

## **ECONOMIC DEVELOPMENT**



### Vision Element

- In addition to many thriving home businesses, Ashby has small-scale businesses in clusters – not strip-style development -- on limited portions of Route 31 (Ashby State Road / Main Street / Greenville Road). Visitors come to Ashby for its equestrian centers and nature-based recreational activities. Several new businesses, such as outdoor sports outfitters and bed and breakfast businesses have been established to serve these visitors and local residents. Tourism in Ashby relies on the abundance of the town's high quality natural resources and preservation of its historic New England character.
- People meet their neighbors for daily socializing in the Town Center and regularly gather at the historic Town Common for community events. Environmentally sensitive technologies have permitted establishment of a restaurant and a few other new businesses in the Town Center to serve residents and visitors.

### **Assets, Liabilities, Opportunities**

#### **Assets**

- Many home based businesses
- Equestrian centers
- Nature-based recreational opportunities, e.g., hiking, snowmobiling, hunting, fishing
- Summer camps
- Potential for new business based on recreational resources, equestrian activities, bicycle routes and related tourism
- Potential for antique stores similar to Townsend

#### **Liabilities**

- Non-residential land uses provide only 5% of tax base
- Limited commercial and industrial land available
- Existing commercial zones back into wetlands
- Zoning promotes strip-style commercial development
- Village center dependence on septic systems makes new businesses, such as restaurants, unlikely with conventional techniques
- Population base is small for additional retail businesses

## **GOALS**

**Seek to expand economic base, consistent with town character**

**Develop new economic niches, such as tourism and equestrian oriented businesses**

**Focus on economic opportunities for Ashby residents, improving values and skills**

## **A. CURRENT CONDITIONS**

### **Business Property and Taxes**

<b>Ashby Assessed Value by Property Class</b>							
<b>FY</b>	<b>Residential</b>	<b>Commercial</b>	<b>Industrial</b>	<b>Personal Property</b>	<b>Total</b>	<b>Res % of Total</b>	<b>CIP % of Total</b>
2000	138,584,800	3,889,200	688,700	2,654,100	145,816,800	95.0	5.0
2001	152,853,900	4,951,500	672,300	2,957,400	161,435,100	94.7	5.3
2002	174,442,100	6,125,100	627,600	3,088,300	184,283,100	94.7	5.3
2003	217,615,600	7,186,600	687,100	3,264,500	228,753,800	95.1	4.9

*Source: Mass DOR*

Residential share of property valuation for latest year (FY 2003 or 2004) comparing Ashby with surrounding towns – Townsend, Lunenburg, Asburnham, Fitchburg

Comparative tax rates with neighbors

Economic opportunities in Ashby have always been limited. From its start during colonial times as a trading and trapping post, and later as a farming community where woodcutting made an important contribution, Ashby never developed great wealth or became an employment center. The hilly terrain, thin soils, isolation from other communities and transportation corridors have all constrained growth throughout its history. Not having the stream and river resources of other communities, manufacturing remained a small scale activity centered on the farm and homestead, never becoming a major factor. Ashby has remained a small rural town with a small economic base, with limited opportunities to encourage growth in the coming years.

Ashby's location immediately to the north of Fitchburg meant that Ashby's economic fortunes have been linked, always following the progress of the primary commercial center of the Montachusets region. Fitchburg developed transportation routes, both road and rail, and a strong manufacturing center during the industrial revolution, developed a downtown business core, and now hosts several educational institutions. Fitchburg continues to provide many jobs for Ashby residents, even though Fitchburg has seen several setbacks in recent decades, leading to Leominster's ascension to regional population center, and improved roadways which allow residents to find employment throughout the Montachusets and Route 2 area. It is likely that Ashby's economic fortunes will always be closely tied to those of Fitchburg, benefiting from Fitchburg's many recent revitalization efforts.

Opportunities for Ashby's economic growth will center around expanding current assets along state highways and in the village center, focused development of the industrial district, and the growing service needs of continued residential development. New economic sectors to support include recreational, historical, and visitor based tourism activities, which can leverage existing resources and attract new customer bases to town.

Despite these constraints, there are a number of actions which Ashby can take to increase local employment, improve local businesses, and provide better career opportunities for those earning lower and moderate wages.

The small size of Ashby's economic base means that changes in a single business can have large impacts on statistics. In many cases, census data has been shielded to prevent the ready identification of individual businesses or persons. These small sample sizes translate into substantial volatility in many indices, in many cases reflecting individual decisions and the fortunes of a few employees or businesses. Caution must be exercised when trying to deduce larger trends and import from this limited and incomplete data set.

This limited business spectrum consequently affords substantial opportunity for the actions of a single business or a few people to have profound impacts on job growth and business fortunes, economic activity and tax contributions. Small investments, or the courting and support of a few employers, may lead to a remarkable spike in economic activity, substantially improving the local economy.

## **Nonresidential Tax Base**

Total commercial and industrial valuation stands at approximately eight million dollars, about twice that (\$3.5M) of the forty-seven properties in the three state Chapter 61 real estate abatement programs for lands devoted to productive farming, forestry or recreational uses. Residential properties make up 95% of the real estate tax base. Given the relatively small portion of the town zoned for commercial and industrial uses (52 properties identified as mixed use, commercial, or industrial by the Assessor), and the constraints imposed by soils, geography and its relatively isolated location, this relationship can only be adjusted over the next decade. Substantial increase in the amount or proportion that the business sector contributes would require large efforts, long range planning, and likely entail considerable erosion of existing rural character.

Commercial uses now account for five times the value of Industrial properties, with 2.7% and 0.5% of total valuation. There are 23 properties categorized as mixed use residential, amounting to \$3.7M in value, compared to 8 properties and \$1.5M of mixed use Commercial uses. These uses exceed by some 50% the combined values of the 17 Commercial and six Industrial properties, at \$2.1M and \$0.7M respectively. Four vacant Commercial properties add another \$52,000.

In recent years, the combined total of commercial and industrial property has made up about five percent of the entire town's tax levy. Within these categories Commercial real estate valuation grew by over eighty percent over the past four years (from \$3.9 to \$7.1 million, an 82% gain), while the Industrial category has remained nearly level, even declining. In contrast, the Residential sector has seen a 57% increase in total value, while representing seventy nine million dollars of new value (\$79 M) — 96% of new values. The business sector has managed to keep pace with residential values, but not to substantially improve its position.

The MRPC identified 25 remaining buildable lots in the RC district, plus the Industrial district as available for commercial or industrial development, compared to the town's total of 4,608 remaining developable properties. The total commercial/industrial potential buildout comes to less than 1.5 million square feet of new building area, on all floors. That buildout is substantially more than currently exists, but even if fully developed might not essentially alter the overall ratio of values between commercial and residential properties, currently at 3.2 percent commercial and industrial combined valuations. Over the near to mid term, it is quite likely that residential share of RET will increase commensurately. Given current conditions and constraints may not be achievable.

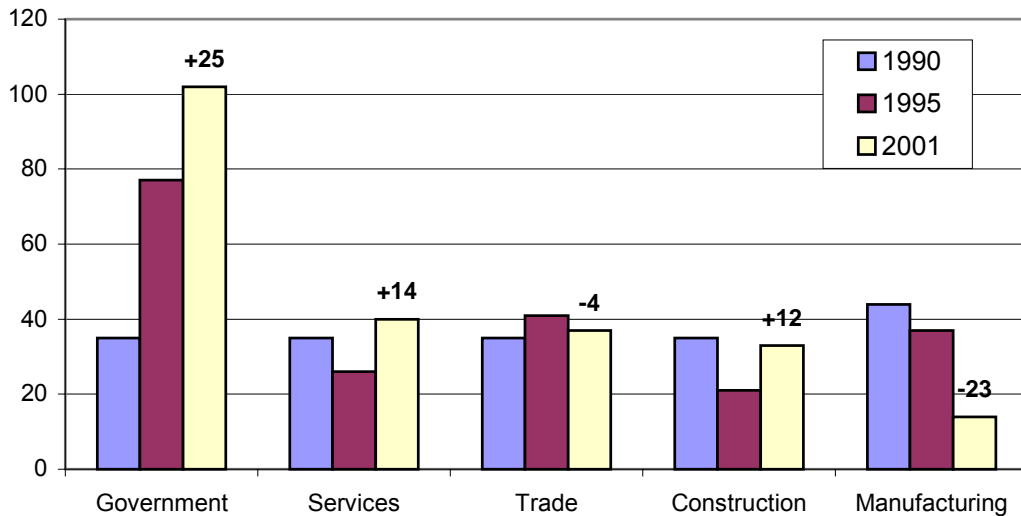
### Brownfield Redevelopment

Development initiatives can also be focused on previously developed sites, which may currently be idled or underutilized. This redevelopment can spare greenfield and lands in fields and forests from overly rapid development. Ashby's nine sites identified as containing hazardous materials, by DEP in 2000, should be prioritized for remediation and redevelopment for appropriate uses.

