

Winchendon Master Plan Update

Draft Inventory/Analysis Section of the Economic Development Element

Section 1: Assessment Of Winchendon's Current Economic Base

Winchendon's Labor Force

As can be seen in Table 1 below, the number of employed Winchendon residents peaked in the year 2007 (4,611 persons employed) which was the beginning of the economic recession. However, since 2007, employment decreased to a low of 4,368 persons employed in the year 2009. Conversely, Winchendon's local unemployment rate increased from a low of 3.7% in 2001 to a high of 11.1% by the year 2010; Winchendon's unemployment rate has been increasing since the year 2001 and saw a big jump in unemployment between 2007 (5.9%) and 2010 (11.1%). Since 2010, the unemployment rate has declined slightly to 9.3% for the year 2013.

Of course Winchendon'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 Winchendon's unemployment rate has been consistently higher than that of the state, suggesting that Winchendon 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 Winchendon should be a priority.

Table 1

Winchendon Labor Force, Employment Numbers and Unemployment Rate over Time versus the Unemployment Rate for the State

Year	Labor Force	Employed	Unemployed	Unemployment Rate	State Unemployment Rate
2013	4,905	4,450	455	9.3%	6.9%
2012	4,911	4,455	456	9.3%	6.7%
2011	4,967	4,458	509	10.2%	7.4%
2010	5,016	4,460	556	11.1%	8.5%
2009	4,893	4,368	525	10.7%	8.2%
2008	4,916	4,564	352	7.2%	5.3%
2007	4,899	4,611	288	5.9%	4.5%
2006	4,899	4,599	300	6.1%	4.8%
2005	4,853	4,540	313	6.4%	4.8%
2004	4,860	4,560	300	6.2%	5.2%
2003	4,902	4,569	333	6.8%	5.8%
2002	4,913	4,593	320	6.5%	5.3%
2001	4,769	4,587	182	3.8%	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 Winchendon was just \$27,688, significantly below the State average. Winchendon's per capita income was also lower than that of Hubbardston and Royalston but higher than Gardner, Phillipston, and Templeton.

Table 3
Measures of Wealth, Winchendon and Neighboring Communities

Community	Per Capita	Median Household	Median Family	Below Poverty
Winchendon	\$27,688	\$61,937	\$79,343	7.9%
Gardner	\$24,156	\$48,934	\$63,154	13.0%
Hubbardston	\$31,347	\$77,694	\$87,548	7.0%
Phillipston	\$27,178	\$75,625	\$76,898	3.7%
Royalston	\$30,203	\$58,359	\$66,923	9.5%
Templeton	\$26,360	\$68,942	\$76,792	12.9%
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 3, 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, Winchendon's median household income is lower than Hubbardston, Phillipston, and Templeton and the Winchendon median family income is only lower than Hubbardston. However, it should be noted that the median household income and median family income for Winchendon (\$61,937 and \$79,343 respectively) is below the state rate for both categories (\$66,658 and \$84,380 respectively). In terms of poverty, there is less in Winchendon (7.9%) than Gardner (13.0%), Royalston (9.5%) and Templeton (12.9%) and the state (11.0%) although more than in Hubbardston (7.0%) and substantially more than Phillipston (3.7%).

Any effort to increase economic activity in Winchendon should focus on increasing wages and creating new jobs for the Winchendon 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.

The Number and Types of Jobs in Winchendon

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 Winchendon's local economy from 2008 to 2012. The number of establishments increased during this five year period by 19 (or 10.2%) but employment decreased, losing 84 workers or 4.9% of the employment base in Winchendon. The largest loss in employment occurred during the height of the economic recession between 2008 and 2011 but an increase of 45 workers occurred between 2011 and 2012. Historically speaking, the cyclical nature of the regional economy has resulted in Winchendon 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.

