



CHAPTER 6

ECONOMIC DEVELOPMENT ELEMENT

Princeton is not a place that most people commute to for work, but rather a place that people call home. Residents tend to commute to jobs in nearby cities such as Worcester, Marlborough, Fitchburg and Leominster, and some travel as far as Boston and Cambridge every day. In fact, Princeton has a very small employment base, only a few businesses, and the smallest percentage of locally employed residents of any town in the immediate region.¹ For most people, living in Princeton means traveling to other communities for their livelihood, goods and services, health care and entertainment.

The absence of a noticeable commercial base reflects Princeton's location, land use policies and distance from major regional highways. Moreover, Princeton residents have historically opposed business growth. Out of concern that commercial development might change Princeton's appearance in unwanted ways, the town has not made it easy to establish and operate thriving businesses. Although Princeton has some business-zoned land, the districts are located in outlying areas and many of the parcels are severely constrained.

Princeton's economy does have more diversity than can be seen in standard employment and industry statistics. Farming and forestry make an important contribution to Princeton's economic base and the rural character of the town, yet for most communities in Massachusetts, including Princeton, commercial agriculture has declined significantly since the 1950s. Today, many

residents work inconspicuously as professionals, artists, contractors or service providers in what is euphemistically known as zero-commute employment: an office or a business at home. Some say the town has made it hard for them to thrive, too. Recreation and the arts represent vital pieces of the local economy, but cultural activities do not have a recognizable home in Princeton and this makes it hard for the town to nurture or promote ways of work that are fairly common in rural areas. Since most government sources of economic data omit the self-employed worker, it is difficult to measure the number of people who depend on their own home or space in Princeton's few commercial buildings as their regular place of employment. However, self-employment in a wide variety of industries clearly matters to many households in Princeton.

EXISTING CONDITIONS

Princeton lies along the northern boundary of two federally defined economic regions: the Worcester New England City and Town Area (NECTA) and the Worcester Primary Metropolitan Statistical Area (PMSA). Like other statistical areas mapped by federal authorities, NECTA regions generally correspond to major transportation routes and urban employment centers. Communities in the Worcester NECTA function as a labor market area, or a geographic unit within which people live and work, supplying most of the available labor pool for a region's industries. Princeton and the surrounding towns share economic ties with each other and the City of Worcester because they have direct access to Interstates 290, 190, 495, and 90, or indirect access through State Routes 140, 122, and 146 and regional arterials such as Routes 68, 62 and 31.

¹ U.S. Department of Commerce, Bureau of the Census, Census 2000, Summary File 3, Table P29, generated from American FactFinder at <<http://factfinder.census.gov/>>.

Similar principles apply to the geography of the Worcester PMSA, which is slightly different from the NECTA due to the criteria used to define metropolitan regions. North of Princeton, the Leominster-Fitchburg-Gardner NECTA and the Fitchburg-Leominster PMSA each consist of small cities and adjacent towns with direct or secondary access to Route 2.

The presence of a regional highway network makes Princeton somewhat accessible for industries that depend on highway access. A few of Princeton's industries – mainly trade and manufacturing – fall into this category. However, Princeton is not an ideal setting for major industrial development because even though it is served by three state-numbered routes, they are largely rural, two-lane roads that wind through the town, traversing its steep hills. In addition, access to Princeton from any regional highway requires travel through other small towns such as Westminster, Sterling and Holden. Princeton's rural road system nonetheless offers advantages to the hospitality, tourism and recreation industries that capitalize on natural and scenic resources such as Wachusett Mountain, so it is not surprising to find that these industries dominate the town's employment base.

Labor Force and Unemployment

More than 75% of Princeton's over-16 population is in the labor force, making Princeton one of the region's leading communities for labor force participation rate. Its labor force includes 1,077 men (58%) and 788 women (42%). While men make up a greater share of the labor force here than in other communities nearby or the state overall, the 788 women in Princeton's labor force represent a larger percentage of women over 16 (64%) than is the case in a majority of the region's cities and towns.

For Princeton, construction, management, and professional occupations tend to be weighted more heavily toward men while women are more likely to hold education, library, and administra-

tive support positions. These differences affect the earnings statistics for Princeton residents because the mean earnings of men with full-time jobs is 1.54 times greater than that of women with full-time jobs – an occupational wage gap exceeding that of all communities in the region except Sterling.²

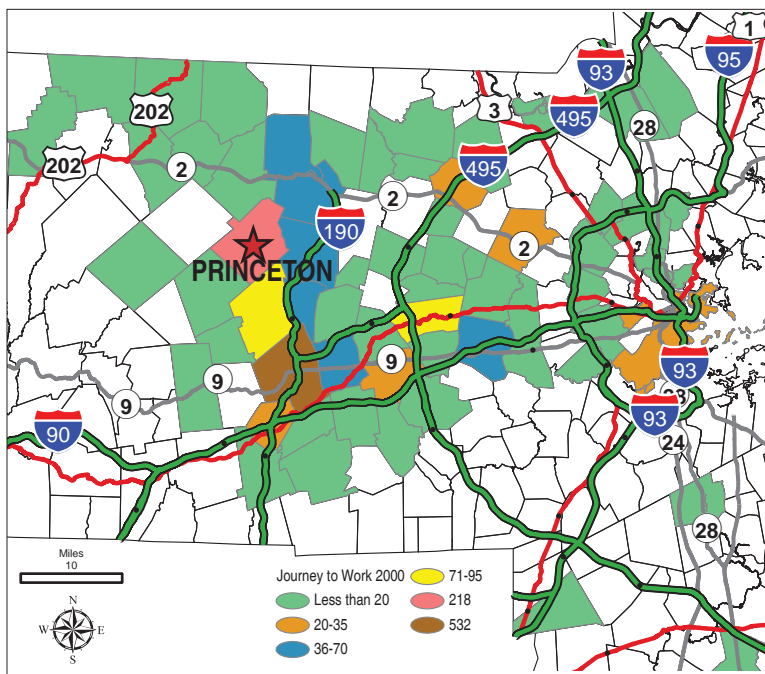
Princeton's unemployment rate has hovered within 1% of the statewide unemployment rate since 1999. Like the surrounding region, the town experienced significant joblessness in 1990 when its unemployment rate reached 6.1%.³ Changes in Princeton's unemployment rate coincide with fluctuations in the size of its labor force and regional economic conditions. In the mid-1990s, Princeton's unemployment rate began to fall as its labor force increased; in turn, these conditions were shaped by a rise in household formation rates and the emergence of economic recovery across the Commonwealth. Since Princeton offers very few job opportunities to its residents, the local economy has exerted less influence over unemployment trends than the economic well-being of Central Massachusetts and the state as a whole.