### Existing Business and Employers

In 2001 Ashby had but forty-eight employers and fifty-seven establishments, not including the estimated 150-some self-employed and home based businesses (76 identified in 2000). Businesses employed 238 persons in all job categories. Only 56 employees could be associated with specific industries, representing less than one-quarter of total Ashby employment, and further indicating the small scale nature of most businesses. The largest concentration of businesses is in the Services sector, with 29 of 48 employers, sixty percent of the total, while forty percent are goods producing. Of services, only the Auto Dealers and Services Stations, with three businesses, and Durable Goods wholesale trade, with three, categories could be enumerated without loss of confidentiality with sector employment of 12 and 11, respectively. Total service employment is 97 persons, while the average weekly wage paid of \$585.42 is slightly above the local average.

**Ashby Jobs by Industry**  
Source: MA DET



The service sector is likely to remain one of the highest performing portions of the economy well into the future. In this, it will follow long standing national trends on the overall transformation of the economy away from manufacturing enterprises. The recent service peak is 2.5 times the low of 1986, although it was only forty persons in 2001 and has dipped as low as 21 in 1998. Service businesses will be needed to cater to the needs of a growing, aging and isolated local population, and will also be needed for any upturns in recreational, hobby and vacationing visitors.

The Goods producing sector totaled 19 businesses, notably eight in Special Trade Contractors, and six General Building Contractors. Employment was 56, with 20 under Special Trade, and 13 for General Contractors. Average wage in this sector was \$525.20 per week. Employment data from the year 2000 shows strength, in relative order, in these other sectors: Education; Industrial Machinery; General Contractors; Misc. Retail; Engineering & Management. In no case were more than twenty people identified as working in any individual sector, and more than half of the categories reported between one and five employees in total.

Business numbers in Ashby have shown a cyclical variation from the low 40's to low sixties over the past twenty years (42 to 63) with the peak occurring in 1983 and the valley in 1994. In 2001, fifty seven establishments were noted, surpassing 1991's number. In seven of the past seventeen years there were declines, year on year, in the number of establishments.

No business in Ashby can be considered large – none were identified as major industries in a survey of Montachusett businesses, and only a few function as divisions or franchises of larger regional or national businesses, such as gas stations, restaurants or banks. Agriculture and forestry uses, once the mainstay of the local economy, are not noted.

<b>Employment</b>									
Year	Total	Agriculture Forestry Fishing	Gov't	Construction	Manufacturing	TCPU	Trade	FIRE	Services
1985	165	0	46	31	21	4	40	Conf.	18
1986	174	Conf.	46	47	14	4	43	Conf.	16
1987	186	Conf.	48	53	11	4	35	Conf.	28
1988	194	Conf.	55	61	10	4	23	Conf.	34
1989	243	Conf.	62	45	51	Conf.	26	5	40
1990	191	Conf.	35	35	44	Conf.	35	Conf.	35
1991	158	0	23	33	32	Conf.	26	Conf.	39
1992	142	0	30	30	31	Conf.	18	Conf.	30
1993	166	Conf.	33	27	44	Conf.	29	Conf.	29
1994	160	0	36	23	43	Conf.	33	Conf.	22
1995	205	0	77	21	37	Conf.	41	Conf.	26
1996	214	0	86	22	39	Conf.	34	Conf.	28
1997	232	0	106	20	39	Conf.	32	Conf.	28
1998	228	0	117	24	29	Conf.	30	Conf.	21
1999	220	0	115	25	14	4	32	Conf.	27
2000	229	0	105	35	16	Conf.	34	Conf.	32
2001	238	0	102	33	14	0	37	0	40

*Commonwealth of Massachusetts, Division of Employment and Training (ES-202 series)*

<b>Ashby Goods and Service Producing Industries – Quarter Ending December 2001</b>				
<b>SIC Code</b>	<b>Industry</b>	<b>Number of Employers</b>	<b>Employment</b>	<b>Average Weekly Wage</b>
<b>Service Producing Industries</b>				
42	Trucking And Warehousing	***	***	***
50	Wholesale Trade – Durable Goods	3	11	1,192.00
51	Wholesale Trade – Nondurable Goods	***	***	***
54	Food Stores	***	***	***
55	Automotive Dealers And Service Stations	4	12	424
58	Eating And Drinking Places	***	***	***
64	Insurance Agents, Brokers, And Service	***	***	***
73	Business Services	***	***	***
75	Auto Repair, Services, And Parking	***	***	***
76	Miscellaneous Repair Services	***	***	***
82	Educational Services	***	***	***
83	Social Services	***	***	***
86	Membership Organizations	***	***	***
87	Engineering And Management Services	***	***	***
88	Private Households	***	***	***
<b>Total For All Service Producing Industries</b>		<b>29</b>	<b>97</b>	<b>585.42</b>
<b>Goods Producing Industries</b>				
13	Oil And Gas Extraction	***	***	***
15	General Building Contractors	6	13	439
16	Heavy Construction Except Building	***	***	***
17	Special Trade Contractors	8	20	518
24	Lumber And Wood Products Except Furniture	***	***	***
35	Industrial Machinery And Equipment	***	***	***
<b>Total For All Goods Producing Industries</b>		<b>19</b>	<b>56</b>	<b>525.2</b>
<b>Total For All Industries</b>		<b>48</b>	<b>153</b>	<b>563.38</b>

#### Business Analysis

Even if the number of businesses were to double, this would bring the total to less than 120, with employment of less than 500 persons, and a contribution to Town finances of only ten percent. However, this is unlikely to occur in the near term. Business expansion will most likely be seen on the basis of increases within existing businesses and the gradual addition of new establishments. While there have been several year to year increases or losses of up to six businesses, the average is more on the order of three per year. The change in number of businesses is only moderately linked to the economy, shown by the lowest number attained in 1994, and the decline from 52 to 47 in 1997-98, during a period of significant regional economic growth.

Many businesses in Ashby may largely be economically unproductive, generating only sufficient revenues for the employment of the owner and a limited staff. With an average employment of approximately four persons per establishment, or less, it is difficult to realize economies of scale or to leverage productivity gains to achieve greater profitability. It should be expected that many local businesses are undercapitalized and rely on previously depreciated assets to maintain their viability. It is difficult for such businesses to weather sharp economic downturns, prolonged personal illness, fires or accidents, and likely contributes significantly to the volatility in the number of establishments. It is also possible that during an economic downturn individuals will establish businesses when other employment cannot be found, and will seek more highly compensated and dependable employment in other firms when the economy later rebounds.

Opportunities to expand the contribution of commercial enterprises to Ashby's economy therefore lie with increasing the values of existing properties through renovation and new construction of existing properties, and the continuing growth of home based businesses. Even if every one of the 76 identified home businesses had but one employee, it still amounts to nearly one third of total employment. Assuming that some of these businesses have multiple employees and that many have not been identified, then something in the vicinity of 50% of total employment is in home based businesses, indicating a remarkably entrepreneurial community.