While total wages held somewhat steady some good news is that average weekly wage increased by 10.2% during the period despite the loss of total employment. In contrast, the Consumer Price Index for the nation increased by about 6.5% during the period, indicating that wages in Winchendon 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 Winchendon

	2008	2009	2010	2011	2012	Change	
Establishments	187	198	207	207	206	+ 19	10.2%
Total Wages (Millions \$)	\$52.5	\$49.7	\$49.5	\$51.8	\$55	+ \$2.5	4.8%
Average Employment	1,724	1,641	1,613	1,595	1,640	(84)	(-4.9%)
Average Weekly Wage	\$586	\$583	\$581	\$625	\$625	+ \$60	10.2%

Source: Massachusetts Division of Unemployment Assistance

Table 5 provides information on the type of jobs found in Winchendon. The largest number of jobs is found in Education and Health Services, with about 509 education and Health Services jobs, or about 31% of all jobs in Winchendon. Other strengths of the local economy include Trade, Transportation and Utilities (290 jobs in 2012), and Leisure and Hospitality (196 jobs) followed by Manufacturing (131 jobs) and Construction (119 jobs). Results of the recession can be seen in the loss of jobs in manufacturing, Trade/Transportation and Utilities, Financial Activities, and Leisure and Hospitality.

Table 5
Winchendon Workforce by Sector

	2008	2009	2010	2011	2012	Change
Construction	96	77	51	100	119	24%
Manufacturing	160	137	143	132	131	(-18.1%)
Trade, Transportation and Utilities	367	332	308	281	290	(-21%)
Financial Activities	58	49	48	42	43	(-26%)
Professional and Business Services	77	74	84	85	99	28.5%
Education and Health Services	507	508	502	498	509	<1%
Leisure and Hospitality	270	226	223	206	196	(-27.4%)
Other Services	79	127	140	134	143	81%
*Total All Industries	1,724	1,641	1,613	1,595	1,640	(-4.9%)

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 Winchendon with neighboring communities.

Table 6
Employment and Wages – Year 2012 Comparison

	Winchendon	Gardner	Hubbardston	Phillipston	Royalston	Templeton
Establishments	206	499	68	25	18	123
Total Wages (Millions \$)	\$55 mil.	\$321 mil.	\$15 mil.	\$3.2 mil.	\$2.6 mil.	\$73 mil.
Average Employment	1,640	8,103	492	198	119	1,765
Average Weekly Wage	\$625	\$762	\$597	\$320	\$422	\$803

Source: Massachusetts Division of Unemployment Assistance

Table 6 indicates that Winchendon has substantially more establishments than Hubbardston, Phillipston, Templeton and Royalston but significantly less than the City of Gardner which is not surprising. Over \$55 Million was earned in wages in Winchendon in 2012 – more than its neighbors with the exception of Templeton and its larger neighbor, Gardner. As a result Winchendon also has a higher number of employees than communities with lower total wages as well. Moreover, the average weekly wage is higher than communities with lower total wages. To improve its economy, the town should strategize and seek to diversify its economy by attracting higher paying jobs. On the following page, in Table 7 is a listing of largest employers in Winchendon.