Journey to Work and Places of Employment

Princeton residents hold jobs in employment centers spread across four states. A very small percentage of the labor force (12%) is employed by local establishments. In contrast, 31% of all workers in the Commonwealth and 30% in Worcester County have jobs in their own communities. Nearly 30% of Princeton's labor force commutes to the City of Worcester, 5.2% to Marlborough, 3.5% to Fitchburg, 4.1% to Leominster, and 1.7% to Boston.

² Census 2000, Summary File 3, Tables QT-P24, DP-3, P49.

³ Commonwealth of Massachusetts, Divisions of Career Services and Unemployment Assistance, "Labor Force and Unemployment Data," Economic Data, <<http://www.detma.org>>.



Destinations of Princeton commuters, 2000. (U.S. Bureau of the Census, Journey to Work 2000.)

Interstate 290 provides access for a majority of Princeton commuters to jobs in Worcester, Shrewsbury, Marlborough, Auburn, and Hudson, while others commute along Route 2 to Concord, Littleton, Leominster, Maynard, Ayer, and Gardner. A total of 1,572 residents leave Princeton for jobs in other communities each day, and only 495 non-local people commute to jobs inside Princeton.⁴ Local residents seem to value the town's attractiveness more than the availability of employment opportunities, as seen through their willingness to commute out of town for employment.

Employment and Wages

Princeton's employment base is extremely small and not very diverse. Its 72 employer establishments are mainly service-providing industries that provide jobs to about 664 wage or salary workers. Compared to the state or Worcester County,

⁴ Census 2000, "MCD/County to MCD/County Worker Flow Files," Special Tabulations Series, <<http://www.census.gov/mp/www/spectab/specialtab.html>>.

Princeton has a disproportionately large percentage of services employment: 80% of its establishments and more than 92% of its total employment consists of service-providing industries such as transportation, trade, public utilities, professional services, personal services, health care, education, and leisure and hospitality.⁵ The latter plays a central role in Princeton's economy even though the industry accounts for only a fraction of the jobs held by local residents.

Wachusett Mountain offers a wide range of activities throughout the year, so it is not surprising to find that in 2004, the accommodations and food service industries comprised nearly 12% of Princeton's total employment.⁶ The Wachusett Mountain Ski Area is a major regional skiing facility, but its hiking trails and music festivals also attract many visitors during the summer. In the fall, it sponsors events such as the Applefest and Autumn Wine Celebration, and many activities for children.⁷

The ski area is a significant contributor to Princeton's employment base. While annual employment in accommodations and food services fluctuated slightly over the past four years, it has remained just above 11.7% and continues to serve as the largest source of jobs in Princeton. Still, employment in these industries is vulnerable to seasonal change. This can be seen in Princeton, where employment during the winter generally

⁵ Commonwealth of Massachusetts, Divisions of Career Services and Unemployment Assistance, "Employment and Wages by Industry and Area (ES-202)," Economic Data.

⁶ Division of Career Services, "ES-202."

⁷ Wachusett Mountain, <<http://www.wachusett.com/festivals/>> (23 September 2005).

TABLE 6.1: EMPLOYMENT LOCATION QUOTIENTS FOR PRINCETON AND WORCESTER COUNTY

Industry Class	Local Employment	County-to-State Ratio	Comparison Areas Princeton Ratios	
			To State	To County
Total, All Industries	664	1.00	1.00	1.00
Goods-Producing Industries	52	1.22	0.51	0.42
Construction	29	1.06	0.92	0.87
Manufacturing (Durable Goods)	22	1.30	0.32	0.25
Service-Providing Industries	612	0.96	1.09	1.13
Trade, Transportation and Utilities	46	1.03	0.36	0.35
Wholesale Trade	15	0.93	0.52	0.56
Retail Trade	16	1.07	0.21	0.20
Financial Activities	13	0.75	0.28	0.37
Professional and Business Services	29	0.82	0.31	0.38
Professional & Technical Services	17	0.61	0.36	0.59
Administrative & Waste Services	11	1.05	0.33	0.32
Education and Health Services	69	1.11	0.44	0.40
Accommodation and Food Services	78	0.97	1.52	1.58
Other Services	21	0.98	0.85	0.87

Source: Mass. Division of Career Services, ES-202, and COG. Data sets reflect 2004 employment conditions. Table 6.1 excludes industries not present in Princeton and should not be interpreted as a comprehensive profile of Worcester County's employment base.

exceeds the year-round average monthly employment by 66-68%.⁸

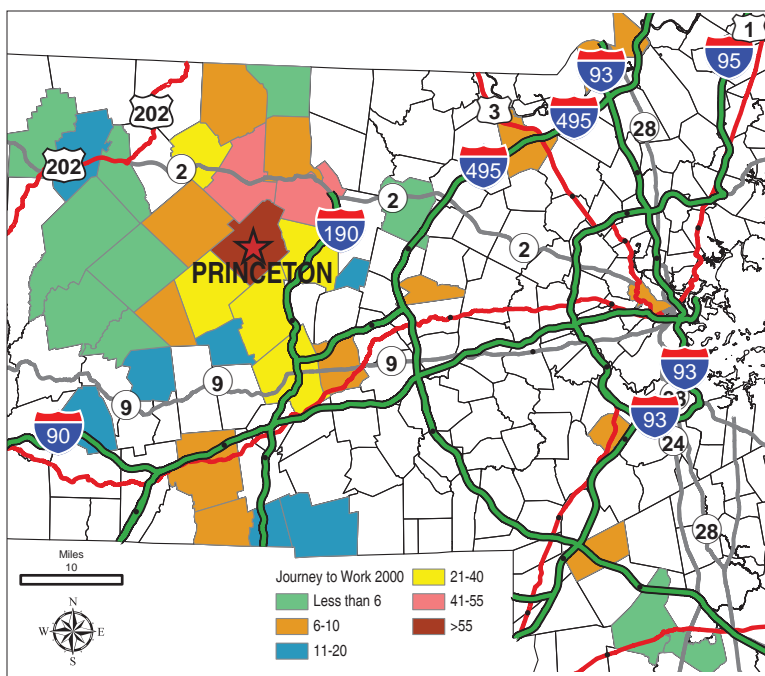
Location quotients offer a useful way to compare a community's employment base to that of a larger region, such as a county, a labor market area or state. A location quotient is the ratio of an industry's percentage of total employment in a community to its percentage of total employment in the comparison area. In general, a location quotient of <0.95 represents a relatively small industry, while a location quotient of 0.95-1.05 depicts an industry that provides about the same percentage of employment in the local economy and the larger geographic comparison area. For example, in Princeton, the manufacturing location quotient of .32 suggests that the percentage of local employment in this industry is very small compared to the percentage statewide. While a location quotient of >1.00 generally means that an industry is stronger locally than in the comparison

