the towns overall trail/bike network. The Town is taking a proactive step by initiating the development of a Village District Bylaw and a Complete Streets Study to be conducted by MRPC this year.

Attachment 1: Development Potential Map



Attachment 2: Preliminary Market Analysis – ESRI BAO Analysis

ESRI BAO Analysis

Preliminary Market Analysis

To assess market potential as an aspect of economic development for the Town of Lancaster, an analysis was conducted using the Esri Business Analysis Online (Esri-BAO) analytic tool. This tool was developed to provide a “snapshot” of the local economy and the retail market supply and demand within a given study area. Among the information it provides is an analysis of disposable income, existing businesses by Standard Industrial Code (SIC) and North American Industry Classification System (NAICS), consumer spending to show market demand or retail potential, and an examination of business revenues or retail sales to show market supply. This section presents the results of the Business Analyst Online assessment.

An initial analysis, using Esri-BAO tools, was conducted to develop a disposable income profile for the Town of Lancaster and a summary of businesses. The disposable income profile indicated that, in 2014, the 2,547 households in Lancaster had a median disposable income of \$69,428 and an average disposable income of \$81,089. Results of this analysis are shown below:

	Census 2010	2014	2019	2014- 2019 Change	2014- 2019 Annual Rate
Population	8,055	8,452	8,784	332	0.77%
Median Age	38.5	38.9	39.3	0.4	0.20%
Households	2,409	2,547	2,686	139	1.07%
Average Household Size	2.66	2.64	2.62	-0.02	-0.15%
2014 Households by Disposable Income					
				Number	Percent
Total				2,547	100.0%
<\$15,000				261	10.2%
\$15,000- \$24,999				194	7.6%
\$25,000- \$34,999				179	7.0%
\$35,000- \$49,999				279	11.0%
\$50,000- \$74,999				433	17.0%
\$75,000- \$99,999				384	15.1%
\$100,000- \$149,999				620	24.3%
\$150,000- \$199,999				110	4.3%
\$200,000+				87	3.4%
Median Disposable Income				\$69,428	
Average Disposable Income				\$81,089	

The business summary indicated that in 2014, the Town had a total of 482 businesses, which employed 2,701 employees. Based on classification by Standard Industrial Code (SIC), 67.6% of these employees were employed in Services industries. Of these, the majority were employed by Education Institutions & Libraries. Based on the North American Industry Classification System (NAICS), 31.2% of Lancaster’s employees were employed by Educational Services, with the next highest shares being employed by Health Care & Social Assistance and Other Services (except Public Administration). Results of the business summary are shown in the following pages.



Business Summary

Lancaster town 2
Lancaster town, MA (2502734165)
Geography: County Subdivision

Prepared by MRPC

Data for all businesses in area				Lancaster town, ...			
Total Businesses:				482			
Total Employees:				2,701			
Total Residential Population:				8,452			
Employee/Residential Population Ratio:				0.32:1			
by SIC Codes				Number	Percent	Employees Number	Percent
Agriculture & Mining				28	5.8%	91	3.4%
Construction				60	12.4%	131	4.9%
Manufacturing				19	3.9%	239	8.8%
Transportation				8	1.7%	27	1.0%
Communication				3	0.6%	6	0.2%
Utility				1	0.2%	3	0.1%
Wholesale Trade				12	2.5%	52	1.9%
Retail Trade Summary				43	8.9%	152	5.6%
Home Improvement				3	0.6%	3	0.1%
General Merchandise Stores				1	0.2%	4	0.1%
Food Stores				4	0.8%	28	1.0%
Auto Dealers, Gas Stations, Auto Aftermarket				8	1.7%	74	2.7%
Apparel & Accessory Stores				4	0.8%	7	0.3%
Furniture & Home Furnishings				4	0.8%	9	0.3%
Eating & Drinking Places				5	1.0%	4	0.1%
Miscellaneous Retail				14	2.9%	23	0.9%
Finance, Insurance, Real Estate Summary				30	6.2%	104	3.9%
Banks, Savings & Lending Institutions				4	0.8%	17	0.6%
Securities Brokers				4	0.8%	7	0.3%
Insurance Carriers & Agents				2	0.4%	8	0.3%
Real Estate, Holding, Other Investment Offices				20	4.1%	72	2.7%
Services Summary				218	45.2%	1827	67.6%
Hotels & Lodging				2	0.4%	3	0.1%
Automotive Services				14	2.9%	60	2.2%
Motion Pictures & Amusements				16	3.3%	144	5.3%
Health Services				17	3.5%	198	7.3%
Legal Services				6	1.2%	15	0.6%
Education Institutions & Libraries				16	3.3%	841	31.1%
Other Services				147	30.5%	566	21.0%
Government				5	1.0%	69	2.6%
Unclassified Establishments				55	11.4%	0	0.0%
Totals				482	100.0%	2,701	100.0%

Source: Copyright 2014 Dun & Bradstreet, Inc. All rights reserved. Esri Total Residential Population forecasts for 2014.



