

**Town of Amherst
Economic Development Plan
Task 3: SWOT Analysis**

Pioneer Valley Planning Commission
June 2018

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Town of Amherst Economic Development Plan Strengths, Weaknesses, Opportunities and Threats (SWOT)

General SWOT Analysis

The general SWOT analysis addresses characteristics of the entire town of Amherst, while keeping a broad brush approach to two areas: 1) Tourism and Entertainment and 2) Business and Entrepreneurship, which receive greater attention in a separate section. Throughout the SWOT analysis, we want to note that strengths and weaknesses are internal factors, and threats and opportunities are generally external.

The process of developing the SWOT included a review of numerous plans and studies that have already been completed; news coverage of Amherst economic development-related activities; interviews with a number of key stakeholders; a general field survey and site visits to several new developments, and a public outreach process that included two public meetings to solicit feedback and a final meeting to discuss the results.

Key reports, plans and other documents reviewed included the following. The development permitting process was also reviewed.

- Amherst BID - Student Trends Analysis (2016)
- RKG Housing Market Study (2015)
- Downtown Parking Report (2015)
- UMass/Town of Amherst Housing and Economic Development Plan (2014)
- Amherst Housing Production Plan (2013)
- Franklin Hampshire Workforce Area: Labor Market Blueprint (2012)
- Urban Renewal Assessment, Vision and Action Steps for the Gateway Corridor Project (2011)
- Amherst Master Plan (2010)
- Amherst Parking Study (2008)
- Amherst Preservation Plan (2005)
- Amherst Open Space and Recreation Plan (Draft, 2003)
- Buildout Analysis and Future Growth Study (2002)
- Zoning Bylaw (as amended)

Interviewees included:

- Local realtors and developers
- Town officials and staff
- Business Improvement District (BID) staff
- Cultural site and museums staff

- UMass representatives

The town of Amherst is a semi-rural, or “exurban,” community in the Connecticut River Valley of western Massachusetts – an area known as the Pioneer Valley. As well as being a seat of higher education, Amherst has many of the qualities that people look for in a home or a vacation destination: it has a beautiful landscape, an appealing town center, and a vibrant culture of civic engagement. The major employers are stable, and while there has been some controversy and conflict over development, town residents are generally in support of certain types of development, as indicated by local surveys and town meeting votes.

The attraction of the town of Amherst for existing and potential residents is quite well described in a recent report by RKG Associates:

“A school like UMass Amherst offers similar quality entertainment and cultural amenities available in more urban environments at a lower cost and in a more pastoral setting. It is this attraction that spans across income and age groups; from the retirees that enjoy the activity and support offered in a college town to the service providers and laborers that make their living from the university’s presence. Similarly, many of the households seeking Amherst appreciate mixed income/diversity in their community. RKG estimates there are more than 1.1 million households in New England that find the lifestyle offered in Amherst desirable.” –RKG Housing Market Study, 2015

Amherst has extensive conservation lands and farmland, with about 20 small farming operations of various types, from community-supported agriculture operations growing vegetables and herbs to organic compost, nursery stock, horses, grass-fed beef, livestock, and lumber. There are 80 miles of trails in town, including those within the 3,000-acre Mount Holyoke Range State Park, situated along a 7-mile ridgeline at the southern border. Throughout the town are nine historic districts and seven individual historic properties listed on the National Register of Historic Places.

Amherst’s downtown includes several parks and public commons: the North and Main Commons, Sweetser Park, Kendrick Park, and the War Memorial Pool and playground. It is now a state-designated Cultural District and includes four National Register Historic Districts and five notable historic properties, most famously the home of poet Emily Dickinson. The town center is a destination for dining and drinking, shopping, and basic services. A post office, several banks, the Jones Library, and a pharmacy are all available within walking distance, along with clothing and book stores, bakeries, hair and nail salons, a copy shop, stationery store, and a convenience store. The downtown is covered by the Pioneer Valley Transit Authority bus service, with several stops; boasts a neighborhood-scale gas station; and will have a new “ValleyBike” bike-share available beginning in the summer of 2018. Finally, Amherst College with its numerous associated properties including the Lord Jeffery Inn are downtown.