area, a very high location quotient, such as Princeton's 1.52 for accommodations and food services, suggests excessive reliance on a single industry.

Worcester County's employment base is unlike the state's in noteworthy ways, such as larger percentages of jobs in manufacturing, mining, public utilities and education services, so it would not be surprising to find similar employment base characteristics in a Worcester County community. The location quotients in Table 6-1 indicate that Princeton's economy is much different from that of the state and the county because a single industry – accommodations and food service – accounts for an unusually large share of all local employment.

Education, the construction trades and manufacturing generate a majority of Princeton's remaining employment, yet as a percentage of total employment, these industries are significantly underrepresented in Princeton relative to the region. Other industries with a presence in Princeton

⁸ Division of Career Services, "ES-202."



Origin of workers with jobs in Princeton, 2000. (U.S. Bureau of the Census, Journey to Work 2000.)

support so few jobs that often, their employment counts are withheld as “confidential.”

Leominster, Westminster, Gardner, Worcester, Holden and Rutland serve as the largest sources of non-local labor for Princeton employers. A small number of workers also commute from Worcester.⁹ Despite the high household incomes of Princeton residents, the average annual wage earned by people employed in Princeton is almost 50% lower than wages paid by the same industries elsewhere in the Commonwealth. As a result, Princeton’s low-wage profile is not explained entirely by the composition of its employment base. Even though wages paid for accommodations and food services employment have increased somewhat in the past four years, the average wage lags considerably behind that of the state as a whole and last year, it represented the second lowest weekly wage of all industries in Princeton.

⁹ Census 2000, “MCD/County to MCD/County Worker Flow Files.”

Furthermore, the overall average weekly wage in Princeton declined from 2001-2004 and most of the reduction occurred in two high-wage industries: finance and professional services. Princeton’s highest paying industry, wholesale trade, provides an average weekly wage of \$970 but employs only 15 people.¹⁰ Princeton’s regionally low wages and the seasonal fluctuations in its employment base make the town particularly dependent on labor from other communities.

Self-Employment

Although people often think that a local economy is defined by the number of businesses located in a town and the number of jobs they support, economic development involves more than commercial establishments. In rural areas, especially in towns with an affluent, well-educated population, it is fairly common to find many residents who work for themselves. This applies to Princeton, but it is hard to tell just how many residents are self-employed or where their businesses are located. Federal census data suggest that Princeton has a larger-than-average base of self-employment. Approximately 11% of Princeton’s employed residents own a business and nearly 20% of its households receive self-employment income from one or more family members.¹¹

Government agencies that track and report employment and wage data often overlook the self-employed because they obtain their information from employer payroll and unemployment insurance records. This means that for any given industry, the number of people working locally is often greater than it appears. Further, while

¹⁰ Division of Career Services, “ES-202.”

¹¹ Census 2000, Summary File 3, Tables P51, P60.

businesses are supposed to be registered with the town clerk, self-employed individuals and locally owned small businesses are almost always under-represented in local records.

Arts and Recreation

Princeton's self-employed population includes many artists, and despite the town's small size it has an impressive arts community. A number of non-profit and private organizations promote the arts in Princeton and foster appreciation of the town's cultural history. Their efforts directly contribute to the local economy by supporting the work of persons employed in the fine or performing arts. For example, the Princeton Arts Society encourages and supports local artists, and provides programs and exhibitions for its membership and the community. The Society hosts monthly arts programs and small exhibitions at its space in the Princeton Center Building, including lectures, demonstrations, hands-on workshops, and a weekly portraiture workshop.

The Princeton Cultural Council oversees the distribution of Massachusetts Cultural Council (MCC) grants to various groups and individuals in order to fund activities that serve the community and improve cultural offerings for Princeton residents. The group is positioning itself to be a more proactive organization, identifying cultural resource needs and encouraging specific types of cultural programming. For example, the Council hopes to bring an outdoor Shakespeare theatre production to Princeton this summer. In addition, the First Congregational Church and Wachusett Mountain Resort host music and theatrical performances and community-based events. The town's local newspaper, *The Princeton Outlook*, provides a community calendar and highlights local events.

The arts and outdoor recreation facilities seem to go hand-in-hand in Princeton. Wachusett Mountain Ski Area, a privately owned ski resort that operates on Wachusett Mountain under a lease with

the state, sponsors various seasonal festivals such as the multi-weekend AppleFest and KidsFest, a children's music and entertainment event. It also hosts musical events such as its annual BluesFest, a weekend festival with nationally-acclaimed bands, and periodic concerts in its restaurant lounge. In addition, the resort offers educational programs such as "Science on the Slopes" for school children.

At the Wachusett Meadow Wildlife Sanctuary, the Massachusetts Audubon Society offers nature programs, programs relating to the human history of the farm, and homeschool programs on topics such as Princeton settlers and settlement patterns. In September 2006, the Sanctuary celebrated its 50th anniversary with community activities reminiscent of the popular Hay Day celebrations held years ago. Also, the Wachusett Mountain State Reservation offers educational programs on natural resources and local history in addition to providing regional recreation opportunities. Finally, the town has engaged in promoting the arts and small business activity by converting the Princeton Center Building on Boylston Avenue into private office and community space for organizations such as the Princeton Historical Society and Princeton Arts Society.