Business Summary

Lancaster town 2
Lancaster town, MA (2502734165)
Geography: County Subdivision

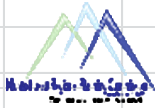
Prepared by MRPC

by NAICS Codes	Businesses		Employees	
	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing & Hunting	16	3.3%	37	14%
Mining	0	0.0%	0	0.0%
Utilities	1	0.2%	3	0.1%
Construction	64	13.3%	140	5.2%
Manufacturing	18	3.7%	237	8.8%
Wholesale Trade	12	2.5%	52	1.9%
Retail Trade	38	7.9%	148	5.5%
Motor Vehicle & Parts Dealers	8	1.7%	74	2.7%
Furniture & Home Furnishings Stores	4	0.8%	9	0.3%
Electronics & Appliance Stores	0	0.0%	0	0.0%
Bldg Material & Garden Equipment & Supplies Dealers	3	0.6%	3	0.1%
Food & Beverage Stores	4	0.8%	28	1.0%
Health & Personal Care Stores	1	0.2%	4	0.1%
Gasoline Stations	0	0.0%	0	0.0%
Clothing & Clothing Accessories Stores	4	0.8%	7	0.3%
Sport Goods, Hobby, Book, & Music Stores	4	0.8%	7	0.3%
General Merchandise Stores	1	0.2%	4	0.1%
Miscellaneous Store Retailers	8	1.7%	11	0.4%
Nonstore Retailers	1	0.2%	1	0.0%
Transportation & Warehousing	8	1.7%	27	1.0%
Information	8	1.7%	22	0.8%
Finance & Insurance	13	2.7%	37	1.4%
Central Bank/Credit Intermediation & Related Activities	4	0.8%	17	0.6%
Securities, Commodity Contracts & Other Financial	6	1.2%	10	0.4%
Insurance Carriers & Related Activities; Funds, Trusts & Other	3	0.6%	10	0.4%
Real Estate, Rental & Leasing	12	2.5%	59	2.2%
Professional, Scientific & Tech Services	54	11.2%	136	5.0%
Legal Services	6	1.2%	15	0.6%
Management of Companies & Enterprises	2	0.4%	4	0.1%
Administrative & Support & Waste Management & Remediation	68	14.1%	130	4.8%
Educational Services	21	4.4%	844	31.2%
Health Care & Social Assistance	22	4.6%	309	11.4%
Arts, Entertainment & Recreation	12	2.5%	135	5.0%
Accommodation & Food Services	7	1.5%	7	0.3%
Accommodation	2	0.4%	3	0.1%
Food Services & Drinking Places	5	1.0%	4	0.1%
Other Services (except Public Administration)	46	9.5%	305	11.3%
Automotive Repair & Maintenance	13	2.7%	58	2.1%
Public Administration	5	1.0%	69	2.6%
Unclassified Establishments	55	11.4%	0	0.0%
Total	482	100.0%	2,701	100.0%

Source: Copyright 2014 Dun & Bradstreet, Inc. All rights reserved. Esri Total Residential Population forecasts for 2014.

Esri-BAO was also used to develop a Retail MarketPlace Profile for Lancaster. The database used for this analysis includes the latest market statistics for Retail Trade and Food Services and Drinking Places (the retail market), utilizing data from the 2007 Census of Retail Trade and Consumer Expenditure Surveys (2011 and 2012) from the Bureau of Labor Statistics. Retail sales data also incorporates 2014 business data from Dun & Bradstreet. Consumer spending data is drawn from the Bureau of Labor Statistics' annual Consumer Expenditure Surveys and the Census of Retail Trade which is then adjusted by Esri based on demographic profiles specific to the given study area. This provides for improved differentiation of spending, particularly in smaller markets where distinctions can be difficult to measure and for big-ticket items where consumer preferences are more pronounced.

The database reflects geographic inventories and boundary definitions such as block groups, tracts, and counties based on 2010 Census geography, enabling the analysis to be applied at a finer level than the overall community. In this case, the analysis was conducted for the entire Town of Lancaster. Dollar estimates of supply and demand are presented in the North American Industry Classification System (NAICS) which defines 27 industry groups in the Retail Trade sector as well as four industry groups within the Food Services and Drinking Places subsector. Complete results of the Retail MarketPlace Profile analysis are shown in the following pages.