North Amherst is a village center with new development including a second Atkins Farms store, the “Trolley Barn” and a new mixed-use development under construction. The Cherry Hill Golf Course and Puffers Pond are also in this area, and nearby Cushman Village has a general store with a café. South Amherst has the South Amherst Common and Munson Memorial Library; and Pomeroy Village is home to the Amherst Office Park and several other businesses and retail stores. Further south, the original Atkins Farms Country Store is in Atkins Corner along with the Yiddish Book Center, Eric Carle Museum and Hampshire College. East Amherst has the East Street Common and a concentration of services and retail shops, while University Drive has a larger concentration of shops and services, including a post office, Big Y supermarket, several restaurants, and a pharmacy. There is also a significant center of health care services in this area, including The Arbors Assisted Living and the Center for Extended Care.

The SWOT analysis begins with an inventory of significant attractions in the town and continues with an assessment of the related strengths, weaknesses, threats and opportunities.¹ The 2010 Town Master Plan, with its associated appendices, is extremely comprehensive and contains detailed inventories of housing, agriculture, open space, historic resources, land use data, and other town features. It should be consulted for more in-depth inventories of community features.

¹ For this analysis, the SWOT is done in an alternative order: Strengths, Weaknesses, Threats, and Opportunities (SWTO)

General SWOT Analysis

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| <p>Strengths</p> <ul style="list-style-type: none"> • Many studies and plans; extensive inventories • Home of UMass flagship campus and two highly regarded private colleges • Compact and robust town center • Vibrant, diverse residents, students, and faculty of all ages • Many cultural attractions • Productive farmland • Recreational open space • Appealing, thriving, historic New England town center in the Connecticut River Valley • University and colleges are major employers • Active civic involvement • Town residents support some types of new development: <ul style="list-style-type: none"> ○ Amherst Cinema ○ New music venue ○ Restaurants ○ Clean energy/high-tech incubator ○ Agriculture-based business and services ○ Tourism | <p>Weaknesses</p> <ul style="list-style-type: none"> • Somewhat isolated from region • Insufficient public transit service • Recommended zoning bylaw updates and overhaul not undertaken • Permitting process not streamlined |
| <p>Threats</p> <ul style="list-style-type: none"> • Competition from Boston area for students and start-ups • Risk of losing population and businesses • Demographic trends and changes in higher education could result in lower student enrollments • Widening income inequality • Potential loss of historic character | <p>Opportunities</p> <ul style="list-style-type: none"> • New Town Council form of government • Expand cultural tourism • High-tech spinoffs from University • New retail shops • Investigate potential: <ul style="list-style-type: none"> ○ More educational support services ○ Agricultural products ○ Other business clusters/industries |

Strengths

The Town of Amherst has been extensively studied and has numerous recent planning documents to guide it. Its location as the home of UMass’ flagship campus is distinctive and unique within the Commonwealth, and it also has two highly regarded private colleges within its borders. The town center is vibrant and thriving, while at the same time there is a wealth of preserved open space and farmland.

The Town's concerted efforts to preserve farmland have helped long-time farm families remain in business and have also made way for a number of organic and community-supported agricultural (CSA) operations. While there are a variety of opinions about new development in town, residents have wholeheartedly supported the Amherst Cinema, local restaurants, local agricultural operations, tourism, and international visitors. Residents have also expressed openness to a high tech business incubator.

Weaknesses

However, Amherst's physical location is distant from other centers of population and culture, and it risks losing residents and businesses. Conflicts over development can divide people, and more steps are needed to address development regulation. There is also a risk of losing the integrity of the historic landscape if too many individual historic buildings are lost.

Threats

The town faces competition from other regions for its college graduates and entrepreneurs, both from the Greater Springfield area and Greater Boston, as well as outside the state (particularly New York City, San Francisco, Seattle, and Portland). If student enrollment decreases, the economic impact of the schools will also decrease.

The town also risks losing some of its historic character as historic buildings and sites are one-by-one demolished or altered, particularly within existing historic districts.

Widening income inequality is a threat to the town's inclusivity, diversity, and welcoming environment, which in turn affects its desirability as a place to live.

Opportunities

There are some very promising opportunities in Amherst and many of these will be addressed in the next two sections of the SWOT. The industry analysis indicates there might be potential for educational support services and agricultural products, but the feasibility of these and other types of business should be investigated. Further, cultural tourism could be expanded, several new retail shops could thrive, and there may be potential for businesses related to marijuana research.

