



Market Assessment & Business Recruitment Tool

Three Rivers Downtown Business District

Prepared for and in collaboration with:

The Three Rivers Downtown Task Force, A Partnership of the Three Rivers
Chamber of Commerce, Town of Palmer and Palmer Redevelopment Authority
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Project Purpose

To conduct a market assessment for the Three Rivers Main Street District to help inform revitalization efforts and develop a business recruitment brochure/marketing tool that can be used in conjunction with the planned business recruitment program.

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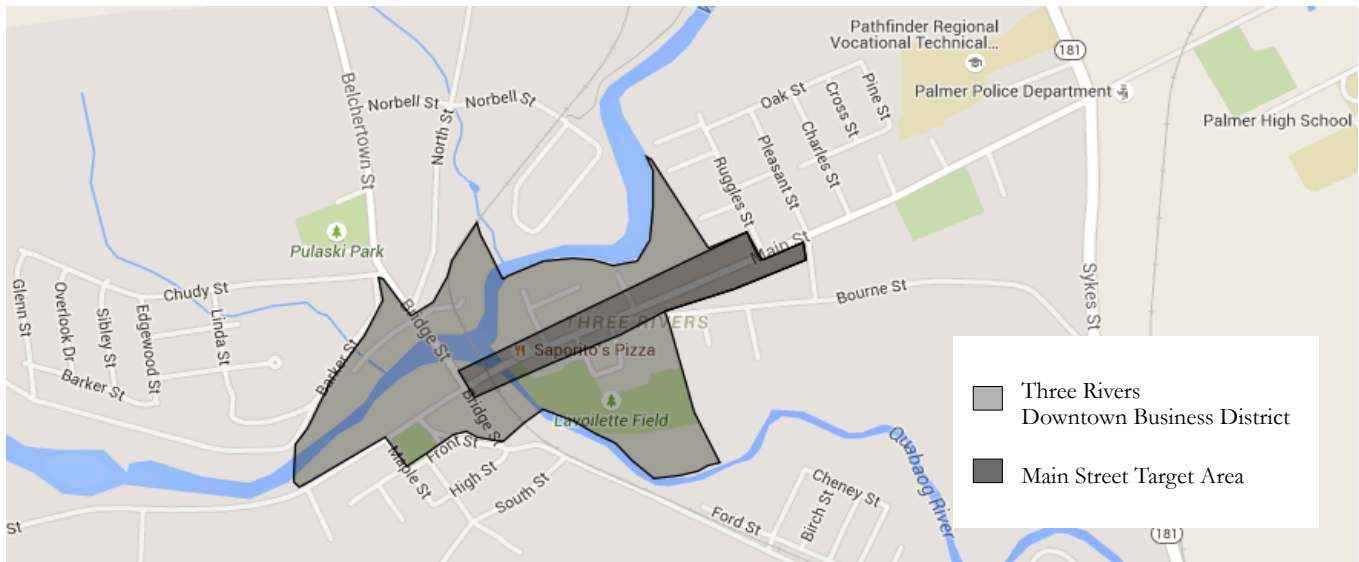
Three Rivers Downtown Business District Description

Three Rivers is a village in the western section of Palmer, a Town in western Massachusetts located between Boston, Hartford and New York. The downtown business district runs primarily along Main Street from Pleasant Street to Anderson Street. It is a compact, pedestrian-friendly commercial area, approximately 5 miles in travel distance from Exit 8 off the Massachusetts Turnpike. Buildings of one to three stories line the sidewalks and provide a village center feel.

The downtown district is a hub for commercial, entertainment and recreation uses. Main Street contains a collection of retail and service establishments (e.g., bank, liquor, convenience goods, pizza, beauty/barber shops, law office, tutoring services, etc.) and the Palmer Technology Center, a 300,000 sq. ft. commercial complex. The Palmer Technology Center houses close to 20 businesses ranging from motorcycle seat manufacturing to artisanal chocolate production to special needs and children's day care. The district also features the Palmer Historical and Cultural Center (PHCC), an architectural gem, that offers twice monthly musical and theatrical performances (September to June) and is available for private events. Hrynewicz Park, with iconic band stand, serves as a Town Common hosting many events such as movie nights, summer concerts and a weekly farmers market.

The confluence of three rivers provides a picturesque backdrop for the district and an opportunity for recreational activities. The river is used for kayaking and fishing and is the site for a planned river walk. A large athletic field directly behind the commercial district is frequently used for soccer games and other sports activities. In addition, Pulaski Park, located a short distance from the district hosts several events including weekly music picnics earning its recognition as the "Polka Capital of New England".

Currently, there are several underutilized properties in the target area offering opportunities for new businesses.



Overview of Potential Market Segments

Businesses located in the Three Rivers Downtown have the opportunity to serve several potential market segments:

- Residents of the Surrounding Area
- Employees Working Nearby, particularly at the Palmer Technology Center
- Visitors to Palmer Historical and Cultural Center (PHCC)
- Users of nearby Recreation Facilities (Lavolette Athletic Field, Quabaog River and Pulaski Park)
- E-Commerce Customers and Business-to-Business

** The Three Rivers Downtown Task Force is a partnership of Three Rivers Chamber of Commerce, the Town of Palmer & Redevelopment Authority.*

Prepared by: Peg Barringer, FinePoint Associates, in collaboration with the Three Rivers Downtown Task Force

Sources: The Nielsen Company, U.S. Census, InfoUSA, American Community Survey, Primary Data Collection, www.FinePointAssociates.com

Location of Surrounding Commercial Facilities

Grocery, Small Shops, Restaurants, Home Improvement

- ☑ Palmer – small shops & restaurants in Depot Village, Kmart, Ocean State and Big Y Supermarket
- ☑ Immediately surrounding towns of Ware (incl. Walmart Supercenter, Lowes), Wilbraham Area (incl. Home Depot), Ludlow and Belchertown



Regional Malls (apparel, home goods, restaurants, etc.)

- ☑ Eastfield Mall just over Springfield border (regional mall, 900,000 s.f. anchored by Macys and Sears, with movie theater, restaurants, 70 specialty shops) and surrounding area (Lowes, Ocean State, etc.)
- ☑ Holyoke Mall (1.6 million s.f. regional mall anchored by Macy's, Sears, Burlington Coat Factory and JC Penney, 200 stores, several restaurants)