Household Income

Compared to the surrounding region and most communities in the Commonwealth, Princeton is a very affluent town. Its median household income of \$80,993 significantly exceeds that of all communities nearby and is 1.6 times higher than the median household income for the state as a whole. Although Princeton's affluence is hardly new, its state rank for household income rose considerably from 1980-2000, displacing Paxton as the region's once-wealthiest community.¹²

¹² Massachusetts Department of Revenue, Division of Local Services, "Median Household Income, 1979-1999," Municipal Data Bank.

TABLE 6.2: ASSESSED VALUATION AND PERCENT SINGLE-FAMILY HOMES

Fiscal Year	Assessed Valuation		Taxable Parcels		
	Total	% Single-Family Homes	Total	Single-Family Parcels	% Single-Family Parcels
1997	\$227,342,484	82.6%	1,632	1,071	65.6%
1998	\$232,493,198	83.0%	1,617	1,085	67.1%
1999	\$245,556,628	84.0%	1,619	1,104	68.2%
2000	\$266,937,503	83.9%	1,613	1,113	69.0%
2001	\$281,391,188	84.4%	1,615	1,125	69.7%
2002	\$303,545,093	84.1%	1,621	1,137	70.1%
2003	\$366,541,926	85.4%	1,616	1,155	71.5%
2004	\$407,429,370	86.0%	1,618	1,170	72.3%
2005	\$446,591,452	86.3%	1,623	1,180	72.7%
2006	\$490,764,577	86.8%	1,630	1,192	73.1%
Change					
1997-2006	115.9%		-0.1%	11.3%	
2002-2006	61.7%		0.6%	4.8%	

Source: Massachusetts Department of Revenue, Municipal Data Bank.

Princeton households obtain most of their income from wage or salary employment (89.7%), but self-employment generates a larger share of household income in Princeton than in other communities nearby, with the exception of Paxton. A small percentage of Princeton households receive Social Security and retirement income and an even smaller percentage relies on some form of public assistance.¹³

Tax Base

Princeton's tax base has changed very little in the past ten years. A decade ago, residential taxes accounted for 95.9% of the town's total property tax levy while commercial taxes supplied a mere 2.7%. By FY 2006, residential taxes had increased to 97.5% and commercial taxes had declined to 1.7% of the total. The diminishing share of commercial property valuation in the tax base is largely due to the higher rate of growth in single-family home values relative to the value of commercial properties (Table 6.2).

Princeton's declining tax rate has gone hand-in-hand with an exponential rate of growth in assessed valuation, particularly residential valuation. Since Proposition 2 ½ restricts the amount of property tax revenue that cities and towns can raise each year, tax base growth does not automatically lead to equivalent revenue growth. Under Proposition 2 ½, municipalities are subject to a 2.5% cap on annual increases in the levy limit, plus a one-time base adjustment for the value of new growth that occurred during the previous fiscal year. The cap on levy limit growth applies unless voters approve a Proposition 2 ½ override.¹⁴ Some communities – including Princeton – do not tax their residents at the maximum permit-

¹³ Census 2000, Summary File 3, Tables P52, P60, P62, P65, P69.

¹⁴ Massachusetts Department of Revenue, Division of Local Services, "Assessed Values by Class" and "Tax Levy by Class." Princeton's last successful Proposition 2 ½ override occurred in FY 1989. The town approved successive annual overrides for FY 1983-1985 and later, for FY 1989. A small override for FY 1987 passed following defeat of a much larger one earlier in the year, as did proposed overrides for FY 1988 and 1990. According to the Department of Revenue, Princeton has not voted on an override since 1990. The town has approved debt exclusions for improvements to the Thomas Prince School and local roads.

ted by Proposition 2 ½, and they accrue what is known as “excess capacity.” From time to time, Princeton’s excess capacity has been tapped to cover growth in community service costs and the result has been a larger-than-usual increase in tax bills. For example, since 1997 the average tax bill has increased by \$157 per year, but in FY 2001, homeowners absorbed a \$371 tax bill increase at precisely the point that Princeton’s excess levy capacity dropped sharply.

Princeton taxes residential, commercial and industrial property at a uniform tax rate. This makes sense because Princeton has so few businesses and all of them are small. Today, the town has nine commercial properties with an average assessed value of \$702,480 and five industrial properties (three used as relay or transmission facilities by utility companies) with an average assessed value of \$307,055.

Excluding the member-only outdoor recreation organizations whose land is classified as commercial property, Princeton has only five parcels with active businesses: an auto repair shop and a few small retailers and eating establishments. The parcels actually used for business purposes contain a combined total of about 45.7 acres, scattered across Main Street, Worcester Road, Westminster Road and Hubbardston Road.¹⁵ It is clear from local records that Princeton also has a number of home-based businesses operating in residential areas, but since the businesses constitute an accessory use, the properties are assessed as a residential use, not a commercial use.

LOCAL & REGIONAL TRENDS

According to the Town Clerk, Princeton has 155 registered businesses. They include, in part, 30 professional offices (e.g., consultants, architects, financial advisors, etc.), 30 service businesses such as personal and domestic service, catering, repairs,

lawn care, etc., 22 construction trade businesses, and nearly 20 retail or sales businesses, about one-third of which operate from storefront locations. In addition, Princeton’s registered hospitality businesses include one inn and four restaurants, and about 10 farms and 10-12 artists also have registered businesses. There is not sufficient information to determine how many of Princeton’s registered businesses operate from home or in dedicated business locations, or whether all 155 are currently active.¹⁶

Business Areas

Princeton Business Park. The Business District in Princeton runs about 300 feet deep along both sides of Worcester Road (Route 31), and extends about one quarter mile north of the Holden town line for approximately one mile to the Princeton Municipal Light Department (PMLD) and the Mountain Barn Restaurant.

Except for the Wachusett Mountain State Reservation, the Worcester Road business district contains Princeton’s largest concentration of businesses. It currently includes the Business Park, the Post Office commercial building, the Mountain Barn Restaurant, PMLD, and a cell tower. The Business Park alone includes a collection of some 7-8 buildings with a combined total of 39,000± sq. ft. of space. They were built between 1938 and the late 1950s of brick, wood, metal, and more recently post and beam construction, and served as the locus of an antique auto museum.

Today, about nine businesses with more than 30 employees operate in the Business Park. One business, Photopanel of New England, employs eight people, including five residents of Princeton.¹⁷ Other businesses include manufacturing,

¹⁵ Princeton Assessor’s Office, Parcel Records Database (October 2005).