The new Town Council form of government will facilitate decision-making, as there are fewer parties involved and more opportunities for dialogue.

The expected expansion of the UMass student body may provide additional market opportunities for stores and services targeting college students.

Tourism and Entertainment

Asset Mapping and SWOT Analysis

This analysis addresses the arts, culture and recreational attractions that bring visitors to the town of Amherst. The town has a long history as a center of higher education, a place of active civic involvement, and an arts and culture hub, making it a destination for visitors from the region, the U.S., and internationally. Its role as a rural academic epicenter began with the establishment of Amherst College in 1821 and continued with the founding of the Massachusetts Agricultural College (now the University of Massachusetts) in 1863 and Hampshire College in 1970. All three schools have on-campus museums as well as arts events that draw faculty and students as well as a wider audience.

The town has also been home to a number of notables, including poet Emily Dickinson, whose home, garden and brother's neighboring house now draw over 13,000 visitors a year to Amherst. Others include Noah Webster, Robert Frost, and authors Helen Hunt Jackson and Augusten Burroughs. The Robert Frost Trail is part of a network of 80 miles of trails in town, which also include the long-distance Metacomet-Monadnock Trail and traverse the Mount Holyoke Range through the state park.

The SWOT analysis begins with an inventory of significant attractions in the town and continues with an assessment of the related strengths, weaknesses, threats and opportunities.²

² For this analysis, the SWOT is done in an alternative order: Strengths, Weaknesses, Threats, and Opportunities (SWTO)

Inventory of Assets in Amherst:

Attractions/Events/Activities

- Amherst Cultural District – state-designated district
- Emily Dickinson Museum
- Eric Carle Museum of Picture Book Art
- Yiddish Book Center
- Beneski Museum of Natural History, Amherst College
- The Strong House and Amherst History Museum
- Mead Art Museum, Amherst College
- Hampshire College Art Gallery
- University Museum of Contemporary Art, UMass/Amherst
- Burnett Gallery, Jones Library
- Amherst Cinema Arts Center
- UMass Fine Arts Center
- Amherst Arts Night Plus – 1st Thursday of the month
- Ko Festival of Performance, Ko Theater Works (held at Amherst College in the summer)
- #artcontinues
- LitFest (Literary Festival)
- Poetry Festival
- Jamherst
- Independence Day Celebration
- Taste of Amherst event
- WinterFest
- Sustainability Festival
- Rotary Fair
- Local farms (20)
- Golf courses (3)
- Hitchcock Center for the Environment
- Mt. Holyoke Range
- Puffers Pond
- Amethyst Brook
- Metacomet-Monadnock Trail (the M-M)
- Norwottuck Rail Trail
- Robert Frost Trail

Active Organizations

- Amherst Arts Night Plus
- Amherst Cultural District
- Business Improvement District (BID)
- Amherst Cinema Arts Center
- Amherst Media
- Hampshire County Regional Tourism Council (HCRTC)
- Five Colleges, Inc.

Regional Assets:

Several other major Hampshire County and Franklin County attractions are near Amherst and could be combined with a visit to Amherst:

- Mount Holyoke College Art Museum
- Smith College Museum of Art
- Yankee Candle Village
- Mount Sugarloaf State Reservation
- Historic Deerfield

Tourism and Entertainment SWOT Analysis

| | |
|---|--|
| <p>Strengths</p> <ul style="list-style-type: none"> • Popular destination due to broad range of cultural, historic, recreational attractions • Over 300,000 visitors per year • Attractions at higher education institutions • Arts Night Plus events • Amherst Center Cultural District • Part of Museums10 collaboration • Town-sponsored events • 80 miles of hiking trails, incl. Mount Holyoke Range State Park • Dining destination - \$8 m. surplus • Variety of lodging options: hotel, motel, inns, bed & breakfasts, Airbnbs • Visitors Center located downtown | <p>Weaknesses</p> <ul style="list-style-type: none"> • Competition from UMass for visitor spending • Insufficient tourism marketing budgets • Lack of evening activities • Lack of off-campus event/performance venues • Distance from other population centers • Perception of lack of parking • Students avoiding downtown/reduced demand for meals • Inconsistent hours at downtown shops • Lack of data to determine economic benefit to town and businesses from visitors |
| <p>Opportunities</p> <ul style="list-style-type: none"> • Increased and more coordinated marketing • Increased local spending related to college and university events • BID & local partners working to develop performance venue – potentially downtown • Wayfinding signage being developed • ValleyBike bikeshare • Existing marketing portals available • Enhance/expand existing events | <p>Threats</p> <ul style="list-style-type: none"> • Ongoing and increased competition for visitor spending from UMass and Northampton • Regional Tourism Council – little funding, no staff • Potential loss/decline of state tourism and/or cultural council funding • Loss of historic character • Increased hours for metered parking spots • Increased traffic congestion along Route 9 west • Potential impacts of Airbnbs on traditional lodging establishments • Potential impacts of Airbnb regulations |