Destination Restaurants and Specialty

- ☑ Sturbridge
- ☑ Amherst
- ☑ Northampton



Cultural/Performing Arts Centers

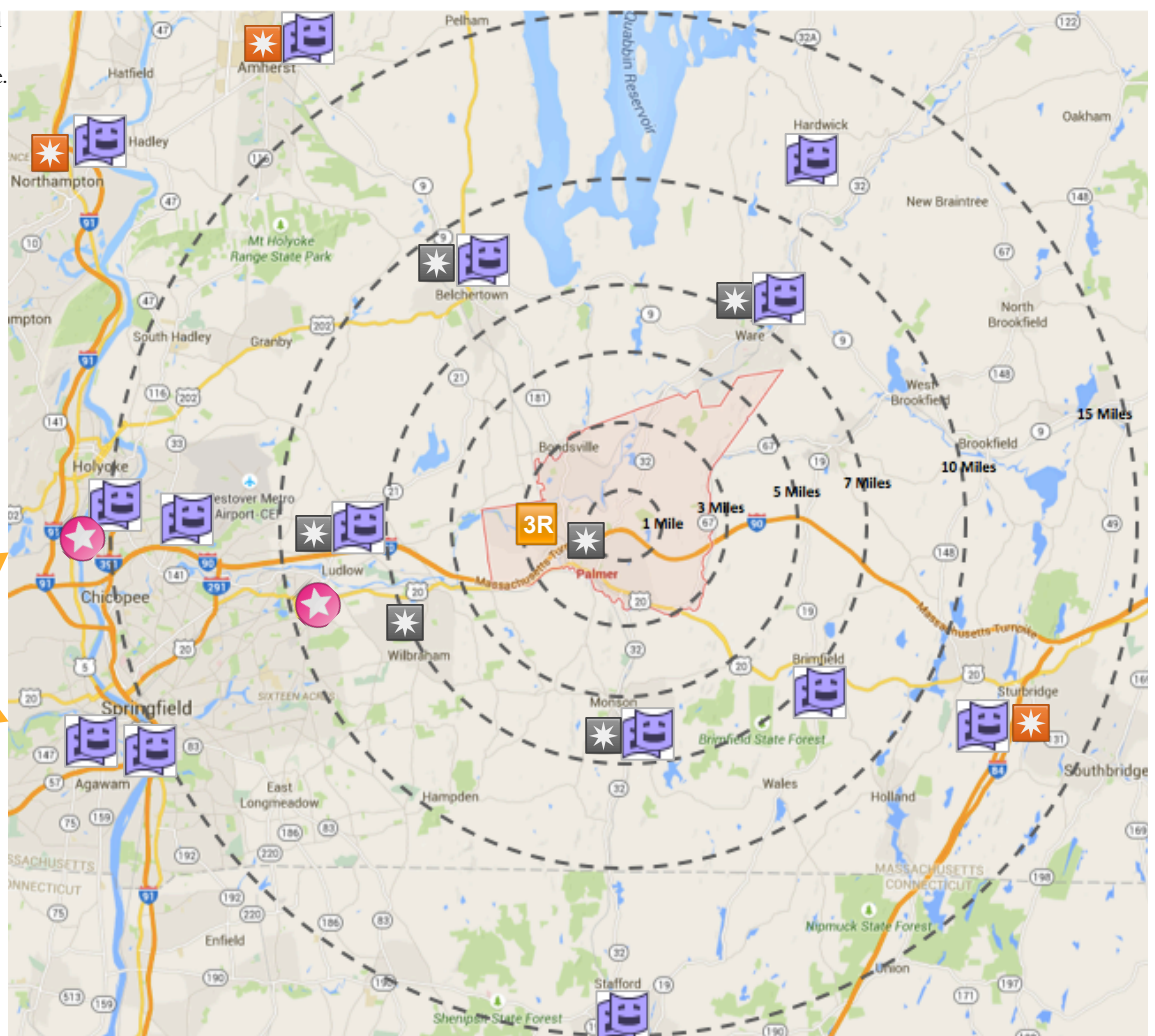
- ☑ Ludlow – Exit 7 Players
- ☑ Hardwick – The Center at Eagle Hill
- ☑ Belchertown – Belchertown performing Arts Center
- ☑ Monson - Memorial Hall/Monson Art Council
- ☑ Ware - Workshop 13
- ☑ Brimfield – Hitchcock Academy
- ☑ Stafford Springs, Palace Theater
- ☑ Fiskdale/Sturbridge - Stageloft Repertory
- ☑ Chicopee - Hu Ke Lau
- ☑ Holyoke – Enchanted Circle Theater
- ☑ Springfield – Bing Arts Ctr, CityStage, Symphony Hall
- ☑ Northampton – Calvin Theatre
- ☑ Amherst – UMass Fine Arts Center

*** Note:** This listing and map is intended to be illustrative not exhaustive.

There are commercial facilities located in most surrounding towns. Competition intensifies significantly beyond the 7- mile radius and is much more intense to the West. The center point used for the radii is MA exit 8; this is because there is less competition and more opportunity to draw customers to the east.

Denser Commercial Competition (All Types)

- ☑ Springfield, Chicopee, Holyoke



Potential Market Segments Description

Resident Market Segments

- **Residents** of the surrounding area comprise the largest potential customer base for businesses located in downtown Three Rivers. The primary trade area has been identified as a 7-mile radius from Exit 8 of the MA turnpike. The primary trade area is the region from which most of the regular, repeat sales are expected to generate. A secondary trade area, a 10-mile radius, has also been identified as offering some potential for sales.
- ✓ More than 45,000 residents live within the 7-mile primary trade area (TA1). Residents of this trade area spend over \$518 million per year at stores and restaurants. Currently, over \$190 million (37%) is being spent outside of the primary trade area. This is known as “sales leakage” and may constitute opportunity for new or existing businesses. The most significant sales leakage is in the following categories: Clothing, Jewelry, Other Miscellaneous Retailers (pets/supplies, tobacco, art, other), Gifts, Sporting Goods/Hobby/Toy, Home Furnishings, Electronics, Full-service Restaurants and Furniture Stores. This indicates a retail gap and a geographic advantage for new businesses within TA1 (as residents are currently traveling significant distances to shop and dine). However, the potential for new businesses in downtown Three Rivers to capture this leakage is dependent on their ability to offer equivalent quality goods, services and shopping environment. Some businesses (such as clothing and accessories) do better when they clustered and offer comparative shopping options; this may lessen the potential to attract retailers in these categories.
- ✓ Over 110,000 residents live within 10 miles, the secondary trade area (TA2). Residents of the secondary trade area spend over \$1.2 billion per year at retail stores and restaurants. Currently, more than \$366 million (30%) is being spent outside of the 10-mile trade area. A smaller potential market capture would be expected within the secondary trade area, however, depending on the uniqueness of the offering, there may be some opportunity for capturing expenditures for specialty retail or services.
- ✓ A detailed description of population, demographic characteristics and consumer patterns is provided in the section entitled “Resident Market Segments: Trade Areas, Demographics, Expenditures & Sales leakage”.

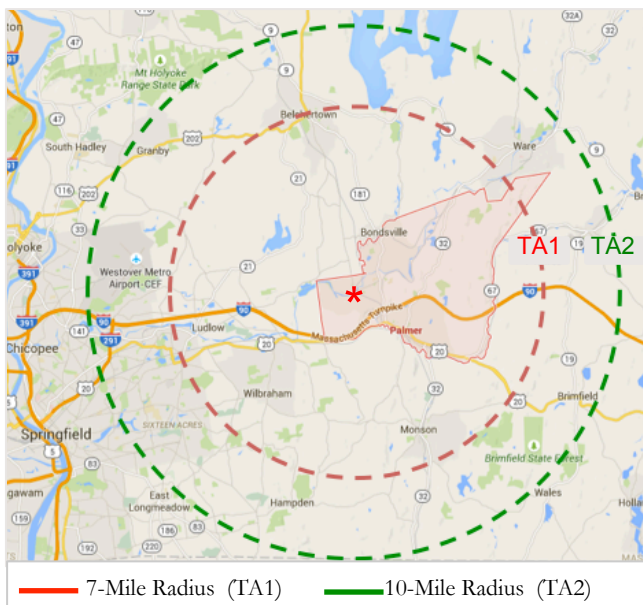
Non-Resident Market Segments

- **Visitors to the Palmer Historical and Cultural Center** coming to enjoy one of the many performances and special events. The Center offers live music, dramatic performances and other cultural events about twice per month during September through June. In addition the venue is available for weddings, parties and other private events. Harmony Hall (the Center's largest event space) can accommodate seating for 160 people theater-style and 80 people with function style seating while the smaller Villages Room is suitable for smaller gatherings. There may be an unmet market opportunity to serve audiences looking for a meal or snack before or after performances or catering/culinary services for special events.
- ✓ A survey of Cultural Center patrons (September 2015) showed that approximately 75% of patrons come from within the 7-mile trade area, another 14% come from between 7 and 10 miles and approximately 7% comes from between 10 and 15 miles. Currently about one-third of patrons go out to eat before or after PHCC events (about 60% in Three Rivers, predominantly at Pinocchio's). The survey results showed that these patrons typically go out to eat 50% of the time when attending cultural events anywhere (not just at PHCC) indicating that they might go out more often if more options were available. Other activities that patrons like to do in combination with attending a cultural performance/event include: 1.) have a drink/cocktail, 2.) walk around the area/shop and 3.) have coffee, tea or dessert. The top three most frequently cited business types that respondents said they would patronize include: 1.) restaurants, cafes, pubs, 2.) coffee shops and 3.) specialty food such as ice cream/yogurt, bakery. Additional information about survey results can be found in the section entitled “Non Resident Market Segments: Palmer Historical and Cultural Center Patrons Survey Results”.