### **Existing Jobs**

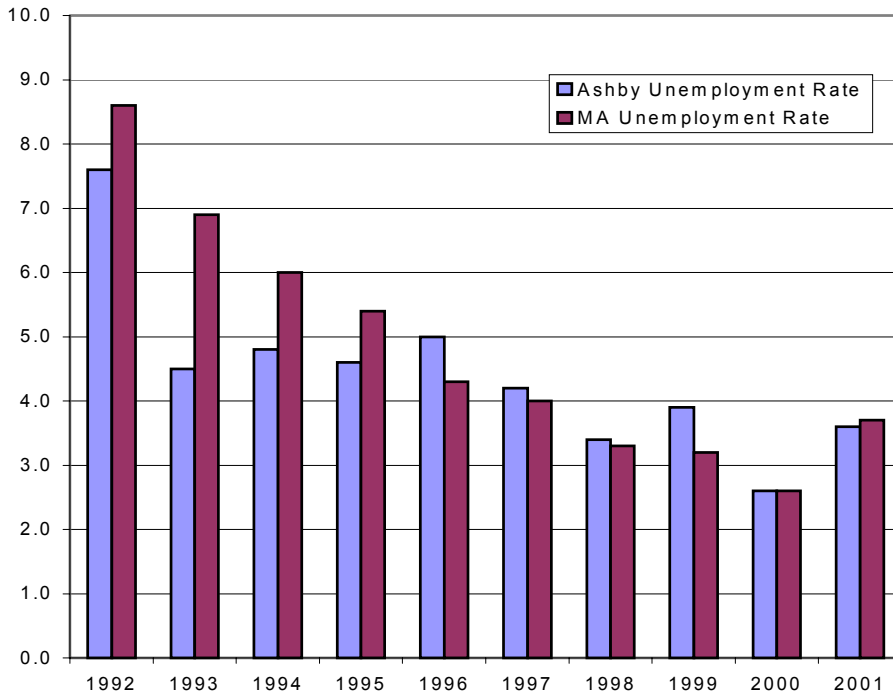
Given the size of Fitchburg's economic base, the efforts being taken in recent years to modernize its economy, and the fact the most ready access to Ashby requires traveling through Fitchburg's town center, Ashby will most likely always be a satellite within Fitchburg's general economy. Fitchburg has taken steps to move from a declining manufacturing base, while protecting viable existing businesses, and moving towards a more highly skilled knowledge based economy. Fitchburg State University, other educational facilities, downtown revitalization efforts and its position as a transportation hub, have bolstered these efforts to spark Fitchburg's regeneration.

The future trends for the region suggest that there will be continued, though relatively moderate increases in economic activity, building diversified strength and focusing on emerging skilled and more highly compensated market sectors. While manufacturing is generally continuing its decline, there are niches such as specialty plastics, that have retained their viability. Some of this growth will be driven by continuing residential construction and population inflows, as the region continues to be desirable for its location and quality of life, while remaining moderately priced. Increased development on the Route 2 and Interstate 495 corridors will likely be the primary regional economic engines for the foreseeable future. As the area matures, the current focus on high technology, biotechnology, and other high investment sectors is likely to become more diverse and finely marbled.

### **Jobs to Labor Force Balance**

Ashby continues to have a significant disparity between its available workforce and the presence of jobs in the community, by a factor of about 6:1. This circumstance is of long standing and is likely to persist for the foreseeable future. Even strenuous efforts to bring additional employment to Ashby is only likely to reduce, not eliminate this disparity.

**Ashby Unemployment Rate**  
Source: MA DET



**Wages**

Average pay for full time, year round jobs in Ashby reached an all time peak of \$28,272 per year in 2001, up 26 percent from \$22,445 in 1999. Wages rose 35 percent in the decade between 1989 and 1999, from \$16,583 to \$22,445. Wages have generally risen from a low of \$12,555 in 1985, with retrenchments between 1992 through 1994, and 1997 through 1999. 2000 and 2001 both recorded increases of approximately \$3,000 per year in average wages, a substantial changes from the relatively flat period since 1996, when wages had reached \$24,477.

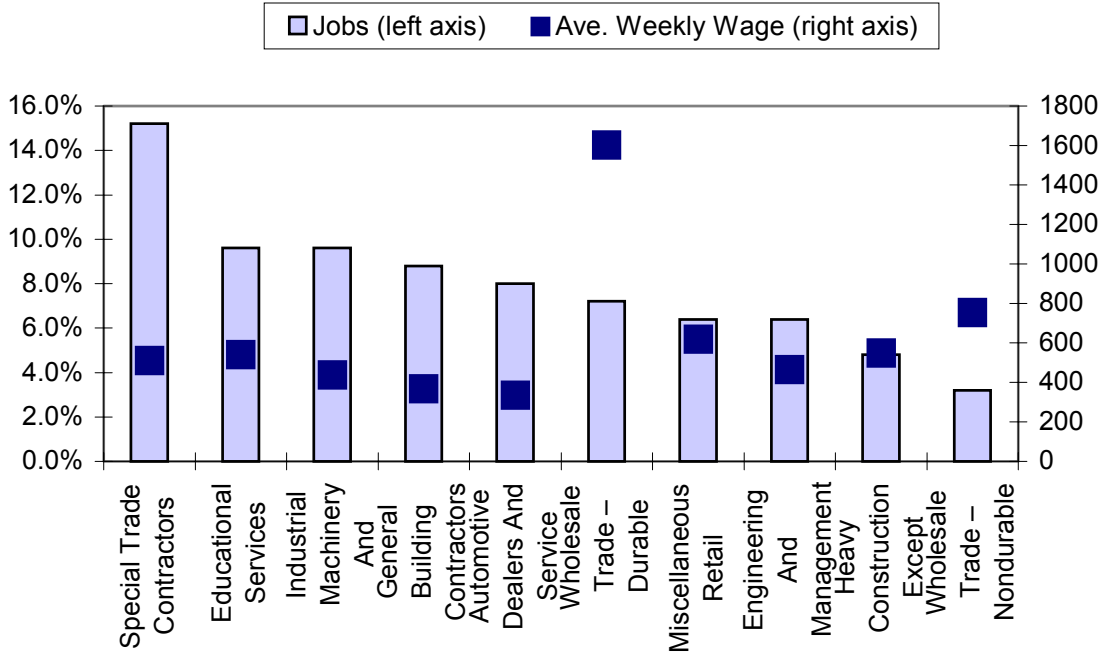


Year	Total Annual Payroll	Average Annual Wage	Establishments
1985	2,071,600	12,555	46
1986	2,263,000	13,606	57
1987	2,425,100	13,038	63
1988	2,923,100	15,067	60
1989	4,029,685	16,583	63
1990	3,433,063	17,974	59
1991	3,414,160	21,609	56
1992	2,907,682	20,477	45
1993	3,101,447	18,683	45
1994	2,908,615	18,179	42
1995	4,871,095	23,761	47
1996	5,238,160	24,477	54
1997	5,153,768	22,215	49
1998	5,217,575	22,884	52
1999	4,937,942	22,445	47
2000	5,900,123	25,765	51
2001	6,728,816	28,272	57
Commonwealth of Massachusetts, Division of Employment and Training (ES-202 series)			