Strengths

- 1) A broad range of cultural, historic, and recreational resources make Amherst a destination location, with over 300,000 visitors per year. This includes an estimated 75,000 to non-UMass attractions. Unique offerings include the Emily Dickinson Museum, Eric Carle Museum, and the Yiddish Book Center. The art-house cinema is the only such theater for at least 50 miles. The Mount Holyoke Range is a defining natural feature that offers miles of trails and remarkable views. The Beneski Museum of Natural History at Amherst College has an extraordinary collection of dinosaur footprints from the region, and the new Hitchcock Center for the Environment is one of fewer than ten “Living Buildings” in the world.

- 2) Attractions at the three higher education institutions in town bring additional visitors throughout the year. Summer events include conferences such as the Northeast Organic Farming Association (NOFA) conference at Hampshire College and the Ko Festival of Performance at Amherst College.
- 3) The town is a dining destination with an estimated “surplus” of \$8 million in spending on eating and drinking places annually – that is, \$8 m. more than local residents are spending on those amenities. Despite fewer students patronizing downtown restaurants, they have not disappeared entirely.
- 4) The local Amherst Arts Night Plus program is successful and growing.
- 5) Town events such as Taste of Amherst, Block Party, Restaurant Week, etc. draw residents as well as visitors from surrounding areas.
- 6) Five Colleges, Inc. is a successful collaboration that also promotes events at the colleges.
- 7) Museums10, affiliated with Five Colleges, Inc., is collaboration of local and regional museums that has coordinated and promoted events in the past and has a single web portal with a calendar of events.
- 8) Amherst Town Center was recently designated as a State Cultural District.
- 9) The town has a network of 80 miles of hiking trails, including the Mt. Holyoke Range State Park.
- 10) There are a variety of lodging options. Hotel UMass has 116 rooms; the University Lodge has 20 motel-style rooms; there are 12 local inns and bed & breakfast facilities; and there are dozens of Airbnbs (at least 70 on a recent count).
- 11) A local visitors’ center is located in a downtown storefront in a central location.
- 12) ValleyBike bikeshare is coming to the town and the region and will allow visitors to pedal between downtown Amherst and UMass campus as well as to Northampton on the bike trail.
- 13) The BID and local developers are working to develop a music venue downtown, with current discussions happening with the Masonic Lodge (Pacific Lodge).

Weaknesses

- 1) Access/transportation to Amherst – Amherst is “off the beaten path,” which is one of its charms. However, this makes it a bit isolated and may seem distant for visitors traveling along the I-91 corridor and visiting other area attractions.
- 2) There are few venues in which to hold events, performances, etc. outside of the university and college campuses.
- 3) Parking is perceived to be very limited downtown. In some areas, metering may be too restrictive.
- 4) Insufficient marketing budgets at the Regional Tourism Council, Amherst Chamber of Commerce and the BID.
- 5) Museums10 is no longer holding joint events and programs.
- 6) Lack of evening activities other than restaurants.

- 7) Distance from other population centers – For those traveling via I-91, Amherst is 17-20 minutes from the exit, while Northampton is less than five minutes away. Although Amherst has unique offerings, it is 40-50 minutes from the greater Springfield area and 30 minutes from Greenfield.
- 8) Traffic on Route 9 can be heavy and slow. Frequent and ongoing construction on the route also slows travel.
- 9) Perception of lack of parking – although there are many small parking lots and a significant amount of street parking, residents and visitors have expressed a wish for more parking.
- 10) Some metered parking spots now have extended hours, until 8 p.m., versus 6 p.m. for other spaces and elsewhere in the region. This exacerbates the impression of lack of parking.
- 11) Students have indicated that they do not feel welcome downtown; and they now have excellent dining options on-campus and do not need downtown restaurants.