Potential Market Segments Description (cont'd)

Non-Resident Market Segments (cont'd)

- **Employees** of nearby businesses (particularly at the Palmer Technology Center located at the western edge of the commercial district). There are approximately 20 businesses located at the Technology Center with a total of over 200 employees. According to interviews with several employers (conducted by Downtown Task Force members) these employees get regularly scheduled lunch breaks and would be interested in additional food options available nearby and by delivery. One of the larger employers frequently buys lunch for their employees (i.e., twice per week) and another mentioned they order lunch from a restaurant in Ludlow because it delivers.
- ✓ A survey of Palmer Technology Center employees (September 2015) indicates that this may be a largely untapped market. While about one-quarter of employees said they patronize downtown Three Rivers businesses several times per week, three-quarters patronize businesses once per week or less, including over 30% that patronize businesses less than once per month. Employees located in downtown spend close to \$700,000 per year on work day meal purchases but are making less than 20% of their purchases in downtown Three Rivers.. Other shopping and errands that employees do during or after their work day include: 1) grocery shopping, 2.) purchase gas, and 3.) go to a drugstore. Additional information about survey results can be found in the section entitled “Non Resident Market Segments: Downtown Three Rivers Employee Survey Results”.
- **Users of nearby Recreational Facilities** including Laviolette Athletic Field, the Quaboag River (blue trail and planned river walk), AMVETS, and Pulaski Park (Polka Capital of New England) that attracts hundreds of visitors to weekly seasonal Polish picnic and music events. There may be opportunity to market to these potential customers and entice them to patronize businesses in the business district.
 - Pulaski Park/St. Stan's – 10 Sunday polka events, averaging 300 people (90% from out of town) plus 20 other Friday/Saturday music club events
 - AMVETS – 35 bingo nights annually, averaging 250 people (40% from out of town) plus about 50 other events per year such as weddings, showers, breakfast, pitch league, blood drives, etc.
 - Laviolette Field – more than 15 events per year that attracts players and parents of local and visiting team members (approximately 50 per event)
- **E-Commerce and Business-to-Business (B2B)Customers** beyond the surrounding area. Inexpensive operating costs make the area a good location for start-ups and other companies that attract some sales from Internet and B2B.



Resident Market Segments:

Trade Areas, Demographics, Expenditures & Sales Leakage

Residents living in the surrounding area represent a major market opportunity for a business district. After discussing consumers patterns with local business owners and residents, and reviewing the location of existing commercial facilities and circulation routes, it was determined that a 7- mile radius and 10-mile radius represent the market areas most accessible for businesses located in the Three Rivers Main Street Target Area.

The following presents an analysis of the market population living within two trade areas:

Primary Market Area - Trade Area 1 (TA1): 7-Mile Radius

Secondary Market Area -Trade Area 2 (TA2): 10-Mile Radius

Retail & Restaurant Opportunity

GROWING MARKET

Trade Area 1 (TA1) = 7 Mile Radius



Residents spend
518 million
per year at stores &
restaurants*

Over **\$190 Million** being spent outside TA1



\$71 Million spent at non-store retailers

2015 Population

45,239

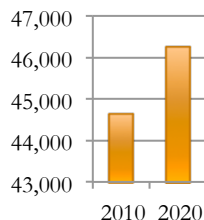
2015 Households

17,897

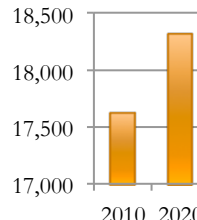
2015 Household Income
Median Average

\$64,716 \$81,815

Population



Households



Growth rate in the trade
area is approximately
50% the rate of the state

Trade Area 2 (TA2) = 10 Mile Radius



Residents spend
1.2 billion
per year at stores &
restaurants*

Over **\$366 Million** being spent outside TA2



\$169 Million spent at non-store retailers

2015 Population

110,011

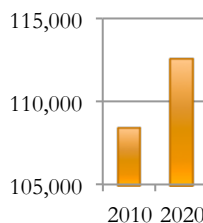
2015 Households

43,364

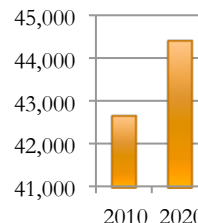
2015 Household Income
Median Average

\$62,999 \$80,435

Population



Households



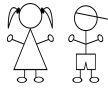
Growth rate in the trade
area is approximately
60% the rate of the state

* Excludes motor vehicle and gas station purchases. ** All data is 2015 estimates unless noted.

Residents

Median age is **44.5** in TA1 and **43.1** in TA2 compared to 39.7 statewide and 37.9 in U.S.

69% Families
TA1
66% in U.S.

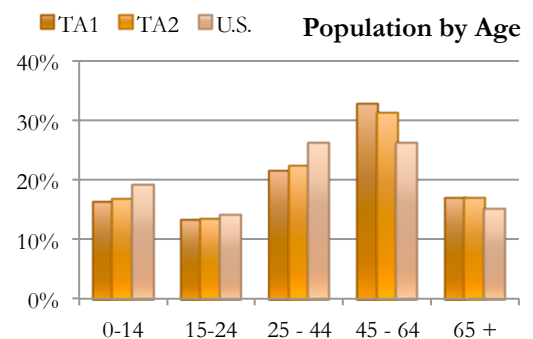


32% of households in TA1 and **32%** in TA2 contain children compared to 31% statewide and 33% U.S.

13%

New Customers in the Neighborhood?

of county residents moved to current home in the last year

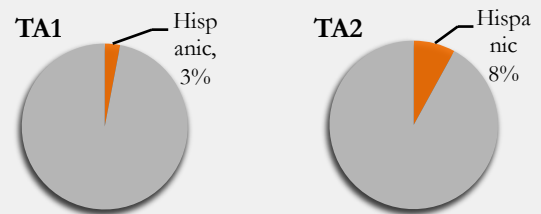


MULTI - CULTURAL

Race & Ethnicity	TA1	TA2	MA
White Alone	95%	89%	79%
Black/African American	1%	4%	7%
Asian	1%	1%	6%
Other/More than 1 Race	3%	5%	8%
Latino/Hispanic	3%	8%	11%

8% of TA1 and 14% of TA2 residents speak a language besides English at home

Asian/Pacific Island Language: 0 - 1%, Indo/European Language: 6 - 8%, Spanish: 2 - 5%, Other: 3 - 5%



Cultural Concentration	TA1	US
Polish	15%	2%
French (except Basque)	14%	2%
Irish	12%	7%
Italian	9%	4%
French Canadian	7%	<1%