Retail MarketPlace Profile

Lancaster town 2

Prepared by MRPC

Lancaster town, MA (2502734165)

Geography: County Subdivision

Summary Demographics

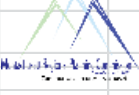
2014 Population	8,452
2014 Households	2,547
2014 Median Disposable Income	\$69,428
2014 Per Capita Income	\$33,904

Industry Summary	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	44-45,722	\$12,551,718	\$59,190,948	\$53,360,770	311	34
Total Retail Trade	44-45	\$100,790,512	\$58,919,407	\$41,871,105	26.2	32
Total Food & Drink	722	\$11,761,206	\$27,154,1	\$11,489,665	95.5	2
Industry Group	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers	441	\$20,415,976	\$48,433,693	-\$28,017,717	-40.7	4
Automobile Dealers	4411	\$17,947,509	\$47,848,069	-\$29,900,560	-45.4	3
Other Motor Vehicle Dealers	4412	\$1,139,293	\$585,624	\$553,669	32.1	1
Auto Parts, Accessories & Tire Stores	4413	\$1,329,174	\$0	\$1,329,174	100.0	0
Furniture & Home Furnishings Stores	442	\$2,652,630	\$1,251,340	\$1,401,290	35.9	4
Furniture Stores	4421	\$1,269,574	\$582,125	\$687,449	37.1	2
Home Furnishings Stores	4422	\$1,383,056	\$669,215	\$713,841	34.8	2
Electronics & Appliance Stores	443	\$3,546,352	\$0	\$3,546,352	100.0	0
Bldg Materials, Garden Equip. & Supply Stores	444	\$3,521,983	\$2,283,051	\$1,238,932	21.3	3
Bldg Material & Supplies Dealers	4441	\$3,011,078	\$219,464	\$2,791,614	86.4	2
Lawn & Garden Equip & Supply Stores	4442	\$510,905	\$2,063,587	-\$1,552,682	-60.3	1
Food & Beverage Stores	445	\$20,232,348	\$2,619,187	\$17,613,161	77.1	3
Grocery Stores	4451	\$17,196,560	\$1,864,313	\$15,332,247	80.4	1
Specialty Food Stores	4452	\$822,628	\$754,874	\$67,754	4.3	2
Beer, Wine & Liquor Stores	4453	\$2,213,160	\$0	\$2,213,160	100.0	0
Health & Personal Care Stores	446,4461	\$10,022,261	\$505,039	\$9,517,222	90.4	1
Gasoline Stations	447,4471	\$8,708,967	\$1,988,946	\$6,720,021	62.8	1
Clothing & Clothing Accessories Stores	448	\$7,666,051	\$546,069	\$7,119,982	86.7	4
Clothing Stores	4481	\$5,657,867	\$546,069	\$5,111,798	82.4	4
Shoe Stores	4482	\$965,824	\$0	\$965,824	100.0	0
Jewelry, Luggage & Leather Goods Stores	4483	\$1,042,360	\$0	\$1,042,360	100.0	0
Sporting Goods, Hobby, Book & Music Stores	451	\$2,841,064	\$282,309	\$2,558,755	81.9	3
Sporting Goods/Hobby/Musical Instr Stores	4511	\$2,318,795	\$282,309	\$2,036,486	78.3	3
Book, Periodical & Music Stores	4512	\$522,269	\$0	\$522,269	100.0	0
General Merchandise Stores	452	\$10,810,132	\$352,175	\$10,457,957	93.7	1
Department Stores Excluding Leased Depts.	4521	\$5,875,273	\$0	\$5,875,273	100.0	0
Other General Merchandise Stores	4529	\$4,934,859	\$352,175	\$4,582,684	86.7	1
Miscellaneous Store Retailers	453	\$2,612,923	\$542,235	\$2,070,688	65.6	7
Florists	4531	\$178,966	\$105,326	\$73,640	25.9	2
Office Supplies, Stationery & Gift Stores	4532	\$965,766	\$0	\$965,766	100.0	0
Used Merchandise Stores	4533	\$463,619	\$266,618	\$197,001	27.0	2
Other Miscellaneous Store Retailers	4539	\$1,004,572	\$170,291	\$834,281	71.0	3
Nonstore Retailers	454	\$7,759,825	\$15,363	\$7,644,462	97.1	1
Electronic Shopping & Mail-Order Houses	4541	\$5,750,135	\$0	\$5,750,135	100.0	0
Vending Machine Operators	4542	\$150,150	\$0	\$150,150	100.0	0
Direct Selling Establishments	4543	\$1,859,540	\$15,363	\$1,744,177	88.3	1
Food Services & Drinking Places	722	\$11,761,206	\$27,154,1	\$11,489,665	95.5	2
Full-Service Restaurants	7221	\$6,078,652	\$83,808	\$5,994,844	97.3	1
Limited-Service Eating Places	7222	\$4,727,653	\$187,733	\$4,539,920	92.4	1
Special Food Services	7223	\$599,488	\$0	\$599,488	100.0	0
Drinking Places - Alcoholic Beverages	7224	\$355,413	\$0	\$355,413	100.0	0