¹⁶ Princeton Town Clerk, Registered Businesses; data analysis by Larry Koff & Associates, December 2005

¹⁷ Bruce Jacobson, President, Photopanel of New England, Inc., interviewed by Larry Koff & Associates.

warehouse, sales and flex space (manufacturing/sales). The other major commercial property is a three-story, 25,000 sq. ft. building that is occupied by the Post Office and a mix of service, retail and professional tenants: a builder, insurance agent, dentist, a package store, and a bank. The remainder of the district is occupied by residential uses, leaving little expansion space for commercial activity.

East Princeton. The Business-Industrial District applies to two areas in Princeton. One is in East Princeton. However, the Business-Industrial District designation is a misnomer because there are very few business enterprises and no industry. Local businesses include the Town Line Garage, a Quick Stop convenience, and a local restaurant. Although this area was once served by a post office, the building is now vacant. In fact, most of the land in East Princeton's Business-Industrial District has been developed for homes.

West Princeton. While zoned for industry and bisected by a freight line that runs from Worcester to Gardner, the Business-Industrial District off Hubbardston Road currently has no business-industrial uses. Ownership, environmental and regulatory constraints severely limit the district's potential for industrial development, and it contains no viable sites for locating a rail siding.

North of Gates Road, most of the industrially zoned land is owned by the Department of Conservation and Recreation (DCR) and the town. Princeton's town-owned property includes a former landfill (6.7 acres) and a few additional parcels totaling 9± acres, divided by a 72-acre parcel owned by DCR. South of Gates Road, the remainder of the district is bisected by a brook that leads to the Quinapoxet Reservoir on the Princeton/Holden town line. The potential for industrial uses in this location is severely limited by the Watershed Protection Act, which regulates activity adjacent to streams that flow into the Quabbin and Wachusett Reservoirs and the Ware River. Unless the town's former landfill can be

developed as a site for a windmill or for generating biomass energy, it probably makes more sense to rezone this area for residential or open space uses.

Town Center. Princeton Center is not zoned for business today, but historically it included some small businesses. Since the center is residentially zoned, it has been very difficult to sustain or re-establish commercial and mixed use properties. A restaurant and retail space (a general store) consisting of about 4,300 sq. ft. in a single-story building is located at 23 Hubbardston Road, and a former gas station has been remediated and could be re-established for commercial uses.¹⁸

In keeping with a historic village center, there is a three-story, mixed-use building nearby at 2 Mountain Road, containing three upper-story apartments and 4,200 sq. ft. of currently vacant first-floor space. There is a second business site on Hubbardston Road with about 2,000 sq. ft. of space. These existing commercial spaces would be appropriate for small locally-oriented businesses such as restaurants, convenience food, or retail stores. However, since the uses are not allowed under current zoning, establishing them requires at least a special permit to change a non-conforming use, and possibly a variance. Princeton's zoning constrains viable uses of these properties.

Natural Resource-Based Industries

Agriculture. Land in Chapter 61, 61A and 61B agreements accounts for about 4,937 acres in Princeton: 54% (2,661 acres) under Chapter 61, 37.5% (1,855 acres) under Chapter 61A, and 8.5% (421 acres) under Chapter 61B. Most of the agricultural land is used for wood lots, forage crops and pasture, mainly for horses.

Princeton has not had a well-organized advocacy base for farming, although this is likely to change

¹⁸ Massachusetts Department of Environmental Protection, "Waste Site Cleanup Notifications and Status," searchable database at <<http://www.mass.gov/dep/cleanup/sites/sdown.htm>>.

TABLE 6.3: MAJOR ECOTOURISM RESOURCES IN PRINCETON

Attractions/Organization	Description	Activity
Wachusett Mountain (DCR)	2,250 acres in Westminster and Princeton	Skiing, hiking, hunting, fishing, education/ research
Wachusett Meadow Wildlife Sanctuary (Massachusetts Audubon Society)	1,200 acres	Hiking, wildlife viewing, visitor's center, education
Leominster State Forest (DCR)	4,300 acres in Westminster, Princeton, Leominster, Fitchburg and Sterling	Trails for hiking and mountain biking, swimming, kayaking, rock climbing, cross country skiing and snowmobiling
Mid-State Trail (Mid-State Trail Association, with cooperation of State Agencies and private property owners)	95 mile trail from Rhode Island to New Hampshire border	Hiking
Water resources (various owners)	Quinapoxet Reservoir, Wachusett Lake, and numerous other ponds in Princeton	Scenic attractions, offer hiking, fishing and bird watching
Agriculture (private owners)	(Acres in active use needs to be confirmed with the town)	Mostly wood lots, raising hay and crops, and keeping of animals, especially horses.

Compiled by Larry Koff and Associates (2006).

because the town has established an Agricultural Commission. Still, linkages between local farms and agricultural education, agri-tourism, or farm-based retail and “value-added” initiatives elsewhere in Central Massachusetts seem to be missing in Princeton. According to the Massachusetts Department of Agriculture, Sterling, Rutland, Holden and Hubbardston are among the Worcester County communities with agri-tourism farms. To date, this trend has not taken hold in Princeton.

Hospitality. Princeton’s largest hospitality facility, the historic Fernside Inn on Mountain Road, has been purchased by McLean Hospital for use as a rehabilitation center. There is now only one registered bed and breakfast operating in Princeton, the Harrington Farm restaurant.

Ecotourism. Wachusett Mountain offers fabulous views of Boston as well as the adjacent rural land-

scape, which includes vast amounts of parkland, recreation areas owned by gun and outdoor clubs, the Massachusetts Audubon Society and the Mid-State Trail Association. These organizations sponsor a variety of outdoor activities including hiking, biking, skiing, canoeing, hunting, camping and fishing, for the enjoyment of tourists as well as local residents. In addition, they offer educational programs and seasonal festivals that attract many visitors to the region (Table 6-3).

The tourist attractions provide spin-off economic benefits for local restaurants, bed and breakfast establishments, farms, and local craftsmen. Together, the attractions and the supporting hospitality businesses form a pattern of activities – **ecotourism** – which fosters the protection of open space and the appreciation of a rural life style. A business network, the Johnny Appleseed Trail Association, markets and promotes eco-tourism throughout the region. Princeton’s wind farm

could also provide another educational tourism attraction, demonstrating advanced potential for local generation of renewable energy.