## Employment and Average Wage for Ashby's 10 Largest Industries

Source: MA DET



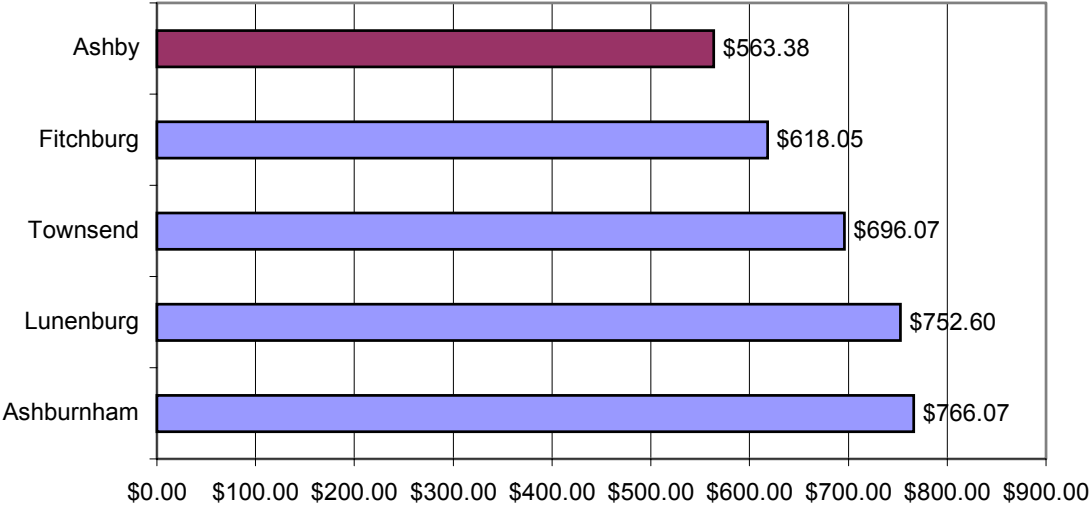
Weekly wages in Ashby averaged \$539 in 2000. The highest wage of \$1,603 was found in the Durable Goods-Wholesale Trade category, followed by Miscellaneous Repairs and Nondurable Goods-Wholesale Trade. Business Services at \$750/wk and Food Stores at \$700 rounded out the top five categories. Places six through ten were occupied by Retail, Heavy Construction, Education, Specialty Trade Contractors, and Engineering and Management Services. Lumber and Wood Products ranked 11 with a weekly wage of \$462, and was followed by Industrial Equipment, Trucking and Warehousing, General Contracting, Oil & Gas, and Service Stations, at \$336/week.

These wages compare to the State average wage in 2000 of \$866, more than one third higher. Statewide, Industrial Equipment yields the highest wage at \$1,480/week, followed by Engineering and Management, and Durable Wholesale Trade. Business Services was also fourth at \$1,061/week, thirty percent higher. Other correlations include Heavy Construction at #5, Special Contracting equaling at 9, but paying 40% more, Educational Services at 11, and Trucking and Warehousing at 12. In all 17 of 22 categories paid more statewide.

In some cases the weekly pay differential was substantial — 8 times for Membership organizations, 3.3 times for Auto Services, nearly four for Insurance, five time for eating and Drinking Places, nearly twice for Trucking and for Heavy Construction, and 2.5 times for General Contracting. Only Durable Goods, Misc. Repair, Food Stores, Retail, and Private Households exceeded the state averages. Food Stores were nearly double the wage statewide, while retail was 25% higher, and Durable Goods nearly twenty percent higher. Unfortunately, wages do not generally correlate with employment numbers, so that rather few persons are represented in the higher wage categories, with the top five earning positions only employing seventeen persons, and only partially compensated for by the lowest five rankings being held by a total of fourteen persons.

**Average Weekly Wage**

**Source: MA DET**

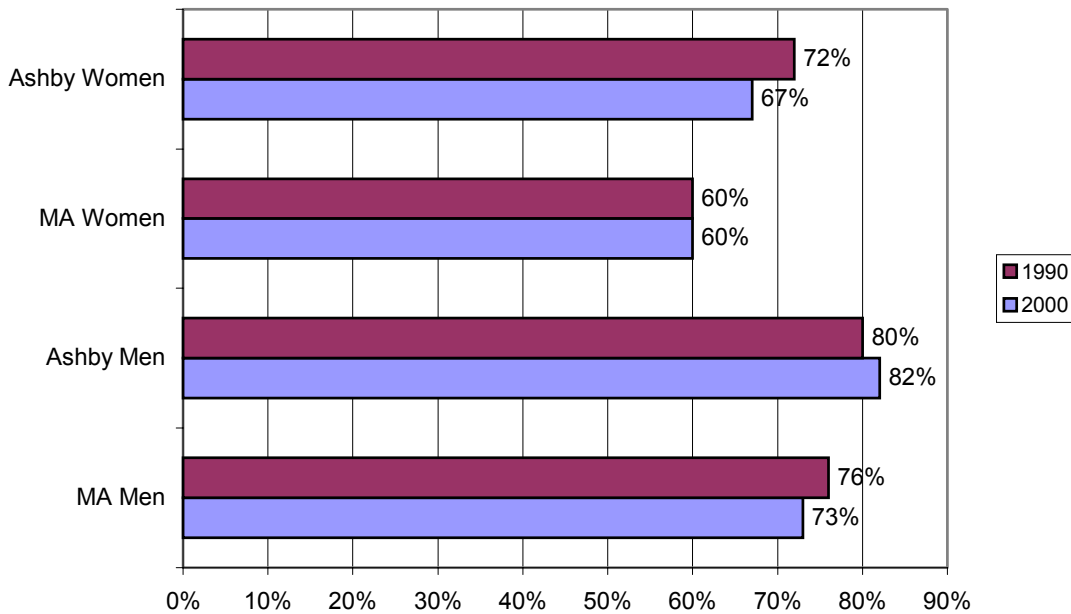


<b><i>Industries in Ashby in Order of Total Employment</i></b>		
<b>SIC Code</b>	<b>Industry</b>	<b>Employment</b>
17	Special Trade Contractors	20
82	Educational Services	***
15	General Building Contractors	13
55	Automotive Dealers And Service Stations	12
50	Wholesale Trade – Durable Goods	11
35	Industrial Machinery And Equipment	***
87	Engineering And Management Services	***
59	Miscellaneous Retail	***
83	Social Services	***
16	Heavy Construction Except Building	***
54	Food Stores	***
86	Membership Organizations	***
13	Oil And Gas Extraction	***
51	Wholesale Trade – Nondurable Goods	***
73	Business Services	***
24	Lumber And Wood Products Except Furniture	***
42	Trucking And Warehousing	***
64	Insurance Agents, Brokers, And Service	***
65	Real Estate	***
70	Hotels And Other Lodging Places	***
75	Auto Repair, Services, And Parking	***
76	Miscellaneous Repair Services	***
88	Private Households	***

## **Labor Force**

Residents' employment has traditionally been oriented towards labor and production, with a low proportion of professional positions. That distribution is still in effect, but changing. As employment centers have become established along Interstate 495, and Route 2 towns (the traditional non-farm employment base) have been able to reorient from mills and manufacturing, and as longer commutes to work have become less arduous and more typical, Ashby has become more desirable as a residential community. The substantial regional increase in housing prices, widespread throughout southern New England, continues to encourage people to locate at greater distances from their jobs, and for higher earning households to locate in Ashby.

**Labor Force Participation**  
**Source: US Census 1990 and 2000**



These higher income households tend to be employed in higher wage service and professional specialties. As economic recovery solidifies and becomes widespread, Ashby will find that greater numbers of more highly skilled and highly paid jobs will be ever closer. With this ongoing, long term restructuring of the regional and local economy, it may become possible for new types of businesses to successfully become established in Ashby, for the overall local economy to strengthen, and for there to be a substantial rise in local employment.