Threats

- 1) UMass resources are substantial and growing; events and resources at the University are major attractions and can keep visitors on campus for extended periods. For example, the campus has its own hotel and dining facilities, including a higher-end restaurant, the University Club.
- 2) Development along the Route 9 corridor has increased and will continue to grow, thus making the major route into Amherst more time-consuming and less attractive.
- 3) Ongoing and increased competition from UMass and Northampton could suppress tourism and entertainment growth in Amherst.
- 4) The Regional Tourism Council has little funding, and no staff, due to reduced state tourism funding. This funding could remain low or could be further reduced. State cultural council funding is also at a low point.
- 5) Loss of historic character is a concern, if historic buildings and features are lost to redevelopment.
- 6) The traditional inns and B&Bs in Amherst have reported that they are losing visitors to Airbnbs. Legislation to regulate short-term rentals is under way, but the outcome is still unknown –both for what the legislation will be and the impact it will have.

Opportunities

- 1) UMass is a major attraction for many events, and visitors to on-campus events will often frequent off-campus venues. They may visit Amherst Center bars, restaurants, and other shops beforehand or afterwards. Similarly, visitors to Amherst College and Hampshire College can partake of local resources, including those at the smaller village centers.
- 2) Directors and owners of local attractions can work together and coordinate efforts to increase attendance at all venues. Visitor data from each attraction can be used to help coordinate marketing efforts.
- 3) The Hampshire County RTC website provides the opportunity to submit updated listings and information, such as events and new businesses: www.visithampshirecounty.com.

- 4) The new ValleyBike bike share program presents an opportunity to enhance access and visibility through an alternative mode of transportation and related publicity.
- 5) A wayfinding plan was developed and signs are in production.
- 6) With GPS systems, travelers can easily find alternate routes to the Route 9 access into town. The town may wish to encourage one or more alternative routes as scenic routes for tourists and visitors.
- 7) Existing events can be expanded or enhanced to result in increased local spending.
- 8) A downtown performance venue would be a significant draw and would result in more restaurant and bar patrons.
- 9) Existing marketing portals are available, such as the RTC and Museums10 websites.

Business and Entrepreneurship

Asset Mapping and SWOT Analysis

This analysis addresses the business environment and entrepreneurial ecosystem in Amherst. The presence of the flagship campus of the University of Massachusetts affects the local business environment in myriad ways, from creating a market of students to influencing the type of businesses that locate in the town. UMass has tremendous resources that can be tapped, including entrepreneurship support for students who may remain in the area. The two private colleges in Amherst also have entrepreneurship resources, particularly Hampshire College.

The town's business climate is based on a long history of educational services and education-related businesses and non-profits, as well as a significant health and social services sector. Due to the growth of a higher-income class in town, there is also a demand for personal and household services such as architectural design, landscaping, catering, interior design, and more.

The SWOT analysis begins with an inventory of business and entrepreneurship resources in the town and continues with an assessment of the related strengths, weaknesses, threats and opportunities.³

³ For this analysis, the SWOT is done in an alternative order: Strengths, Weaknesses, Threats, and Opportunities (SWTO)