Lifestyle

2.5

Persons per Household in TA1 and 2.5 in TA2 compared to 2.5 statewide

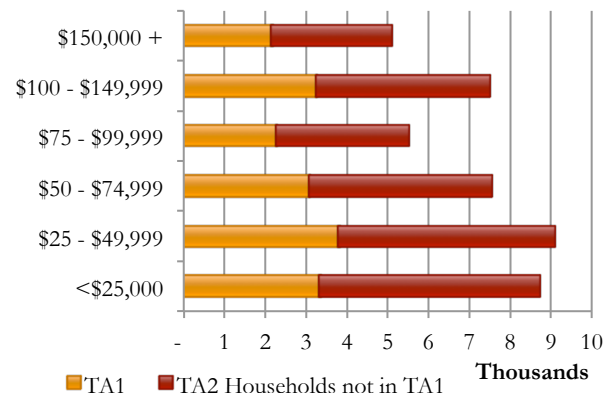


78% Homeowners in TA1, **76%** in TA2, 62% in MA

Foot Traffic ... **7% & 8% car-free** households in TA1 and TA2 respectively -- residents likely to shop close to home



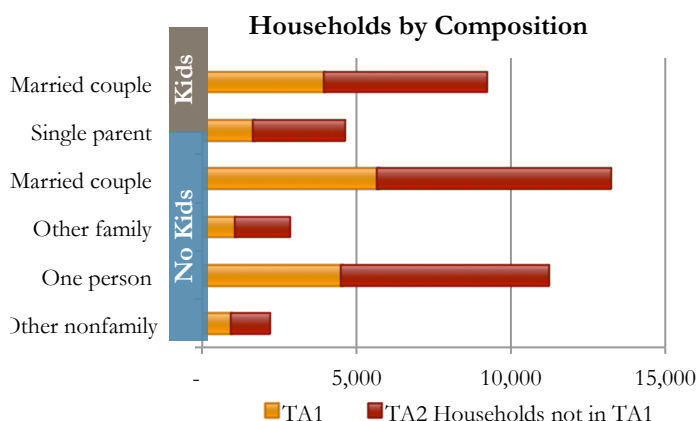
Households by Income



7,679 households in TA1 have income > \$75,000; Median household income is \$64,716 & \$62,999 in TA1 & TA2; \$67,928 statewide, \$53,706 in U.S.



TA1 & TA2 residents have Associates Degree or higher; 47% statewide, 37% in the U.S.



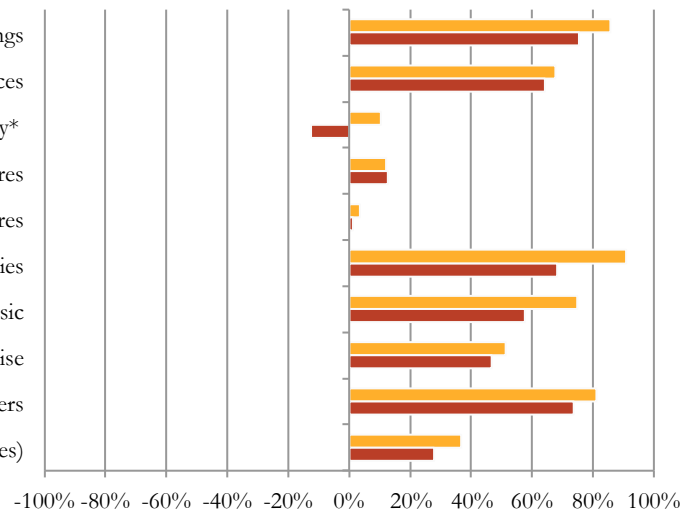
Expenditures

TA1	TA2	
\$16.8	\$40.0	Furniture & Home Furnishings
\$15.1	\$35.9	Electronics & Appliances
\$92.2	\$217.7	Bldg. Materials, Garden Equip. & Supply*
\$104.0	\$247.6	Food & Beverage Stores
\$44.6	\$106.7	Health & Personal Care Stores
\$39.0	\$93.3	Clothing & Accessories
\$15.7	\$37.5	Sporting Gds., Hobby, Books, Music
\$95.8	\$228.9	General Merchandise
\$23.4	\$55.0	Misc. Store Retailers
\$71.5	\$169.8	Food Service & Drinking (excl. spec. foodservices)
\$ millions		

Spending Power

■ TA1 ■ TA2

Local Demand Compared to Local Business Sales



← Sales Leakage/Opportunity →

★ The most significant TA1 sales leakage is in following categories: Clothing, Jewelry, Other Miscellaneous Store Retailers (pets/supplies, tobacco, art, other), Gifts, Sporting Goods/Hobby/Toy, Home Furnishings, Electronics, Full-service Restaurants and Furniture Stores.

\$ millions

Est. Sales Leakage - Select Categories

	TA1	TA2
Furniture Stores-4421	\$7.24	\$14.44
Home Furnishing Stores-4422	\$7.17	\$15.72
Electronics and Appliance Stores-443	\$10.18	\$23.04
Paint and Wallpaper Stores-44412	\$1.10	\$1.74
Hardware Stores-44413	(\$0.44)	(\$2.09)
Supermarkets, Groc. (Ex Conv)-44511	\$5.76	\$11.82
Convenience Stores-44512	\$1.19	\$4.60
Specialty Food Stores-4452	(\$3.07)	(\$6.44)
Beer, Wine and Liquor Stores-4453	\$8.74	\$21.29
Pharmacies and Drug Stores-44611	(\$3.29)	(\$8.99)
Cosmetics, Beauty Supplies-44612	\$2.48	\$5.86
Optical Goods Stores-44613	\$0.06	(\$1.94)
Other Health/Personal Care Stores-44619	\$2.29	\$6.35
Clothing Stores-4481	\$18.68	\$28.05
Shoe Stores-4482	\$2.51	\$2.84
Jewelry Stores-44831	\$12.77	\$29.18
Sporting Goods, Hobby Stores-4511	\$9.82	\$19.47
Book, Periodical and Music Stores-4512	\$1.96	\$2.14
Department Stores Ex Leased Depts-4521	\$16.24	\$21.46
Other General Merchandise Stores-4529	\$32.92	\$85.43
Florists-4531	\$0.81	\$1.94
Office Supplies and Stationery -45321	\$5.02	\$9.61
Gift, Novelty and Souvenir Stores-45322	\$3.69	\$6.40
Used Merchandise Stores-4533	\$0.78	\$2.54
Other Miscellaneous Store Retailers-4539	\$8.70	\$19.97
Full-Service Restaurants-7221	\$16.26	\$26.28
Limited-Service Eating Places-/722	\$8.92	\$19.93
Drinking Places- Alcoholic Beverages-7224	\$1.14	\$0.92

Opportunity Gap (Sales Leakage)

The retail categories with high sales leakage may suggest opportunity for local businesses (existing and/or new businesses). To determine the feasibility of capturing the leakage, it is necessary to evaluate the strength of the competing businesses outside of the trade area that are currently attracting resident expenditures.

In categories showing little or no leakage, it does not necessarily mean that there is no opportunity. There might be opportunity depending on the ability of local businesses to attract expenditures from non-resident market segments (i.e., employees and visitors) and/or overtake trade from existing competition by offering more desirable products or services.

Negative Sales Leakage (Surplus)

Categories with negative sales leakage indicate that businesses are currently meeting more than just local demand. Businesses in these categories are generating sales from customers that live outside of the identified trade area which may include employees of nearby businesses or visitors travelling into the district from beyond the immediate area because of attractions or destination businesses.

*Note: Sales leakage calculations include all businesses in the trade area, not just the business in the commercial district.