PAST PLANS, STUDIES & REPORTS

Princeton's past master plan reports included several economic development recommendations, yet few have been implemented. In 1970, for example, Princeton's first master plan urged the town to consider eliminating the business-industrial district on Route 140 and designing a small, neighborhood-business oriented district in East Princeton. It also promoted preserving the town center as a traditional mixed-use area by rezoning land suitable for small business on Boylston Avenue. Similar proposals were made in 1975, 1980 and 1991.

The recurring theme in these studies continues today: should zoning policies reflect Princeton's past, current or future goals with respect to economic development? A comparison of current land uses to zoning districts indicates that the vast majority of land zoned for commercial or industrial development is occupied by residential uses or resources areas, primarily wetlands, which would prohibit these activities or create potential land use conflicts. While zoning does not permit commercial uses in the town center, which once supported a small collection of businesses, it is an appropriate location to continue some small-scale commercial activity. Moreover, residents seem to recognize the town center as Princeton's seat of social, cultural and civic activity because throughout this Master Plan process, many people have said they wish the town center had a coffee shop: an informal place that would encourage residents to gather and socialize. Ironically, Princeton's current zoning prohibits this.

ISSUES, CHALLENGES & OPPORTUNITIES

Economic Sustainability

Princeton's past experience with master plan implementation and the continued reluctance of residents to support economic development raise several planning concerns. Although it may seem that economic growth inherently conflicts with Princeton's interest in rural character, the reality is that Princeton – like countless communities in Central Massachusetts and the Berkshires – is gradually evolving as a small, affluent, low-density town with visual characteristics that resemble rural development. Princeton does not have a rural economy and most of its residents rely on suburban or urban areas for their livelihoods, goods and services, entertainment and culture, and health care. Contemporary rural communities typically have:

- Recognizable village nodes with a mix of residential, civic, institutional and commercial uses, with a different land use pattern than that found in outlying areas of the town;
- Natural assets – namely land and water resources – that once supported an agriculture-dependent economy, such as farming, forestry and fishing;
- An economy comprised of non-farm services and industries, often related to or inspired by agriculture-dependent land uses, such as recreation, tourism, value-added production, construction trades, educational institutions, and so forth; and
- A limited framework of roads that connect outlying areas to local villages and nearby population centers, i.e., the absence of cul-de-sac streets.

Princeton has some of these characteristics, yet the exclusion of a recognizable business base is

striking, particularly in light of the town's history. While residents of rural areas often travel to population centers for comparison goods, it is far less common for them to have few if any choices for convenience goods and basic services. Indeed, having to drive to an adjacent town to purchase food is indicative of non-sustainable development.

The roots of Princeton's skepticism about commercial development apparently run deep. In 1971, the town defeated proposals that would have made it possible to nurture a few small business areas and prevent business and industrial development on unsuitable land. In lieu of providing for a more organized pattern of commercial development, Princeton opted for policies that allow single-family homes in any location, even in industrial districts.

One consequence of this choice is that except for areas protected from development by ownership, perpetual restrictions or environmental regulations, Princeton has made all of its land developable for the most easily marketable, resource-consuming, and fiscally expensive land use: single-family homes. A second consequence is that Princeton's current growth pattern is almost exclusively auto-dependent. Third, by making it so difficult for people to live in and work in the same town, Princeton has fostered a nearly invisible community of entrepreneurs and small, locally owned businesses with no place to grow. Princeton has business districts, but for the most part the districts are either inappropriate for commercial uses or oriented externally, i.e., on the outskirts of town.

The alternative is an economic development policy that supports rural living and does not direct the impacts of one community's growth onto adjacent towns. It is possible to limit economic activity to a few appropriate locations where businesses can thrive, and to encourage small-scale businesses that provide meeting places or venues for local crafts/products. With the right design standards and development review procedures, high-value

professional services and small-scale, light manufacturing/research and development businesses that provide living wages and local employment are compatible with rural planning. Further, Princeton has opportunities to enhance farming and forestry as elements of the local economy, and the town recognized this by establishing an Agricultural Commission. However, preserving quality agricultural land with growth management tools and providing funds for conservation would help Princeton to achieve balanced development. Regulations that provide flexibility for farm owners to carry out limited retail, hospitality, and home-based business activities to generate additional income will be essential to any strategy to save farm and forestry land.

Ecotourism and environment-based businesses also have potential in Princeton. It is not unrealistic for Princeton to consider an economic development strategy that emphasizes environmental education and research, joint marketing of hospitality and ecotourism-related businesses with Wachusett Mountain Ski Resort, Massachusetts Audubon Society and other organizations, or allowing new, environmentally sustainable natural resource-based businesses. Through the efforts of the Princeton Municipal Light Department, Princeton has continued to pursue infrastructure improvements that benefit residents, local businesses and home-based workers, such as high-speed internet service. However, Princeton may need to be open to shared septic systems or small package treatment plants in order to facilitate some business development. Instituting or revising a local small business network would also make sense.

Fiscal Stability

Princeton depends almost entirely on residential property tax revenue to finance local government services. Without a contributing commercial base, homeowners will continue to absorb a higher tax burden as undeveloped land converts to residential development. Today, Princeton's privately-owned open space provides a nominal subsidy for

community services used by residents. However, virtually all of the remaining developable land is zoned for residential development. In addition, the existing pockets of business-zoned land will most likely convert to homes in the future because they are poorly suited for commercial or industrial uses.

Although all land uses generate costs, new residential development places more demands on municipal services than new commercial development. Unlike residential subdivisions, commercial development will largely be supported by existing infrastructure and place no burdens on public schools. A strategy to provide for Princeton's long-term fiscal well-being should emphasize preserving privately-owned open space and fostering limited commercial activities that are compatible with the town's rural development interests. For example, agriculture and agricultural businesses, eco-tourism, and renewable energy production could reduce some of the pressures of residential growth by generating a higher ratio of revenue to service costs. Even if the total amount of revenue is low, the associated growth in service costs will be even lower. Measures to control the fiscal impact of new development should not be limited to generating revenue; reducing the rate of growth in service costs is also important.