Business and Entrepreneurship SWOT Analysis

| Strengths | Weaknesses |
|--|---|
| <p>TALENT</p> <ul style="list-style-type: none"> • Highly educated workforce • Prominent academics in variety of disciplines at UMass/Amherst/Hampshire <p>MARKET DEMAND</p> <ul style="list-style-type: none"> • Students • Upper-income households • Diverse visitors <p>BUSINESS SUPPORT- COLLABORATION (all fairly recent – within last five years)</p> <ul style="list-style-type: none"> • Business Improvement District (BID) and storefront office presence • Establishment of Economic Development Director position • Town Permits Administrator • AmherstWorks (part of Workbar network) • UMass initiatives – commercialization and spinoffs <p>ATTRACTIONS/AMENITIES</p> <ul style="list-style-type: none"> • Compact, walkable town center • Dining destination - wide range of options • Variety of retail shops; few vacancies • Cultural, historic, and recreational attractions • Farmers’ Market • Independent bookstores • Inns and B&Bs • Airbnbs allow higher visitor numbers • Downtown Visitors Center <p>NEW BUSINESS</p> <ul style="list-style-type: none"> • Local developers collaborate on projects • UMass’ presence serves as an incentive for larger businesses to locate satellite offices • MassMutual Data Labs downtown • ALKU office downtown • New medical marijuana business • Two new restaurants coming | <p>INSUFFICIENT BUSINESS SUPPORT/PROMOTION</p> <ul style="list-style-type: none"> • No local small business support organization • Regional Tourism Council - little funding, no staff • Lack of awareness of UMass commercialization activities (town staff/officials, business/development community) • Very little local venture capital • Kayon Accelerator did not succeed <p>OBSTACLES TO DEVELOPMENT</p> <ul style="list-style-type: none"> • Lack of existing vacant land that is commercially zoned • Lack of existing office or lab space, particularly 5K+ square feet • Development review and permitting processes are complex/confusing and time-consuming • High cost of land • High property taxes • Local opposition to development <p>OTHER</p> <ul style="list-style-type: none"> • Zoning Bylaw is source of debate and contention • Retail leakage to Hadley |

| Opportunities | Threats |
|---|--|
| <p>LOCAL GOVERNMENT</p> <ul style="list-style-type: none"> • Revisit/re-evaluate zoning and permitting process • Redevelop/infill existing commercial centers • Downtown fire station building may become available for private development • Encourage living and working in Amherst and adjacent communities • High-tech incubator: potential revenue-sharing with Hadley • Potential revenue from Airbnbs <p>BUSINESS SUPPORT</p> <ul style="list-style-type: none"> • AmherstWorks and Workbar network • Wayfinding signage and amenities • Local venture capitalists, incl. Alchemy Fund • Valley Venture Mentors local programming • BID initiatives <ul style="list-style-type: none"> ○ Performance venue ○ Increase student patronage ○ Streetscaping • Regional resources - VVM, Common Capital etc. <p>UMASS IMPACT</p> <ul style="list-style-type: none"> • Potential for startups coming out of UMass • Potential for large companies to locate satellite offices near UMass • Graduates want to live and work in area • Potential high-tech incubator • UMass Amherst initiatives <ul style="list-style-type: none"> ○ Technology Transfer Office facilitating spinoffs ○ Berthiaume Center for Entrepreneurship ○ Institute for Applied Life Sciences - Isenberg/IALS Innovation Fellows Program ○ UMass-Industry collaborations hire local talent ○ IALS “Collaboratories” and 30 Core facilities ○ UMass Innovation Challenge competition ○ Isenberg Consulting Clubs ○ Hack UMass ○ Maroon Venture Partners Fund ○ UMass property in “Gateway” area <p><i>Cont’d next page</i></p> | <p>LACK OF FUNDING/SUPPORT</p> <ul style="list-style-type: none"> • Potential loss of state tourism funding <p>INCREASED COSTS</p> <ul style="list-style-type: none"> • Increasing taxes (residential and commercial/industrial) <p>DEVELOPMENT TRENDS</p> <ul style="list-style-type: none"> • Increased Route 9 development: traffic congestion and retail draw • Requirements/demand for long-term leases • Unclear future of lodging regulations • Zoning restrictions of concern • Demand for parking |

NEW BUSINESS

- Medical marijuana – health impacts research
- Dining + Evening Activities
- New housing projects may create new retail demand
- Retail demand for up to 5-6 new stores
- Well-educated, upper income households – upscale retail market opportunity
- Service-oriented firms out of UMass

Inventory of Assets in Amherst:

Business Support Organizations/Resources

- Amherst Business Improvement District (BID)
- Amherst Area Chamber of Commerce
- AmherstWorks co-working space (part of Workbar network)
- Hack UMass
- Isenberg Undergraduate Consulting Club
- Isenberg MBA Consulting Club
- IALS co-labs
- Berthiaume Center for Entrepreneurship
- UMass Innovation Challenge Competition
- Berthiaume Summer Accelerator Program
- Maroon Venture Partners Fund
- Grinspoon Entrepreneurship Initiative
- Hampshire College programs (e.g. SEED fund, Hampshire Hack)
- Amherst College programs (Hack Amherst)
- MSBDC