Table 7
Winchendon's Largest Employers

Company Name	Address	City	State	# Employees	NAICS Code
Memorial School	Elmwood Rd.	Winchendon	MA	100-249	6111
Murdock Middle High School	Memorial Dr.	Winchendon	MA	100-249	6111
Winchendon Public School District	Memorial Dr.	Winchendon	MA	100-249	6111
Fred's School Bus	Hale St.	Winchendon	MA	50-99	4882
Saloom Furniture Co.	Murdock Ave.	Winchendon	MA	50-99	3371
Toy Town Elementary School	Grove St.	Winchendon	MA	50-99	6111
Wincheneon School	Ash St.	Winchendon	MA	50-99	6111
Winchendon School	Ash St.	Winchendon	MA	50-99	6111
Athol Savings Bank	Central St.	Winchendon	MA	20-49	5221
Broadview Inc. Assisted Living	Central St.	Winchendon	MA	20-49	6233
Central Supermarket	Central St. # 1	Winchendon	MA	20-49	4451
Clark Memorial Community Center	Central St.	Winchendon	MA	20-49	8121
Eastern Propane & Oil	School St.	Winchendon	MA	20-49	2212
Harbour Restaurant	Maple St.	Winchendon	MA	20-49	7225
Little Anthony's Seafood Empr.	Spring St.	Winchendon	MA	20-49	7225
M H Parks Co.	Brown St.	Winchendon	MA	20-49	3371
Mathieu Ford Sales Inc.	Central St.	Winchendon	MA	20-49	4411
Mc Donald's	Spring St.	Winchendon	MA	20-49	7225
Mylec Inc.	Mill Circle Rd.	Winchendon Springs	MA	20-49	3331
Mylec Sports Inc.	Mill Cir.	Winchendon Springs	MA	20-49	3399
Toy Town Auto Salvage	Spring St.	Winchendon	MA	20-49	4231
Winchendon Ambulance	Central St.	Winchendon	MA	20-49	6219
Winchendon Fire Department	Central St.	Winchendon	MA	20-49	9221
Winchendon Health Center	Hospital Dr.	Winchendon	MA	20-49	6211
Winchendon Police Department	Pleasant St.	Winchendon	MA	20-49	9221

Source: Massachusetts Labor and Workforce Development

Education

As shown in Table 8 below, residents with a high school diploma, but no higher education, represent the largest segment of the Winchendon population in terms of educational attainment –this is less than neighboring communities with the exception of Gardner but significantly higher than the state (25.9%). The second largest group (22.2%) has some college education, followed by residents with an associate's degree (12.1%).

The state percentages reveal how the population in Winchendon compares to the overall state population in terms of educational attainment. As in Winchendon, 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 higher numbers in the groups of the upper echelon of the educational attainment spectrum than the Winchendon data since 39% of the state's population is reported to have a Bachelor's or Graduate Degree – more than the rate of Winchendon (20.4%). This could be due in part that more Winchendon 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 8
Educational Attainment - Population 25 Years and Over

Amount of School	Winchendon	Gardner	Hubbardston	Phillipston	Royalston	Templeton	State
No High School Diploma	11.8%	17.4%	6.4%	7.7%	10.4%	10.3%	10.9%
High School Diploma	33.5%	32.3%	36%	38.8%	38.9%	39.8%	25.9%
Some College, No Degree	22.2%	22%	20.1%	22.9%	20.1%	20.1%	16.6%
Associate's Degree	12.1%	10%	11.3%	10.6%	7.9%	12.9%	7.7%
Bachelor's Degree	11.4%	12.3%	17.5%	12.3%	13.5%	10.2%	22.2%
Graduate or Prof. Degree	9%	6%	8.6%	7.8%	9.3%	6.8%	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, 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 Winchendon levied a total of \$9,883,630 in taxes, based on a local tax rate of \$15.96 per \$1,000 of assessed valuation. Winchendon homeowners accounted for roughly 90.11% of the total tax base (\$8,906,546) while the business and industries accounted for 9% (\$697,392). The remainder (2%) was derived from taxes on personal property (\$138,268). The next two tables look at how Templeton compares to its adjacent neighbors in terms of commercial and industrial tax base.

Table 9
Commercial Tax Base Comparison

Community	FY2014 Tax Rate	Commercial Taxes Levied	Assessed Valuation	% Total Tax Levy
Winchendon	15.96	543,303	34,041,516	5.5%
Gardner	\$18.87	2,093,953	110,967,326	9.8%
Hubbardston	14.52	135,622	9,340,355	2.3%
Phillipston	16.29	103,923	6,379,564	3.5%
Royalston	\$12.29	14,355	1,168,018	0.1%
Templeton*	14.12	482,338	36,450,168	6.3%

Source: Department of Revenue

**2014 Data not available for Templeton – 2013 Data was utilized*

The previous table indicates that Winchendon's commercial sector raises the third highest amount of tax dollars when compared to neighboring communities, slightly behind Templeton, with Gardner, the principal city in this area of the region, raising the highest. Winchendon's Assessed Valuation is also third highest to Templeton and Gardner as well. With Gardner aside, Winchendon's commercial sector produces the highest amount of commercial tax dollars but is behind Templeton and Gardner in terms of overall percentage of tax levy.