Existing Zoning

There is an undeniable mismatch between Princeton's commercial districts, the location and mix of businesses, and the goals that many Princeton residents have in mind for their town's future. A review of commercial land uses in Princeton indicates that some areas, particularly the town center, contain non-conforming commercial uses while business-zoned areas offer few if any opportunities for commercial use or expansion. Adjusting the boundaries and some of the uses permitted within these districts make them more responsive to local needs for economic livelihood and protect Princeton's interest in rural character.

Princeton Business Park. There is already a concentration of retail, service, and light manufacturing businesses in this district, but little room for expansion within the current zoning boundaries. Several abutting vacant parcels to the rear of PMLD and Mountain Barn Restaurant seem to provide an optimum expansion area. Together, these properties provide about 40 acres of additional land with few if any environmental constraints. Furthermore, Princeton has very few areas that are as well located to provide opportunities for local business development.

East Princeton. Between Hobbs Road and East Princeton Road, vacant land that is relatively unconstrained provides another, albeit limited opportunity for mixed-use development. One four-acre parcel is currently for sale in this area. Increasing the depth of the business district on the west side of Route 140 would make it possible to develop a traditional blend of homes and small businesses. Under current zoning, however, the remainder of the business district in this location will most likely be developed for low density residential or strip commercial uses.

West Princeton. Ownership and environmental constraints severely limit the potential for land in the Business-Industrial District to be developed for industrial uses. There may be opportunities to reuse the former landfill or to convert town-owned land in this location to some economic use, but these are remote possibilities and they require a level of capacity and financial investment that Princeton is not poised to provide.

Town Center. This historically mixed-use area is zoned for very-low-density residential development, which constrains the viability of the few remaining businesses and precludes the re-establishment of commercial uses that are appropriate for a New England town center. Changing the zoning to reflect the existing arrangement of density and uses could promote a sustainable plan for the town center and provide a limited opportunity for commercial and residential expansion.

In addition, some infill of vacant sites and better utilization of existing public facilities might reinforce the town center as a mixed-use village. For example, the Princeton Center School on Boylston Avenue contains about 6,000 sq. ft. The town currently makes some of space available to community groups and leases other space to professional office tenants. Perhaps the town should consider a different approach to the space and explore a more economically valuable mix of uses.¹⁹

Bagg Hall has a vacant second floor that cannot be utilized because it is inaccessible to persons with disabilities and has no heat. If these issues were resolved, the second floor might be able to support governmental activities and provide performing arts that Princeton does not have today. At the intersection of Worcester and Boylston Avenue, there is a town-owned parcel (Dingman Park) with 1.84 acres of land. According to available sources, the site once supported a small hotel that was destroyed by fire ca. 1915. It could most likely accommodate a mixed-use building and open space today, and thereby reinforce the historic village quality of this location. In general, Princeton needs a more focused approach to town center development in order to ensure the vitality and economic use of its historic properties. Preserving them in the long run will require more flexibility to respond to changing market conditions.

Development Standards. In all of Princeton's zoning districts, a conforming lot requires 87,120 sq. ft. of land with at least 43,560 sq. ft. of upland. New buildings must conform to minimum setbacks of 50' in front and 30' to the side and rear, and may cover up to 30% of the lot. The only difference in dimensional regulations between Princeton's residential and nonresidential districts involves building height; in a residential area, a building may not exceed 35 feet and 2.5

stories, and in a business area, 35 feet and three stories. For a relatively unconstrained lot in the Business District, the zoning bylaw allows a maximum building footprint of up to 26,136 sq. ft. (30%) and a maximum gross floor area of 78,408 sq. ft. (footprint x three stories). Though very unlikely, this is what the zoning bylaw permits *as of right*. In addition, the current bylaw does not require any minimum percentage of open space on a lot, it establishes no upper limit on impervious surfaces, and it has no off-street parking or landscaping requirements. These omissions mean that if on-site wastewater disposal requirements can be met, it is possible to "maximize" the use of a two-acre lot with a large building separated from the road by a parking lot.

Off-street parking is typically determined by a schedule in the zoning bylaw. Since Princeton has no off-street parking standards today, the developer – not the zoning bylaw – determines the amount of off-street parking. Depending on the mix of uses, the parking could be excessive or completely inadequate. Under current zoning, the number of spaces in a commercial development has no regulatory basis. Instead, off-street parking is a function of land not covered by a building and the market expectations of prospective tenants.

A more likely scenario is that Princeton will never see commercial buildings with 78,408 sq. ft. of floor area. The existing coverage ratio applied to a two-acre lot enables a large enough footprint to accommodate several small businesses in a one-story building, which does not comport with Princeton's architectural traditions and may actually detract from the town's character. The contrast between what the zoning bylaw allows and what is plausible in a very small town with difficult-to-develop land is obvious, yet neither scenario is consistent with what Princeton residents have described as the place they cherish today or would like to see tomorrow.

¹⁹ Bill Gagnier, Princeton property owner; interviewed by Larry Koff & Associates.

TABLE 6.4: HOME-BASED BUSINESS CLASSIFICATIONS AND SAMPLE ZONING CRITERIA

Business Type	Zoning Considerations
Consultants & Professional Services	Consider number of part time/full time employees allows to work on the premises, and amount and location of parking for employees or clients.
Crafts/Agriculture	Consider how much space should be provided for on-site sales, e.g., permanent or seasonal, indoor or outdoor. Consider kinds of sales, e.g., whether a farm stand should be allowed to increase the percentage of non-local products above the minimum in the state zoning act, and/or arts and crafts, ice cream, coffee or prepared foods for consumption on or off site. Consider whether to allow mixed-use structures, such as a shop or barn attached to home. Establish parking limitations. Consider whether to allow expanded signage.
Contractors	Consider what vehicles/equipment can be stored, whether indoors or outdoors, and whether screening is required. Consider whether to permit mixed-use structures.
Hospitality	Consider whether to broaden the definition of bed-and-breakfast to permit a larger number of rooms and a range of eco-tourism facilities, some of which could be combined with agriculture. In addition to lodging, consider whether home-based hospitality establishments can serve food, provide on-site event catering, or other cultural attractions.