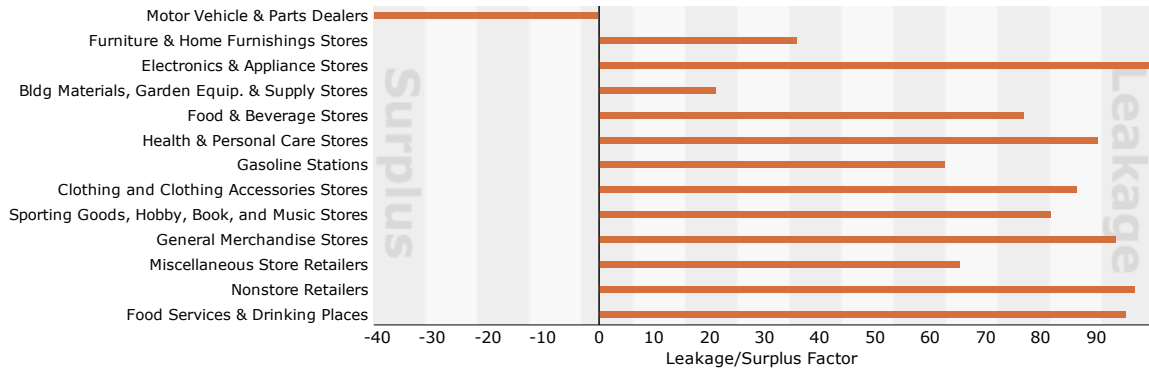
Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail MarketPlace data, please view the methodology statement at <http://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf>.

Source: Esri and Dun & Bradstreet. Copyright 2014 Dun & Bradstreet, Inc. All rights reserved.

January 14, 2015

	<div data-bbox="467 220 1333 268">Retail MarketPlace Profile</div> <div data-bbox="467 277 1333 348"> <div>Lancaster town 2</div> <div>Lancaster town, MA (2502734165)</div> <div>Geography: County Subdivision</div> <div>Prepared by MRPC</div> </div>
---	--

Leakage/Surplus Factor by Industry Subsector



Leakage/Surplus Factor by Industry Group



By comparing supply and demand, the analysis is also able to estimate a Leakage/Surplus Factor which provides a measure of the balance between the volume of supply (retail sales) generated by retail industry and demand (spending by households or retail potential) within the same industry. “Leakage” in an area represents a condition where a market’s supply is less than its demand. In this case, retailers outside the area are fulfilling demand for retail products from area consumers and demand is “leaking” out of the trade area. Surplus represents a condition where the area’s supply exceeds the area’s demand. In this case, retailers are attracting shoppers that reside outside of the trade area, so there is a surplus in market supply. This information can be used in a variety of ways, but one aspect of its use is as a *potential* indication of retail opportunity in instances where the leakage factor is high. Caution must be used in interpreting results however, taking into account the size of the market area, the type of commodities involved, the extent of the overall regional market and the location and relative strength of competitive retail markets.

As indicated above, the BAO tables present the results of the retail market analysis the entire Town of Lancaster. This includes a summary of current businesses by SIC and NAICS classification, disposable income of population within the community, and the Retail MarketPlace Profile. The first set of rows in the MarketPlace Profile indicates total demand and supply by major industry categories (retail, food & drink, and retail and food & drink combined). Looking at all industries combined, there is a total demand of \$104.4 million for retail and food & drink by the Lancaster market but only \$50.2 million in goods supplied by the 32 retail businesses represented in the market. This means that there is “leakage” of approximately \$54.3 million spent by Lancaster consumers for goods purchased outside of the Town. Looking at specific industries, only the category of Automobile Dealers is shown as providing a surplus within the community. In terms of total magnitude, Grocery Stores, General Merchandise Stores, and Food Service & Drinking Places are the categories showing the greatest leakage in dollar value, although Auto Parts Stores, Beer, Wine & Liquor Stores, Shoe Stores, Jewelry, Luggage & Leather Stores, Book, Periodical & Music Stores, Electronic Shopping & Mail-Order Houses, and Vending Machine Operators have a 100 percent “leakage” factor, meaning these businesses are completely absent in Lancaster. Whether these industry categories represent opportunities for development and investment within the Study Area would require further investigation, taking into account the type and magnitude of industry under consideration and the location of competitive businesses within proximity to the Town of Lancaster.