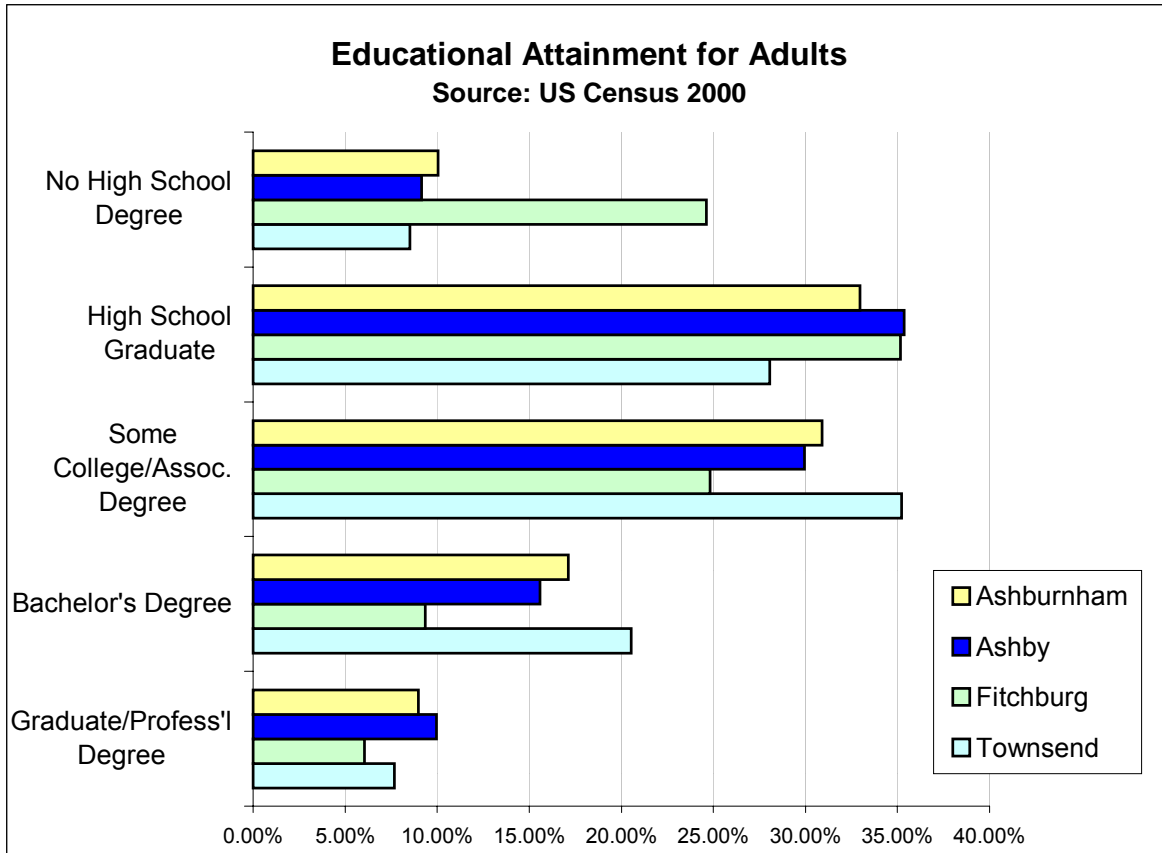
Some job sectors pay far more highly than state or national averages, but the preponderance of lower paid jobs suppresses the overall income of Ashby jobs. Newer arrivals to Ashby are more likely to work in service profession positions throughout the region, gaining higher wages. Those employed within Ashby or in trade and manufacturing jobs nearby are likely to be less well compensated. Continued residential development will likely continue to attract higher income, professionally oriented families to locate in Ashby

Ashby has over six times the workforce as people employed (1,541 compared to 238 in 2000) within the town. With the long term decline of farming, forestry and other land based endeavors only slightly offset by recent local and regional gains, Ashby's residents have typically had to seek employment elsewhere in the Montachusets area, particularly in Fitchburg.

**Education**

Ashby's labor force mirrors that of the region and state to a large degree. It is educated but aging, with a growing number of college graduates, but incomplete higher ed data. High school completion continues to be a priority issue, as increasing numbers of jobs are no available to those without advanced educations.





### Income

1999 Median Household income in Ashby reached \$61,000, twenty-one percent above that Massachusetts average of \$50,502 and 2% below the Montachusettts average, achieving a rank of 120. Median family income was \$64,900, compared to the state median of \$61,664 and a third lower than the region, a ranking of 164. Personal income in Ashby slightly trailed the regional average over the past decade. This suggests a larger number of single earner families than is the norm for the state, possibly with larger numbers of women engaged as homemakers or in childrearing.

Income	Personal Per Capita		Median Household		Median Family	
	2000	Rank	1999	Rank	1999	Rank
Ashby			61,000	120	64,900	164
Massachusetts	37,704	3	50,502		61,664	

Ashby average annual wages paid in 1989 were \$16,583, compared to the Montachusettts average of \$19,820, where Phillipston's wage was \$10,932, and Harvard led at \$24,808. Regional wages have typically lagged behind state averages, 26% in 1979 and narrowing to two percent in 1989. 1989 personal income was 8% lower in the Montachusettts area than statewide.

### Poverty

Ashby's poverty rate of 2.5% in 1989 was the lowest of the Montachusettts region, but doubled to 5.1% in 1999. Poverty in the Montachusettts region declined from 8.3% in 1979, to 7.7% in 1989, to 6.6% in 1999,



a reduction of fourteen percent over the past decade. The state poverty rate declined from 9.8 in 1979 to 6.7 in 1989. Fitchburg maintained the highest regional poverty rate, at 14 percent in 1999.

There appears to be some persistent poverty in Ashby, though far better than some of its neighbors. The recent increase, in the face of increased wages and rising population is cause for concern and targeted action to improve people's standard of living. Causes may include lack of skills needed in the job market, lower educational attainment, and/or transportation difficulties in getting to job centers. People may also have moved to Ashby due to housing pressures in other communities. Persons in poverty have been largely bypassed by the recent economic expansion of the 1990's, and this condition may prove intractable if further steps are not taken.

## Employment & Unemployment

### Regional Employment

While Ashby's employment picture has stabilized and improved over the past decade, the Montachusets region has experienced a more mixed result. Over the 1980's, jobs in the Montachusets region grew by 40%, four times faster than population growth. By 1990 the civilian labor force stood at 113,407, with employment at 78,482 in 1989. This was an 8.2% increase over 1980. The closing of the Army base at Fort Devens, combined with the nearly one-third reduction in regional manufacturing over the past two decades created some substantial burdens. However, service industries expanded from 19% to 25% of the overall economy in the past two decades, along with the trade sector. Fitchburg and Leominster exchanged position as Leominster grew by 2,200 and Fitchburg shrank by 3,000 in population.

<b><i>Labor Force, Employment, and Unemployment in Ashby</i></b>					
<b>Year</b>	<b>Labor Force</b>	<b>Employment</b>	<b>Unemployment</b>	<b>Unemployment Rate</b>	<b>Statewide Rate</b>
1983	1,110	996	114	10.30%	6.90%
1984	1,097	1,026	71	6.50%	4.80%
1985	1,094	1,036	58	5.30%	3.90%
1986	1,084	1,024	60	5.50%	3.80%
1987	1,088	1,036	52	4.80%	3.20%
1988	1,406	1,364	43	3.10%	3.30%
1989	1,382	1,333	49	3.50%	4.00%
1990	1,528	1,430	98	6.40%	6.00%
1991	1,554	1,395	159	10.20%	9.10%
1992	1,565	1,446	119	7.60%	8.60%
1993	1,580	1,509	71	4.50%	6.90%
1994	1,633	1,554	79	4.80%	6.00%
1995	1,557	1,485	72	4.60%	5.40%
1996	1,571	1,493	78	5.00%	4.30%
1997	1,612	1,544	68	4.20%	4.00%
1998	1,596	1,542	54	3.40%	3.30%
1999	1,600	1,538	62	3.90%	3.20%
2000	1,541	1,501	40	2.60%	2.60%
2001	1,541	1,485	56	3.60%	3.70%

Note: Employment within this data series is measured by place of residence, rather than by place of employment as in the ES-202 series

Note: Changes in labor market area definitions occurred in 1990, and changes in methodology occurred in 1987, so data prior to those years is not strictly