* Includes building material dealers not typically located in retail districts

Additional Data Tables

Est. Population by Age						
	TA1		TA2		MA	U.S.
	45,239	%	110,011	%	%	%
Age 0 - 4	2,133	5	5,485	5	5	6
Age 5 - 9	2,293	5	5,797	5	6	6
Age 10 - 14	2,852	6	7,014	6	6	6
Age 15 - 17	1,848	4	4,570	4	4	4
Age 18 - 20	1,705	4	4,225	4	5	4
Age 21 - 24	2,397	5	5,864	5	6	6
Age 25 - 34	4,550	10	11,804	11	13	13
Age 35 - 44	5,122	11	12,720	12	12	13
Age 45 - 54	7,624	17	17,331	16	15	14
Age 55 - 64	7,133	16	16,782	15	13	13
Age 65 - 74	4,402	10	10,487	10	9	8
Age 75 - 84	2,065	5	5,220	5	4	4
Age 85 and over	1,116	2	2,712	2	2	2

Est. Households by Size						
	TA1		TA2		MA	U.S.
	17,897	%	43,364	%	%	%
1-persons	4,520	25	11,186	26	29	27
2-persons	6,166	34	14,655	34	32	32
3-persons	3,097	17	7,565	17	16	16
4-persons	2,618	15	6,258	14	14	13
5-persons	1,006	6	2,497	6	6	6
6 or more	490	3	1,204	3	3	5

Est. Households by Income						
	TA1	TA2	%	MA %	U.S.%	
< \$15,000	1,707	10	4,671	11	12	13
\$15,000 - \$24,999	1,626	9	4,029	9	9	11
\$25,000 - \$34,999	1,786	10	4,056	9	8	10
\$35,000 - \$49,999	2,013	11	5,012	12	11	14
\$50,000 - \$74,999	3,087	17	7,527	17	16	18
\$75,000 - \$99,999	2,271	13	5,497	13	13	12
\$100,000 - \$124,999	1,979	11	4,493	10	10	8
\$125,000 - \$149,999	1,278	7	2,987	7	7	5
\$150,000 - \$199,999	1,203	7	2,803	6	8	5
\$200,000 - \$249,999	443	2	1,069	2	3	2
\$250,000 - \$499,999	415	2	991	2	4	2
\$500,000+	90	1	228	1	2	1
Med. Household Income	64,716	62,999		67,928	53,706	

Avg. Length of Residence (Years)

	TA1	TA2	MA	US
Homeowners	20	20	19	17
Renters	10	9	9	8

Est. Population 16+ by Employment Status

	TA1-%	TA2-%	MA %	US %
In Labor Force	67	97	67	64
Employed	60	61	61	58
Self-employed	10	10	9	10
Unemployed	7	6	6	6

Est. Population 16+ by Occupation

	TA1-%	TA2-%	MA %	US %
Architect/Engineer	2	2	2	2
Arts/Entertain/Sports	1	1	2	2
Building Grounds Maint	3	3	3	4
Business/Financial Ops	5	5	6	5
Community/Soc Svcs	1	1	2	2
Computer/Math	2	2	4	3
Construction/Extract	6	6	4	5
Edu/Training/Library	8	7	7	6
Farm/Fish/Forestry	0	0	0	1
Food Prep/Serving	5	6	5	6
Health Practitioner/Tec	8	8	7	6
Healthcare Support	3	3	3	3
Maintenance Repair	4	4	3	3
Legal	1	1	1	1
Life/Phys/Soc Science	1	1	2	1
Management	10	9	11	10
Office/Admin Support	11	12	13	14
Production	6	6	4	6
Protective Svcs	2	3	2	2
Sales/Related	10	11	10	11
Personal Care/Svc	4	3	4	4
Transportation/Moving	6	6	4	6

Est. Population Age 25+ by Education

	TA1-%	TA2-%	MA %	US %
Less than 9th grade	3	4	5	6
Some High School	7	7	6	8
High School Grad/GED)	33	32	26	28
Some College, no degree	21	20	17	21
Associate Degree	9	9	8	8
Bachelor's Degree	18	18	22	18
Master's Degree	8	8	12	8
Professional School Degree	1	2	3	2
Doctorate Degree	1	1	2	1

Additional Data Tables

Est. Hispanic Population by Origin	TA1	TA2	MA	U.S.
	45,239	110,011	%	%
Not Hispanic or Latino	43,947	97 101,759	92	89 82
Hispanic or Latino:	1,292	3 8,252	8	11 18
Mexican	123	10 426	5	6 63
Puerto Rican	836	65 6,505	79	42 9
Cuban	46	4 137	2	2 3
Other	286	22 1,184	14	50 25

Est. Population-Asian Alone by Category	TA1	TA2	MA	U.S.
	45,239	% 110,011	%	%
Not Asian Alone	44,773	99 108,489	99	94 95
Asian Alone	466	1 1,522	1	6 5
Chinese, except Taiwanese	174	37 494	32	35 22
Filipino	14	3 98	6	3 17
Japanese	2	0 3	0	2 5
Asian Indian	38	8 74	5	21 19
Korean	78	17 241	16	7 10
Vietnamese	17	4 83	5	13 11
Cambodian	52	11 225	15	8 2
Hmong	0	0 0	0	0 2
Laotian	13	3 30	2	1 1
Thai	12	3 86	6	1 1
Other	67	14 187	12	9 10

Est. Population by Ancestry	TA1	TA2	MA	U.S.
	45,239	% 110,011	%	%
Arab	171	0.4 442	0.4	0.9 0.5
Czech	37	0.1 113	0.1	0.1 0.3
Danish	65	0.1 133	0.1	0.1 0.2
Dutch	118	0.3 331	0.3	0.3 0.8
English	3,499	7.7 8,157	7.4	6.3 5.5
French (exc. Basque)	6,464	14.3 13,566	12.3	4.7 1.6
French Canadian	3,267	7.2 6,175	5.6	2.8 0.5
German	1,981	4.4 4,600	4.2	3.3 10.4
Greek	168	0.4 426	0.4	1.0 0.3
Hungarian	80	0.2 156	0.1	0.2 0.3
Irish	5,314	11.7 12,434	11.3	16.1 6.8
Italian	4,082	9.0 9,806	8.9	10.1 4.2
Lithuanian	274	0.6 543	0.5	0.5 0.1
U.S./American	1,425	3.1 3,725	3.4	3.8 6.7
Norwegian	109	0.2 239	0.2	0.3 0.9
Polish	6,615	14.6 14,001	12.7	3.2 2.0
Portuguese	1,714	3.8 5,623	5.1	3.7 0.3
Russian	114	0.3 349	0.3	1.3 0.6
Scottish	767	1.7 1,709	1.6	1.3 1.1
Scotch-Irish	133	0.3 384	0.3	0.5 0.8
Slovak	1	0.0 79	0.1	0.1 0.1
Subsaharan African	50	0.1 769	0.7	1.7 0.9
Swedish	427	0.9 854	0.8	1.0 0.8
Swiss	53	0.1 91	0.1	0.1 0.2
Ukrainian	146	0.3 351	0.3	0.3 0.2
Welsh	45	0.1 106	0.1	0.2 0.3
West Indian (exc Hisp groups)	57	0.1 253	0.2	1.7 0.8
Other ancestries	4,618	10.2 16,178	14.7	26.3 40.7

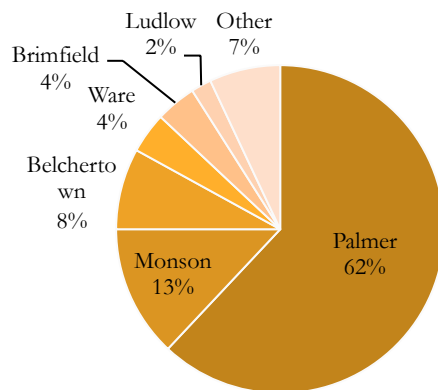
 = Cultural Concentrations

Non Resident Market Segments: Palmer Historical and Cultural Center Patrons Survey Results

Survey Conducted September, 2015 (84 respondents)