Table 10
Industrial Tax Base Comparison

Community	FY2014 Tax Rate	Industrial Taxes Levied	Assessed Valuation	% of Total Tax Levy
Winchendon	\$15.96	\$165,882	\$10,393,600	1.68%
Gardner	\$18.87	\$1,177,384	\$62,394,500	5.49%
Hubbardston	\$14.52	\$73,002	\$5,027,700	1.24%
Phillipston	\$16.29	\$5,695	\$349,600	0.19%
Royalston	\$12.29	\$1,481	\$120,544	0.10%
Templeton	\$14.12	\$257,190	\$18,573,500	3.36%

Source: Department of Revenue

**2014 Data not available for Templeton – 2013 Data was utilized*

The table above indicates that Winchendon raises more tax dollars from its industrial sector than Hubbardston, Phillipston, and Royalston but fewer than Templeton and Gardner. Winchendon's combined commercial and industrial annual tax levy makes up about 7.18% of their overall tax base. 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 11
Winchendon's Tax Levy 2007-2014 (with rate)

Fiscal Year	Tax Rate	Residential	Commercial	Industrial	Personal Property	Total
2007	\$11.22	7,979,189	399,666	142,446	118,527	8,639,828
2008	\$11.49	8,278,185	410,195	145,555	126,625	8,960,560
2009	\$12.13	8,503,821	468,635	142,786	202,964	9,318,206
2010	\$13.20	8,783,081	441,025	153,082	224,286	9,601,474
2011	\$14.06	8,985,355	447,639	154,251	265,756	9,853,001
2012	\$15.11	9,079,509	513,934	160,675	276,319	10,030,437
2013	\$14.93	8,681,986	513,467	162,962	269,189	9,627,604
2014	\$15.96	8,906,546	543,303	165,882	267,899	9,883,630

Source: Department of Revenue

The previous table highlights the change in tax rate, and change in total levied taxes for Winchendon from 2007-2014. Over the past 7 years, Winchendon's tax rate, and total tax levy has fluctuated. From 2007- 2012 the tax rate increased from \$11.22 to \$15.11 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. In 2013 Winchendon's tax rate decreased from \$15.11 to \$14.93 and tax revenue in all sectors declined as well with the exception of a small increase in industrial. Currently, Winchendon's tax rate is \$15.96, lower than Gardner and Phillipston but higher than Hubbardston, Royalston, and Templeton.

Community Preferences for Economic Development

INFO TO BE INSERTED HERE UPON COMPLETION OF PUBLIC FORUMS AND/OR TOWN-WIDE SURVEY

Brownfields

Chapter 21E sites are contaminated by oil or other hazardous material and are subject to special restrictions for redevelopment. Chapter 21E Sites are also known as "Brownfields" sites. Such sites are classified by tiers based on their level of contamination and their owner's compliance with regulation. According to a search of Mass DEP's website (<http://db.state.ma.us/dep/cleanup/sites/search.asp>) Winchendon has five active Tier Classified Chapter 21Es sites detailed in Table 13 below.

Table 13
DEP Tier Classified Chapter 21E Sites – Town of Winchendon

Site Name	Address	Zoning	Tier
Bowers SR Residence	154 Mill St.	Neighborhood Residential	Tier 1D
Ray Houle	17 Water St.	Neighborhood Residential	Tier 1D
Gale Chevrolet Buick Inc.	67 Central St.	Planned Development	Tier II
Arts Auto Repair	110 Spring St.	Planned Development	Tier II
Spring St. at Lake St.	49 Spring St.	Planned Development	Tier 1D

Source: Massachusetts Department of Environmental Protection

Brownfields properties are often located where there is an existing infrastructure and other amenities. The cleanup and redevelopment of brownfields properties can be a way to stimulate the economy and promote environmental protection goals.