comparable to more recent data

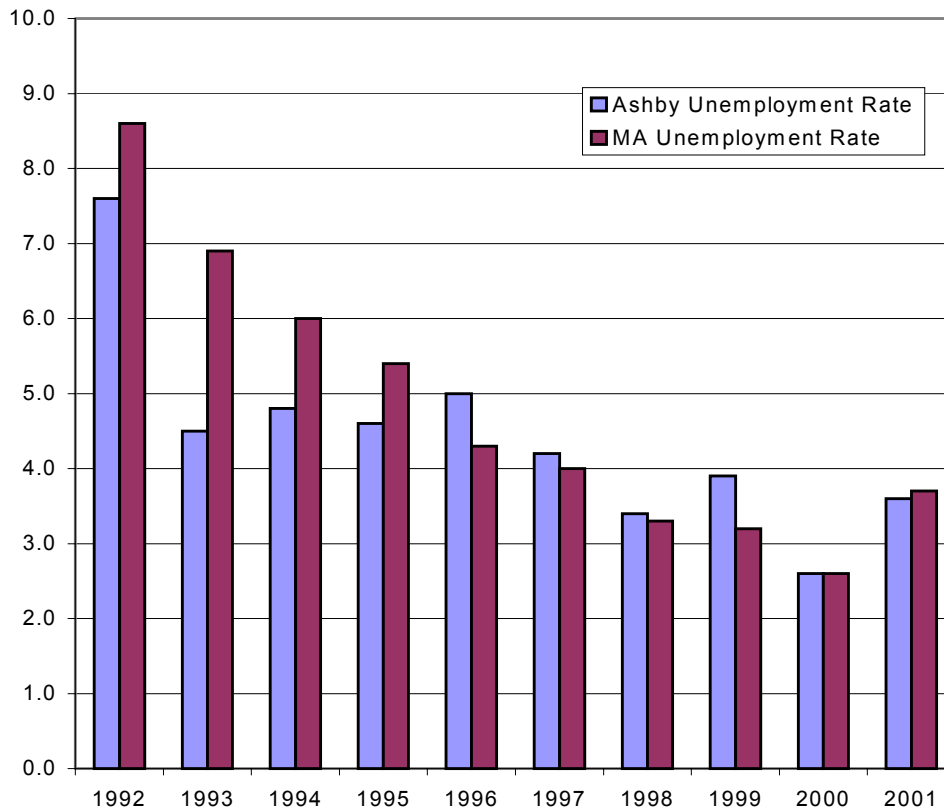
*Commonwealth of Massachusetts, Division of Employment and Training  
Local Area Unemployment Statistics*

Nearby communities lost significant employment over the past decade: Fitchburg was down 15 percent, while Gardner lost 7%, and Townsend 25%. Closure of Fitchburg's James River paper plant was a blow, but the site has since been occupied by allied trades and companies. Fitchburg continues in the role of regional center with a prominent economic and employment position, but this position may be slipping. Ashby's 6 percent job loss between 1989 and 1999 seems comparatively moderate, in comparison, a part of larger regional trends.

### Regional Unemployment

The Montachusets area had a 3.3 percent regional unemployment rate in 2000, with the western communities running about one percent more unemployment than the eastern communities. Petersham experienced the lowest rate at 2.8%, with Royalston the highest at 6.9%. Athol and Fitchburg both had 6.0% unemployment rates. Ashby's unemployment rate declined from 4.0% to 3.7% between 2000 and 2001, then rising to 5.1%, the 6<sup>th</sup> lowest rate of Montachusets communities. Female unemployment, at 2 percent, has matched that of area females.

**Ashby Unemployment Rate**  
Source: MA DET



Area unemployment stood at 4.2% in Eastern Montachusets and 5.3% in western Montachusets in October of 2001. This compared to a statewide rate of 4.2% and the US rate of 5.4%. Unemployment in nearby communities stood at 4.3% in Lunenburg and 3.8% in Townsend. Female unemployment has

tended to be lower than that for males. Over time, the Montachusets region has tended to fall closer to the national unemployment rate and somewhat higher than the prevailing Massachusetts rate.

[While unemployment and efforts to lessen it continues to be a priority concern, until recently economists had surmised that there was a natural rate of unemployment of approximately 5-6 percent, which was a structural condition of the peacetime economy.]

#### Residents' Employment

The 238 people known to be employed in Ashby in 2001 represents the second highest employment since 1995, when 165 persons were employed. The fewest people employed occurred in 1992, following the 1989 peak of 243. Since 1992 employment has grown by as much as 45 persons, in 1995, or shrunk by up to eight persons, in 1999. This fluctuation of up to sixty percent overall, and four to twenty-two percent in a given year, shows a high level of volatility in the local labor market, and relative stability over the long term. Ashby's share of regional employment has remained steady at about 1.35% of the Montachusets regional total over the past decade. This is in comparison to the town population experiencing growth of ten percent between 1990 and 1998, while employment grew by nineteen percent over that period.

If that relationship of employment growing twice as quickly as population continues, at the 16,821 buildout population or 4.6 times more people than currently reside in Ashby, employment would rise to 2,100 persons, nearly a nine-fold increase. Considering the maximum year-on-year employment increase, two decades growth could add nine hundred new jobs at most.

In contrast and more realistically, over the past decade approximately eleven persons were added to the employment base each year, or 107 per decade. This still represents job growth of 45%. Barring explosive residential demand, and associated demand for local employment, it is most probable that prior conditions will tend to drive job creation. In twenty years there might be a doubling of local employment. However, given Ashby's position distant to economic centers, this rate could also be considerably optimistic.

In 2001, the Government had the highest total employment at 102 persons, though lower than its 1998 peak of 117. Services occupied the second spot with 40 persons employed, equaling a prior peak in 1989, and well above the 16 person low of 1986. In 1991 only 23 people had been employed in that sector, varying by a factor of five. The Trade category employed the third largest group with 37, near the 1986 peak of 43, but twice the 18 employed in 1992. Construction was the fourth largest sector with employment of 33. Its peak had occurred in 1988 at 61 persons, while falling to a low of 20 in 1997. Manufacturing employed 14, well below the peak of 51 in 1989, but bettering the 10 person low of 1988. Agriculture, Transportation and Communications, and FIRE all scored no employment, and in prior years many had confidential numbers.

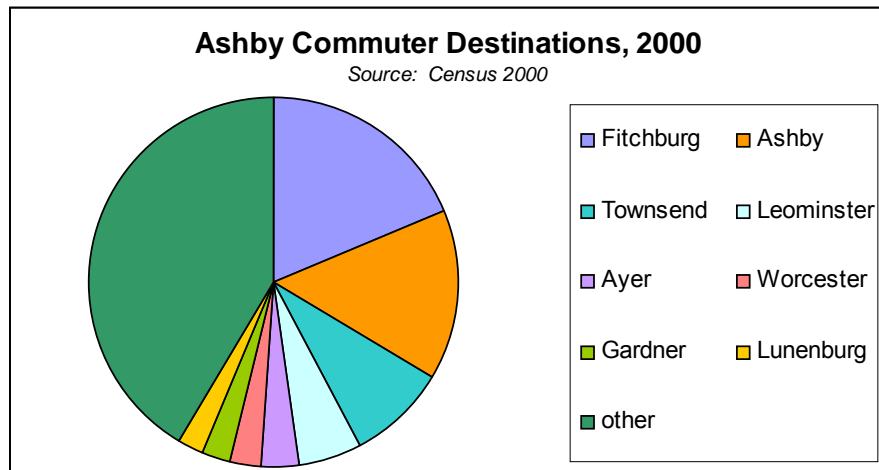
Tracking employment counts between 1985 and 2001, peak employments were recorded in four of eight sectors prior to 1990. The overall employment peak occurred in 1989. Services recorded a peak in 1989, declined through 1998 and regained peak employment in 2001. Only the government sector indicated a peak employment after 1990, in 1998, and has since receded by fifteen percent. Overall, 2001 represented both a time of near peak employment combined with peak wages, a counterpoint to 1985 where both were at recent lows. Employment rose to 232 in 1997, but dropped to 220 in 1999. Running counter to regional and national trends, both wages and total payroll declined 1997 through 1999. Earlier, wages had declined between 1992 and 1994, and payroll had declined from 1990 through 1994, representing the effects of the prior recession.

Census data indicates that 15 percent of Ashby's workforce works in Ashby, accounting for 225 of the 229 persons employed in town, effectively 100%. Generally, somewhere around one-fifth of the labor force finds employment within the town. This suggests that there is not great regional competition or desire for jobs currently located in Ashby. This lack of competition could be related to lower pay rates, difficulty of access, or lack of awareness of potential job openings, leading to resident's monopolization of jobs within its borders. Even if the data sets are incomplete and overlook a significant number of local jobs, this remains a remarkably strong allocation of jobs to residents. Since most local businesses are family or resident owned, and there is a long term pattern of family retention in Ashby, resident's dominance of the

local job market is understandable. This can certainly be expected to continue in the near future, and possibly beyond.