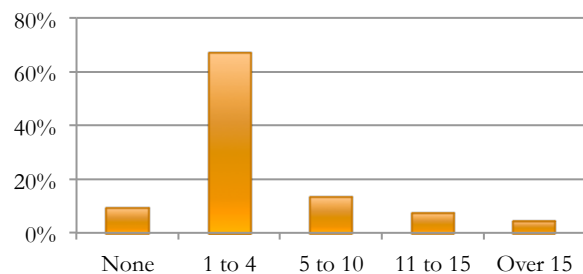
Residency and Attendance Frequency

Where do Patrons Live



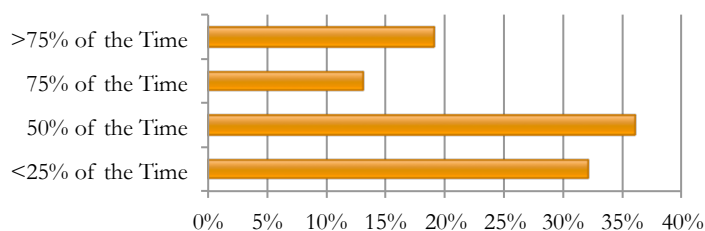
Other includes: Springfield, W. Springfield, East Longmeadow, West Brookfield, Northampton and Holland

Frequency of Attending PHCC Events
(# of Times in Last Year)



Consumer Behavior Before and After Cultural Events

When Attending a Cultural Performance/Event ANYWHERE . . . how often do Patrons typically go out to eat before or after?



Weighted average = 49% . . . Typically, close to 50% would likely go out to eat before or after a cultural performance.

When Attending their last Cultural Performance/Event at PHCC . . . did Patrons go out to eat before or after?

Approximately 1/3 of patrons went out to eat before or after last PHCC event.

Of those that dined out:

- 80% dined in Palmer (Pinocchio's, Steaming Tender)
- 20% dined in other communities

Other Activities that Patrons Like to do in Combination with Attending Cultural Performance/Event

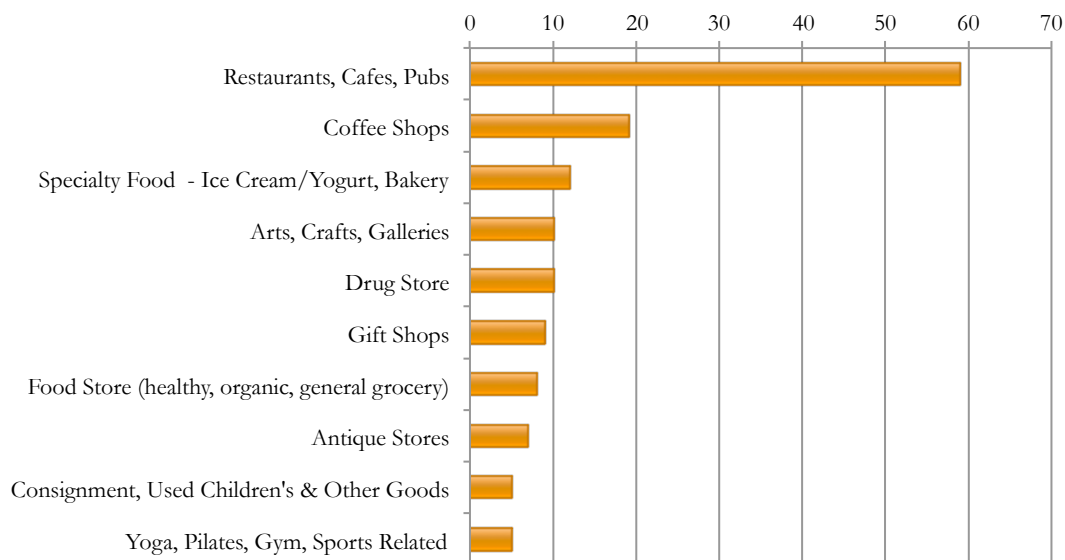
1. Have a drink/cocktail
2. Walk around/shop
3. Have coffee, tea, dessert

Non Resident Market Segments:

Palmer Historical and Cultural Center Patrons (cont'd)

Survey Conducted September, 2015

Businesses that Patrons would Like to See in Downtown Three Rivers



*In some cases, respondents cited more than one business in a category.

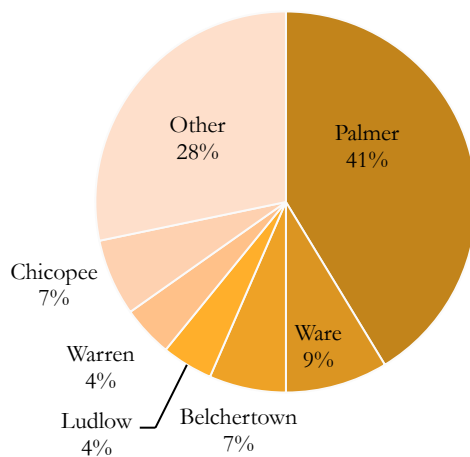
Specific Businesses Mentioned: Dunkin Donuts (coffee shop), CVS (drugstore), Aldi's (grocery)

Non Resident Market Segments: Downtown Three Rivers Employee Survey Results

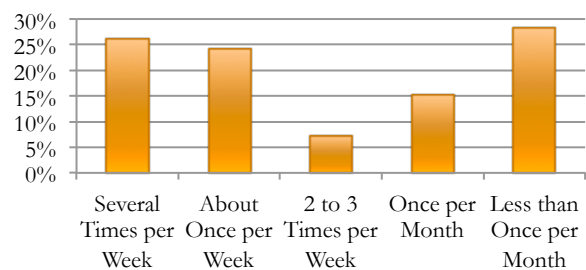
Survey Conducted September, 2015 (46 respondents)

Residency and Patronage Frequency

Where do Employees Live



Frequency of Patronizing Main Street
Three Rivers Businesses



Businesses Patronized: Gas Station (12); Dominick's Restaurant (10); Saporito's Pizza (9); Corner Store (7); Pinocchio's Restaurant (5); Tenczar's Superette (5)

Consumer Behavior During Work Day

Current Employee Spending on Work Day Food Purchases

	Avg. Times Employees Purchase per Week	Avg. Expenditure	Expenditures per Week	Expenditures per Yr	Total Expenditures for DT Employees	% Being Spent in DT Three Rivers
Breakfast	2.82	\$5.24	\$14.79	\$739	\$147,864	11%
Lunch	2.29	\$9.18	\$21.01	\$1,050	\$210,075	21%
Dinner	1.63	\$17.07	\$27.73	\$1,387	\$277,333	13%
Total			\$65.53	\$3,176	\$685,272	

* Employees may eat out more often/spend more if more options were available.

Shopping & Errands During or After Work Day

1. Grocery shopping
2. Purchase Gas
3. Drugstore

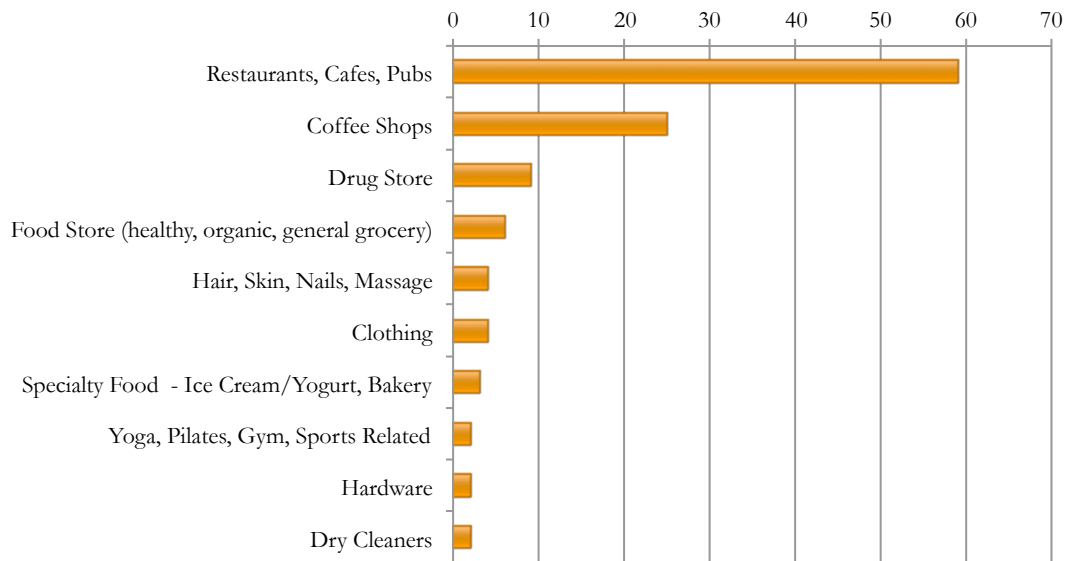
Top 5 Most Frequently Mentioned Places for Meal Purchases During Work Day