At-Home Businesses

In Princeton, home-based businesses form a small but important portion of the town's economic base. Growth in home businesses can benefit Princeton because they provide a source of livelihood for residents and have minimal if any impacts on traffic or community character. Of course, home businesses can be detrimental when the business activities become too large, conspicuous or disruptive for residential areas. However, Princeton's home occupation zoning is quite prescriptive and places significant limits on the scale of home business operations. For example, not more than one person other than a resident can be regularly employed, signage is limited, and regular parking of commercial vehicles is prohibited. Although these kinds of controls are intended to protect a neighborhood, performance standards provide a better way to accomplish that end without discouraging self-employment.

Local Utilities

Wind Power. The Princeton Municipal Light Department (PMLD) currently operates eight small windmills and plans to install two larger towers extending some 230 feet. The new towers are expected to generate approximately 40% of

the town's electrical power, or about 9 million kw per year. PMLD hopes that making this investment will stabilize the cost of electricity for town residents and small businesses.

High-Speed Internet Service. The provision of high-speed internet access is another area in which PMLD has shown leadership to provide basic services for a modern rural lifestyle. High-speed internet access is extremely important for home-based businesses and residents, but until recently it was available to less than 30% of the town. In an effort to address this need, PMLD has pursued plans to design and build a distributed antennal system that would be owned and operated by the town. Residents will sign annual service contracts and pay a monthly rate for this service.

Other Infrastructure. Quality cell phone service and decentralized water and sewer service are also needed to facilitate the continued evolution of a modern rural life style in Princeton. These investments will need to be addressed by town officials working with wireless communication companies on one hand, and on the other hand, by town boards assuring that their regulations do not unduly restrict opportunities for shared septic systems and small package treatment facilities.

ECONOMIC DEVELOPMENT RECOMMENDATIONS

Home Occupations and Home-Based Businesses

Princeton should consider a different approach to regulating home occupations and small-business activity conducted from a home office or shop. For example, the zoning bylaw could encourage particular types of home occupations by allowing them by right, control others by a special permit process, and establish clear standards to ensure that no home-based business has an adverse impact on the character, environment or traffic of the surrounding neighborhood.

The range of issues associated with home-based businesses in Princeton can be understood by considering the industries into which most of the businesses fall: consulting/service related businesses, construction/contracting businesses, hospital-ity/crafts, and agriculture (Table E-4). Through special permit review and approval criteria, Princeton could establish reasonable standards for these business categories, provide flexibility to at-home entrepreneurs and simultaneously ensure adequate controls. In addition to establishing a regulatory framework for home-based commercial activity, some form of technical assistance, networking, or joint marketing may also help to support home-based business owners. Additionally, consideration should be given to businesses that provide support services – such as, computer maintenance or copy/mailing services – to complement home-based businesses, or for restaurant or retail enterprises to provide meeting places or outlets for marketing locally made products.

Business District Zoning

The Land Use Element of this Master Plan contains several recommendations for reorganizing Princeton's existing business districts, including district boundary modifications, new use regulations and dimensional regulations that make sense for business or mixed-use parcels, and develop-

ment standards to assure quality. Overall, the proposed changes would reduce the total amount of land zoned for business or industrial uses, reduce the risk of future land use conflicts, and promote small-scale businesses in existing or emerging commercial nodes: East Princeton, Worcester Road, and on a limited basis, the Town Center. It is clear that most residents participating in the Master Plan process do not want to encourage “commercialization” in Princeton, and the town is not well suited for some of the uses allowed under current zoning. At the same time, Princeton should continue to allow some business activity because its own residents need goods and services and they also need places to work.

Infrastructure

Princeton needs infrastructure improvements to serve residents and support local businesses. Wastewater disposal and water supply also have to be considered in providing a climate favorable for small businesses.

Agriculture

The loss of agricultural land changes a community's landscape and natural resource base; it also undermines fiscal stability and reduces the viability of remaining agricultural and eco-tourism enterprises. Promoting the economic success of farming will be critical to sustaining the economic value of undeveloped land. Toward this end, Princeton should support the work of its recently appointed Agricultural Commission.

A local agricultural commission can work with owners to promote land management and good farming practices, bring state and federal technical assistance and financial resources to Princeton farmers, and assist the Board of Health and farm animal owners to address public health and neighborhood impact issues. Also, local commissions often work with owners of large historic farm structures (agricultural outbuildings) to promote hospitality and eco-tourism.

Allowing limited expansion of non-agricultural commercial activities can provide alternatives for farms to diversify their income. State law provides for farm stands to sell non-local goods and products, and as long as farm owners comply with the law they can operate as exempt uses. To provide more viable opportunities, however, the town might consider allowing farm stands to exceed the state maximum (not more than 50% non-local goods) and possibly operate additional eco-tourism related businesses, such as an ice-cream stand, coffee house, restaurant, or retail shop. When farmers can diversify their merchandise and services, they have a much better shot at remaining open on a year-round basis and competing with non-farm retail establishments.

Ecotourism

Fostering ecotourism will serve to reinforce Princeton's rural character and facilitate the conservation of privately-owned open space. A challenge for Princeton is to take advantage of these resources and enhance cooperation between the town and the businesses, institutions, and state agencies that center on ecotourism. Increased coordination will help to ensure protection of the natural resources and rural landscapes on which ecotourism businesses rely – and which Princeton residents want to preserve. In addition, joint planning for programming, land conservation, and resource management should bring about enhanced benefits for everyone.

Promoting the Arts

While Princeton has an active arts community, it does not have a designated theater space or even adequate space within existing facilities to host large productions. Regional theaters such as Worcester's Foothills Theater and Calliope Theater in Boylston are some of the closest theaters in the region. Smaller productions are held at the Thomas Prince School and at the Wachusett Mountain Ski Resort, as well as musical programs at the Congregational Church. Although Bagg Hall has a stage on the second floor, this space is not accessible to persons with disabilities and it needs restoration work. The town should consider designing renovations for Bagg Hall to accommodate performance and exhibition space. It would not be difficult for Princeton to pursue linkages between agriculture, ecotourism, hospitality and the arts. These kinds of approaches to economic development would be very compatible with the town's image of itself and its goals for the future.

Organizational Capacity

Local business leaders should re-establish their organization and promote shared interests in matters such as reasonable zoning, adequate infrastructure, collaborative marketing and regional planning. Membership ought to include merchants, property and business owners, with representation from eco-tourism, farming, home occupations, service, non-profit organizations, and other businesses. Such efforts are usually most successful if the business association does not depend upon government support.

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