### Home Based Employment

Between 1990 and 2000 the number of people known to work from home rose by twelve, a 19% increase and eleven percent of the workforce, while just under one-third of local employment. It is likely that this significantly understates the actual number of people working from home, due to the informality of the relationship and the difficulty to observe some of these occupations. Many people working from home also may be doing so on a part time basis, or may have an additional full time or part time job, or are augmenting a pension. In the future, the ranks of home based businesses may be swelled by professionals in white collar occupations, able to conduct their work at a distance from their clientele through electronic communication.



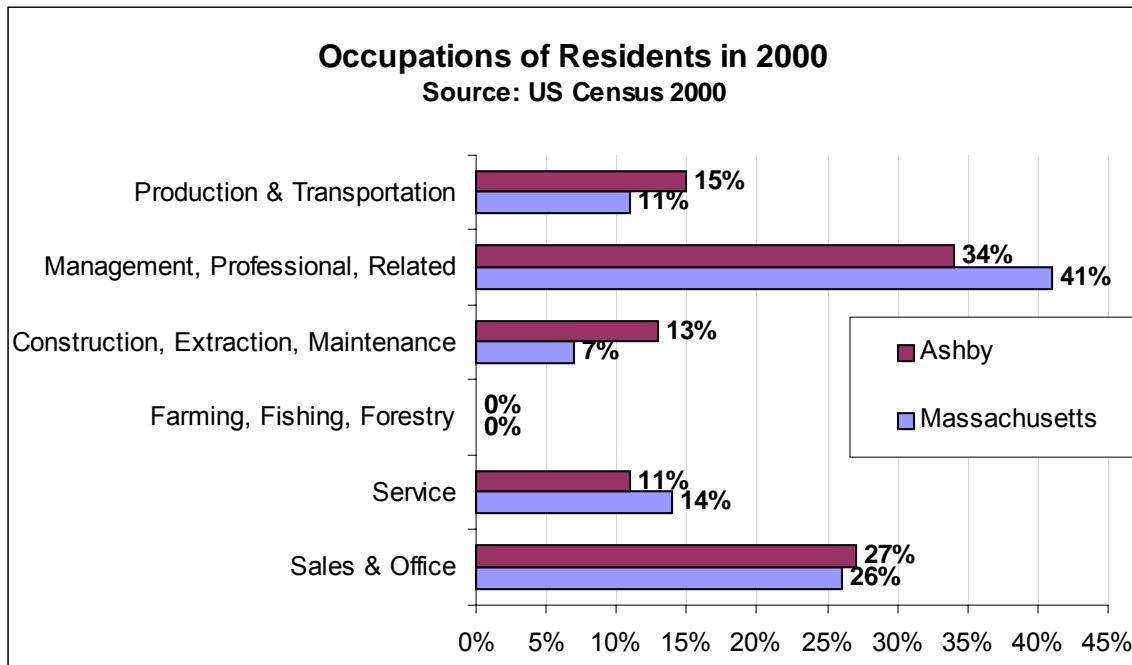
### Journey to Work

Ashby's fortunes have always followed those of the greater New England region, to the largest cities, and to its nearby towns and industries. As such, economic growth has tended to appear and peak somewhat later in the economic cycle than in the metropolitan centers. The peaks have been lower, while the recessions were deeper and more pronounced. As the regional economy has gained strength and become more diffuse and suburbanized over the past several decades, Ashby's residents have also benefited. Today residents are employed throughout eastern and North-Central Massachusetts, with only a small number journeying to Boston.

Ashby is closely tied to the greater regional economy of the Montachusets area. Ashby's economic contribution has been one of the smallest in the region, and all indications are that it will remain so for the foreseeable future. Ashby's commercial fortunes will also largely remain tied to the local economic centers of Fitchburg, Townsend and Leominster. Fully half of Ashby's workforce works either in one those towns or in Ashby. Three percent of Ashby's workforce travels to jobs in each of the centers of Worcester, Gardner and Ayer, equaling the 3% finding employment in Boston.

Ashby's workforce averages 28.1 minutes travel time to work, compared to 23.4 minutes for Montachusets as a whole, twenty percent longer. This is largely explained by Ashby's relative isolation from job and population centers, and the lack of transit resources within Ashby. Reductions in travel time will be dependent on additional businesses locating locally or in surrounding communities. Nearly 81% of the workforce drove to work, with 11.4% carpooling. 7.4% of workers walked to work or worked at home. People working from home grew 0.5 percent, from 64 to 76 between 1990 and 2000, rising from 4.5% to 5% of the workforce – representing almost a third of all persons employed in Ashby.

Lack of transit options increases reliance on single car trips to sites of employment. Lack of residential and employment density makes it unlikely that there will be any provision of transit in the foreseeable future.



## Commercial and Industrial Land Use

### Commercial Zoning

A small fraction of Ashby is currently zoned to permit non-farm businesses of any kind, in four areas and three zoning classifications. The R residential zone encompassing the town center area, at four percent (4%) of overall area, is several times larger than the other business zones combined. The R area contains nearly all of the traditional retail and service businesses of the town. The R district is bracketed to the east and the west by the R-C Residential C district, (1% of town area) which has more relaxed regulations for roadside businesses, but has not seen much development interest. The I Industrial district has one rectangular area of several parcels to the west side of Route XXX, just north of Fitchburg. Overall, it amounts to less than one-half of one percent percent of the Town's area. The Industrial district has attracted two moderately sized businesses, and still has the majority of its land available for additional development.

### Available Land

Most of the available roadside frontage in the R district near town center is already developed, though predominately with residential and some municipal uses. A few undeveloped sites exist to the east. The R-C district near Fitchburg also has several undeveloped roadside parcels. For these districts to attract a substantial amount of new development, substantial redevelopment of existing properties and conversion of residences to businesses would be required. In the Town Center area the existing septic burden and small parcel structure abruptly limits the amount and intensity of new uses that could be received. Changes to waste treatment handling, requiring a change from the current individual septic systems would be a minimum requirement.

Within the R district, most of the parcels are of fairly small size, while zoning is for one acre lots. Most of the primary roadside is already developed, mainly with residences, and the most advantageous commercial locations have generally already been developed.

The one percent of land zoned R-C or I does have desirable frontage available. The districts closest to Fitchburg also have the benefit of somewhat higher traffic volumes and proximity to the business and residential districts of Fitchburg. The Industrial district is estimated to contain the potential to hold another 881,000 sf of construction, nearly sixty percent of the combined business buildout. The sites, however are geographically constrained by a combination of hilly terrain and wetlands, which provide limits to

development. The roadway linkage leading from Fitchburg center also has a narrow, winding and generally residential aspect, and requires passing by other commercial enterprises in Fitchburg which would siphon off some of the potential clientele.

Lack of Town Water and sewer limits siting possibilities and intensity of land use. Much of the land zoned for commercial purposes perks poorly, has small lot sizes, and is close to water bodies and developed residential areas. Extensive constraints to commercial development are present in the Town Center area, where likely enterprises, such as bed and breakfasts, restaurants and small shops, are all hampered by septic limitations.

## **B. Recommendations**

### **Economic Development Strategies**

#### *Alternate Economic Strategies*

An additional source of jobs and economic activity lies in the creation and reintroduction of agricultural and natural resource based enterprises in the 95% of Ashby not commercially zoned. Following the trapping and timber cutting eras, farming always had a tenuous hold. Given the rocky, hilly nature of the land, thin soils, and the severe winter climate, it is unlikely that traditional commodity based agriculture could ever be successful again. The temporarily protected lands within the state Chapter 61 programs exceed the Commercial and Industrial valuations (\$3.5 M v. \$2.8 M), excluding mixed use categories. Residents and visitors greatly value maintaining critical lands as open space resources, well beyond the monetary value that can directly be placed on them. Quality of life amenities and locational distinctions are becoming prominent hallmarks of successful communities. While methodologies to estimate the economic value of environmental services such as drinking water provision or carbon dioxide removal have been developed, they are generally difficult to directly translate into income to landowners, and their benefits diffuse.