1. Oscar's, Ludlow
2. Dunkin Donuts, Palmer
3. Paramount Pizza, Palmer
4. Burgundy Brook, Palmer
5. Tang's, Palmer

Non Resident Market Segments: Downtown Three Rivers Employees (cont'd)

Survey Conducted September, 2015

Businesses that Employees would Like to See in Downtown Three Rivers



*In some cases, respondents cited more than one business in a category.

Specific Businesses Mentioned: Subway (sandwich shop), KFC, Panera Bread, Wendy's, Dunkin Donuts (coffee shop), Dippin Donuts, Starbucks, CVS (drugstore), Walgreens, Aldi's (grocery), Dollar Tree (dollar discount store)

Overview and Suggestions for Consideration Moving Forward

Downtown Three Rivers has a walkable layout, a picturesque riverside setting, an attractive town common, several historic buildings and a cultural center with a growing list of events. There appears to be moderate sales leakage and therefore possible market potential opportunities in several retail and restaurant categories. However, it is unclear that businesses looking to capture those sales would be likely to choose Downtown Three Rivers at the present time over other possible locations within the trade area (such as Depot Village). The following are some suggestions to consider.

- 1. Market the Area to Small Businesses.** Make businesses aware of the locational advantages of the area and provide services and incentives (e.g., rent assistance, storefront improvement grants/loans, technical assistance, tax incentives). Use the Business Recruitment Brochure developed for Downtown Three Rivers (see Addendum).
- 2. Build on what you have.** Consider the existing clusters of businesses and activities in the area and look for potential complementary business opportunities. Strategize about what actions can be taken to encourage complementary businesses to locate in downtown Three Rivers.

Existing Clusters	Complementary Businesses/Other
<u>Children and Education</u> Interactive School House Blue Stone Dojang (martial arts) Learning Factory Day Care Head Start Palmer Monson Family Network Laviolette Sports Field	Children's Theater Dance Studio Children's consignment/gently used equipment & clothing Ice cream/yogurt shop Family restaurant Toy/game Kids sports, family fun center, place for kids parties After school programs Educational institutions
<u>Dining & Entertainment</u> Palmer Historical & Cultural Center St. Stan's Polish Club Pinocchio's Ristorante Saporito's Pizza Polka Picnics (Pulaski Park)	Coffee Shops Bakery/Café Restaurants, eateries Ice cream/yogurt shop Children's Theater, Adult Theater Company Cultural/entertainment events in the Common
<u>Recreation/Sporting</u> Quabaog River Laviolette Field Pulaski Park	Outdoor/Sporting Goods (fly-fishing, canoe, kayak, etc.) Hobby Team uniforms, trophy store Gym, yoga, pilates Climbing gym, trampoline park
<u>Arts</u> Palmer Historical & Cultural Center	Storefront art gallery using vacant storefront windows (improve the appearance and give people something to walk around and see) Art/craft store, store selling locally produced products Art studio, production, display space Art/craft fair in the park
<u>Startups, Entrepreneurs, Small Businesses</u> Palmer Technology Center (20 companies) Technical Assistance and Loans available from QVCDC	More start-up companies Business incubator Makerspace facility Coffee and lunch places

Summary and Suggestions for Consideration Moving Forward (cont'd)

3. **Explore traditional and non traditional tenants as well as temporary enterprises and events to improve leasing environment and promote vibrancy.** The high vacancy and condition of some properties may make it challenging to attract traditional retailers and restaurants at the present time. It would be prudent to look at both traditional and non-traditional tenant possibilities to increase the business activity on the street and improve the leasing environment. It would also be a good idea to work on creating temporary activities and enterprises (pop-up retail, public markets, art fairs, etc.) to promote the area as a vibrant place for social interaction and commerce.
4. **Build partnership with Pathfinders Regional Vocational Technology High School and explore possibilities of creating a school-associated Coffee Shop or Restaurant and other ways to work together to support revitalization of downtown Three Rivers.** Pathfinders Tech is located very close to downtown Three Rivers and is a great asset for the area. This school currently has a culinary training program and operates a part-time restaurant and a tea room at their facility. Perhaps there could be an opportunity to partner with the school and encourage them to use one of the properties in downtown to create a coffee shop or other restaurant open to the public on a full-time or part-time basis. There may also be other potential opportunities to involve the school in revitalization efforts and bringing vibrancy into downtown Three Rivers (events, special projects, use of facilities).
5. **Activate the town common/Hrynewicz Park with more events.** The Town is already doing a great job with movie nights and a seasonal farmers market. Consider expanding programing, inviting groups to put on events through an RFP/Call for Producers process. Example: arts/crafts, school performances, flea market/tag sale, etc.
6. **Broadcast openness to social enterprises.** A social enterprise is a mission driven organization that trades in goods and services for a social purpose. There are all kinds of social enterprises -- from businesses involved in alternative energy and accomplishing environmental goals to businesses that provide job training and create employment for disadvantaged populations -- all kinds of enterprises focused on making a better world. Since Three Rivers is located within relative close proximity to several universities, there may be budding social entrepreneurs with ideas that would consider locating in Three Rivers.
7. **Do something to improve the appearance and activate vacant properties in the short term.** Turners Falls set up an art gallery of sorts using their empty forefront windows. This might make a great complement to PHCC events – survey respondents said they like to walk around before and after performances. Plus, it would give local residents a reason to walk around downtown and perhaps even attract people from out of town. Contact local universities and art associations to see if they would be willing to curate a show.
8. **Complete a property inventory.** Find out who owns the properties, if they are available for lease or sale, rental and sale prices, length of existing leases, if the owner has any plans for the property and the general condition.
9. **Develop a public relations and branding campaign to make people (potential businesses and customers) more aware of Three Rivers and create a positive image.** It is necessary to spread the word about where Three Rivers is located and that it is a good, safe place to live, work, recreate and locate a business.
10. **Implement a Storefront Improvement program with design guidelines.** Many storefronts in downtown Three Rivers require improvement and current conditions are likely impeding the attraction of businesses and customers. A storefront/façade improvement program that provided a matching grant or forgivable loan could help entice property owners to make an investment that could benefit the entire area.
11. **Pick a couple of projects that could have short term impact.** Select one or two ideas that seem feasible, can be accomplished in the near term and have the commitment of a specific team of people willing to spearhead them.

Addendum: Business Recruitment/Marketing Document

Bring your Business to Downtown Three Rivers

We're recruiting!