Ashby has generally avoided marketing itself and undertaking events and activities that would bring visitors and tourists. Other communities have improved their fortunes through activities like historic buildings and events, apple picking, winter sports, seasonal events and celebrations. The regionally significant Johnny Appleseed heritage activities could potentially leverage further economic activity in Ashby. Some initiatives may only require expanding current activities and making linkages to other organizations, which publicize and promote regional activities. Other activities will likely require longer planning and greater involvement within Ashby from many sources to be successful. However, they carry the benefits of increasing local economic activity while preserving the landscape and traditional activities, helping to secure other aspects of Ashby's vision.

The decision of owners to develop agricultural or forested lands is often posed as regrettable, emotionally difficult but economically necessary. Many owner would prefer to maintain their lands as they have been for generations, but issues of retirement, unexpected expense, and generational transitions seem to require the liquidation of their primary asset. Financial security and seeking returns on investment have generally been dominant factors. If ways can be found to provide the needed security or increase rates of return, there may be a far lower rate of land converted to residential developments. While models for new approaches are widespread, there needs to be a greatly enhanced focus locally, supporting improved productivity and returns for these lands. Targeting lands currently in Ch. 61, to secure their long term productivity and conservation status, will encourage other properties to be brought into the program.

Broad based programs will be needed, making use of resources available in state and nationally to support such a transition and enlargement in the role of natural lands. Markets need to be identified and higher value products developed. Complementary uses with economic value, new products, and value added processes need to be introduced. Seeking out gourmet markets and restaurants, community supported agriculture, and specialized niche agricultural crops, particularly those which can be converted to finished products could be successful. Other trades, crafts and artists may similarly leverage the locational advantages and natural resources of the area for improved economic options.

Recreation based businesses, leveraging the scenic landscape, waterways and wildlife resources of the area should also be successful. While Ashby doesn't have a Mount Wachusetts, it could develop cross country skiing, snowshoeing, geocaching, bicycle touring, hiking, hunting and birding niches, and develop other opportunities for allied businesses. Although some businesses would benefit from advanced study, many could provide improved wages to persons with lesser educational attainment; secure employment for lower and moderate income residents with specialized local knowledge and skills.

Equestrian focused businesses, combining agricultural and recreational aspects have also proved viable recently. This sector has already proven that it can take root successfully in Ashby, and with limited Town support and encouragement could grow over time to add services and making substantial long-term contributions. In many ways, horse-based businesses could be the means by which several Town goals are accomplished, particularly keeping large areas of open and forested lands intact and in traditional land-focused pursuits. Horses provide a new business cluster which doesn't have to be located in the town center, providing a substantial, vocal base to support substantial landscape integration efforts and the preservation of natural resources. Supporting businesses provide a robust, diverse jobs ladder, able to provide employment from stable boys through veterinarians; attracting affluent visitors on a regular or seasonal basis; and providing substantial new real estate valuations to support Town services. Other market niches that an equestrian sector provides include trainers, farriers, stable hands, saddle and tack shops, clothing, hay and feed, construction of stables, fences and other facilities, truck and trailer services.

A successful equestrian sector would attract many visitors and patrons to Ashby, where nearby residents boarding horses and taking lessons, or far flung visitors attending seasonal jumping, dressage, races or hunts. This influx could support and enlarge the base of restaurants, bed and breakfasts, retailing and other tangential services.

#### District Recommendations

While expansion of the Industrial District in a limited manner might be contemplated, there is no support for the expansion of other districts (with the possible exception of minor extension of the westerly R-C district) or the creation of new zoning districts. To best maximize the capture of retail and services dollars, the encouragement of focused clusters of businesses which can attract a clientele to patronize local shops has many advantages. Multiple, collocated services encourage destination trips and limit unnecessary traffic and congestion. As the range and quality of available services grows, Ashby becomes understood as a place where many of the needs of daily life can be satisfied within town boundaries, increasing its sense of place.

But Ashby will never be a place where it is appropriate to locate a big box retail business or offices, at the very least not until the local region has substantial additional development. Even then, the general difficulty of roadway access will limit the potential of those sites, and geology and topography will continue to present severe challenges. Since there are ample sites of sufficient size with more direct access elsewhere in the region, Ashby is likely to lag significantly in any future development volume.

Industrial district could attract small manufacturing uses. The district is small – about 25 acres, and many other available sites in Fitchburg and other communities greatly overshadow this industrial district. Fitchburg, for example, has over 2,500 acres in industrial and special permit districts.

Ashby's opportunities will be found in smaller scaled, locally oriented, and highly individualized businesses and services. Those enterprises can be accomplished with current commercial zoning substantially unchanged. Other limiting factors are likely to have a far more important role in shaping future development.

#### Employment Resources

Ashby currently provides no employment resources for its residents. Residents are able to make use of the concentration of resources nearby in Fitchburg, such as Fisher Junior College, the Montachusets Regional Vocational Technical School and Fitchburg State College, as well as its transit and transportation access to other Route 2 communities. Other resources for job training and placement exist regionally, and many programs are administered or coordinated by MRPC.

## Employment Opportunities

### Impacts of Future Residential Increases

Continuing residential development is likely to become a major generator of new employment. Home construction, and the trades and labor required to develop properties will be able to draw from the existing and regional workforce, potentially expanding the number of local businesses and overall employment. New residents will also produce a demand for new services and a desire to source these needs close to home. Stores and service providers are likely to respond to this local demand, seeking to locate or expand facilities following the growing residential population. Pace of residential growth and the numbers of residents will be the primary factor in determining the amount and pace of this commercial activity.

Ashby's steepest prior growth occurred during the 1940's, recording a 43% population increase in that decade. If that growth was to be replicated in the future, then population would rise by nearly 1,300 persons in the next decade and achieve the anticipated buildout maximum within fifty years, with a population of over 12,500 at the end of the fourth decade. In contrast, continuation of the last decade's growth would lead to buildout requiring several hundred years. Buildout should be considered more of a conceptual tool than a fixed date.

While these timelines may seem to be highly unlikely for many reasons, and far above Ashby's 4.7% growth over the past decade, other regional communities have experienced explosive growth recently, led by Hubbardston's 118% increase over the 1980-2000 period, Phillipston's 56% during the 1980's, while Ashburnham grew by 33% during the 1980's but slowed to 2.1% over the past decade. Ashby's continued relative isolation, lack of Town supplied water or sewerage, and other difficulties of construction on rocky and hilly terrain, are all likely to keep future development rates closer to the low end of this range, rather than approaching its ten-fold higher upper limit.

Regardless of the rate of growth, it can be expected that there will be an increasing residential population for the foreseeable future, able to support a proportionate increase in commercial activity. Ashby's relative isolation will also make it somewhat more likely for businesses to try to establish themselves locally, catering to the residents disinclined to travel to larger, regional merchants. However, people often greatly underestimate the residential populations needed to support various types of businesses. Prudence dictates that businesses should only be encouraged to locate or expand where sufficient clientele and market conditions can reasonably be created.

### Future Transit Options

With sufficient development and demand, a possible link from Ashby's village center into Fitchburg & its rail and transit hub might be established. A park and ride lot in the village or along a state highway might also make it more feasible to establish commuter transit service, or to expand the role of carpooling.

### I-190

A larger portion of Ashby's economic future is dependent on its relative isolation from other regional centers and the lack of convenient transportation access. Depending on the outcome of various planning initiatives, Ashby could become much more tightly linked to the regional transportation network, with substantial impacts to the community, both beneficial and detrimental. The Montachusett Regional Planning Commission has established a long term goal of extending Interstate 190 north from Fitchburg to the New Hampshire border. Implementation of this goal will require considerable additional study and the investment of substantial funds from both the state and federal sector. It is not clear what level of study or prioritization of preferred route alignments has been conducted, but the highway extension could have a great effect on the shape and pace of development in Ashby. I-190 experienced yearly traffic growth of up to 6 percent recently, suggesting that it is rapidly attracting traffic and will begin to reach capacity, increasing the likelihood of studies being done to determine the possibilities for expansion. Many regional communities have spent the last decade contending with the various effects which I-495 has introduced to their towns.



### Local Highways

Ashby's two state highway segments are both classified as minor arterial/major collectors roadways, indicating a relatively low level of traffic and regional importance. Region wide rural traffic counts increased by two percent in the 1990's, compared to a recent statewide increase of 1.3%