- Coffee shop, cafés, sit-down restaurants, ice cream
- Children's new and used products & services
- Recreation-related businesses, sporting, hobby
- Artists, artisans and creative enterprises
- Social enterprises and education related services
- Vintage/consignment, antiques
- Children's theater company
- Pet products & services
- Hair, skin & nail services
- Professional offices
- Entrepreneurs & exciting startups
- Microbrewery
- Other great ideas



Three Rivers is a village in the Town of Palmer, Massachusetts, located between Boston, Hartford and New York. The downtown is a compact, pedestrian-friendly commercial area with one to three story buildings lining the sidewalks and a village center feel.

Top Ten Reasons to Locate Your Business in Downtown Three Rivers

1. Market opportunity --- over 45,000 potential customers living within 7 miles, and more than 200 employees work in the downtown district every day.
2. Easy access from the Mass Pike (Exit 8) and other Highways (Routes 32 and 20).
3. Regional cultural anchor -- very active and growing Palmer Historical and Cultural Center offering numerous performances and events throughout the year.
4. Waterside setting at the convergence of three rivers (with planned river walk).
5. Compact, walkable commercial district with beautiful bridges, vistas and wildlife.
6. Attractive town common offering serene workday respite and great venue for social events.
7. Affordable storefront and other commercial rental space.
8. Nearby recreational attractions that draw residents and out-of-town visitors.
9. Close to regional vocational high school, town offices, courthouse and office/industrial complexes.
10. Within commuting distance of several universities, including the University of Massachusetts Amherst.

For more information . . . Quaboag Hills Commercial Action Network, 413-283-2418, www.qhcan.com



Downtown Three Rivers is a hub for commercial, entertainment and recreation uses. Main Street contains a collection of retail and service establishments (e.g., bank, liquor, convenience goods, pizza, beauty / barber shops, law office, tutoring services, etc.) and the Palmer Technology Center, a 300,000 sq. ft. commercial complex. The Tech Center houses close to 20 businesses ranging from motorcycle seat manufacturing to artisanal chocolate production to day care. The district also features the Palmer Historical and Cultural Center, an architectural gem, that offers musical and theatrical performances. Hrynewicz Park, serves as a Town Common and the site of many events such as movie nights, summer concerts and a weekly farmers market.

The confluence of three rivers provides a picturesque backdrop for the district and an opportunity for recreational activities. The river is used for kayaking and fishing and is the site for a planned river walk. A large athletic field directly behind the commercial district is frequently used for soccer games and other sports. In addition, Pulaski Park, located a short distance from the district hosts several events including weekly music picnics, that draw hundreds of visitors, earning it recognition as the "Polka Capital of New England".

Currently, several underutilized properties offer opportunities for new businesses.

Business Mix

Food and Beverage Stores	4
Eating & Drinking Places	3
Entertainment	3
Home Improvement	1
Bank	1
Healthcare and Related Services	4
Professional Services	3
Children and Family-Related Services	5
Personal Services	2
Government Services	2
Manufacturing	4
Other	9
Total	41

Palmer Historical & Cultural Center (PHCC) Located in Downtown Three Rivers, this multipurpose performance center and function hall draws visitors from throughout the region. The 160-seat theater hosts live music, dramatic performances and other cultural events from September through June. With adjacent parking off Main Street, the Center is also a convenient space for weddings, showers and other private functions. Harmony Hall, the larger space, can hold up to 160 people with theater-style seating or 80 people with function-style seating, and the Villages Room is ideal for smaller gatherings.



Local residents (within 7 miles) spend \$72 million on dining and \$446 million on the types of retail goods that could be located right in Downtown!



Opportunity for New Businesses

7-Mile Trade Area

Over 45,000 residents live within 7 miles of Downtown Three Rivers. **The median household income in this area is \$64,716, within 5% of the State median and 21% higher than the U.S.**

The residents of this area spend approximately \$518 million at retail stores and restaurants each year. Close to 40%, (over \$190 million) is being spent outside of the trade area.

10-Mile Trade Area

Over 110,000 residents live within 10 miles of Downtown Three Rivers. **The median household income in this area is \$62,999, within 7% of the State median and 17% higher than the U.S.**

The residents of this area spend approximately \$1.2 billion on retail and restaurants each year. Close to 30% (over \$366 million) is being spent outside of the trade area.

* 2015 Estimates

Spending Power (millions)

Annual Expenditures	7 Mile	10 Mile
Furniture & Furnishings	\$16.80	\$39.99
Electronics, Appliances, Hardware, Building Materials	\$107.29	\$253.54
Food & Beverage Stores	\$103.96	\$247.57
Health & Personal Care Stores	\$44.64	\$106.65
Clothing & Accessories	\$39.04	\$93.31
Sporting Goods, Hobby, Books, Music	\$15.73	\$37.49
General Merchandise & Misc.	\$119.24	\$283.91
Eating & Drinking Places	\$71.54	\$169.85
Total	\$518	\$1,232

Demographics

2015	7 Mile	10 Mile	U.S.
Population & Households			
Population	45,239	110,011	—
Households	17,897	43,364	—
Median Age	44.5	43.1	37.9
Avg. Household Size	2.51	2.5	2.57
Households with Children	37%	37%	37%
Owner-Occupied	78%	76%	65%
Income			
Median HH Income	\$64,716	\$62,999	\$53,706
Average HH Income	\$81,815	\$80,435	\$74,165
Per Capita Income	\$32,367	\$31,706	\$28,114
Education			
Associates Degree +	38%	37%	37%
Bachelor Degree +	28%	28%	29%
Race & Ethnicity			
White	95%	89%	71%
African American	1%	4%	13%
Asian	1%	1%	5%
Other / >1 Race	3%	5%	11%
Hispanic Origin	3%	8%	18%
Age			
0 - 14	16%	17%	19%
15- 24	13%	13%	14%
25-44	21%	22%	26%
45-64	33%	31%	26%
65+	17%	17%	15%



“In 2013, I opened my retail showroom in the Palmer Technology Center in downtown Three Rivers. This location provides easy access for my customers and is a big asset for me when it comes to delivering my products throughout the region. Being a new business I had to consider the costs of rent and Three Rivers offers a great value for the price. The town common gives me a space to relax during my workday down time and the bridges allow me to enjoy bird watching, one of my favorite pastimes.

I’m really happy I picked downtown Three Rivers for my business location and would recommend it to anyone with a dream of opening or moving their business to an amazing town with lots of potential for growth.”

- Lenny Weake, Owner, Affordable Caskets and Urns



Area Attractions

- Palmer Historical & Cultural Center (PHCC)
- Pulaski Park, Polka Capital of New England (in Three Rivers)
- Railroad Research Center at Palmer Public Library
- World Famous Antique & Collectible Shows in nearby Brimfield (three times per year)
- Laviolette Field

Always Something Happening

- Three Rivers Farmer’s Market (weekly during the season)
- Shows, Music, Lectures & Movies at PHCC
- Polka picnics (weekly in summer) and other music events at Polaski Park and St. Stan’s Polish Club.
- Movie Nights and Concerts on the Common
- AMVETS Bingo and other events
- And more . . .



**Business Assistance
is Available!**

“Kids love the inviting space of my school in Three Rivers. This affordable location provides generous square footage for storage and comfortable studio space for our tutoring and creative workshops. The Main Street location offers easy drop off of students to my front door, and the back door opens onto an active ball park and municipal parking lot. We like doing business in downtown Three Rivers — it works for us and our customers.”

- Nancy Roy, Owner, Interactive School House, LLC



The Three Rivers Small Business Development Program sponsored by Town of Palmer & Three Rivers Chamber of Commerce can help with:

- location assistance, and
- in some cases, commercial rent subsidy may be available.

Through a partnership with Quaboag Valley CDC (www.qvcdc.org), businesses may be eligible for:

- Mini grants for business development services (e.g., accounting, legal, financial planning, marketing)
- Loans from \$500 to \$100,000
- Computer and Other Classes (e.g., Microsoft Office, QuickBooks, workforce training)