Regional Assets:

A number of resources in the region are available to local businesses and entrepreneurs:

- Common Capital
- Long River Ventures
- River Valley Investors
- Valley Venture Mentors
- PV Grows
- Valley Community Development Corporation (CDC)
- Western Mass SCORE
- Western Regional Office of the Massachusetts Small Business Development Center (MSBDC)
- Economic Development Council of Western Massachusetts (EDC)

Strengths

TALENT

Town residents are highly educated, which makes them an attractive workforce for certain industries. University and industry collaborations sometimes result in the hiring of local graduates and residents. Additionally, the academic talent in the community is very deep and broad.

MARKET DEMAND

This all translates into strong markets for goods and services – from students and residents, and also from commuters and diverse visitors from all over the country and internationally.

BUSINESS SUPPORT/COLLABORATION

A number of business support initiatives are very recent. They are positive signs and demonstrate a proactive and collaborative economic development approach on the part of the Town, local businesses, local developers, and UMass.

The Town now has a permits administrator and economic development director.

ATTRACTIONS/AMENITIES

The characteristics of downtown make it a very desirable place to have a business, which has translated into very low commercial vacancy rates. This in turn means almost no vacant storefronts and therefore a more appealing downtown. The village centers also have amenities and have attracted new development recently, particularly in South and North Amherst.

NEW BUSINESS

Collaboration is a key ingredient here, and the presence of UMass is a strong positive. The MassMutual Data Lab brings more workers downtown and contributes to its image as not just a place to go out to eat, but a place to live and work. The new marijuana laws have already resulted in a new business.

Weaknesses

LACK OF BUSINESS SUPPORT/PROMOTION

At the moment, there is no local small business support organization that provides startup resources, mentoring, advisory services and training. The Massachusetts Small Business Development Center (MSBDC) has a satellite office in Amherst but staff is only there for appointments made in advance (no walk-ins). The Regional Tourism Council doesn't have staff right now. State tourism funding is very low right now, which is affecting all of the RTCs.

The collaboration and partnership between UMass and the Town on business issues is still very new, and most of what is happening at UMass is out of sight.

The Kayon Accelerator did not succeed because there were insufficient businesses at the right stage of growth to be able to take advantage of the services.

OBSTACLES TO DEVELOPMENT

Little commercially zoned land is available for development, and redevelopment and infill in existing commercial centers is complicated, time-consuming and sometimes entails loss of historic buildings. There are few areas zoned for research parks that are not already developed. Land is expensive and taxes are relatively high. The current office and research park areas do not have room for expansion. When existing office space does become available, the rent is high relative to surrounding areas. UMass spinoffs must generally search for space in nearby towns, in the urban areas of the Pioneer Valley, or in the Boston area. One of the difficulties in creating new office space in town is that developers generally need long-term leases and it's difficult to find tenants who are willing or able to commit.

The development process is also complicated and time-consuming for all concerned. The zoning bylaw is complex, with a high number of zoning classifications throughout town and numerous overlay districts, especially downtown where there are multiple combinations of zoning districts and overlays.

The BID is working with the Town on these issues, but a more comprehensive approach is needed. Development review and permitting processes are complicated and prolong the development time frame, and are therefore challenging and expensive for developers, restricting some appropriate and desirable business and economic development.

DETERRENTS TO VISITORS

Amherst is "off the beaten path," which is one of its charms. However, this makes it a bit isolated and may seem distant for visitors traveling along the I-91 corridor and visiting other area attractions. There have recently been transit cuts, limiting access for those who choose not to drive or don't have cars, and traffic can be quite congested at times. Parking is perceived to be limited downtown, partly because people may be unable or unwilling to walk more than a short distance to their destination. Parking lots may be cramped and the walking experience may be less than ideal in some places. In some areas, metering may be too restrictive. Parking is now metered until 8 p.m., which is unique in the region and may be a deterrent to downtown visitors.

OTHER

The retail market study showed that there is significant retail leakage just outside of town, and this is undoubtedly because of the businesses along Route 9 in Hadley. Therefore, certain types of businesses may not do well in Amherst because of this, including retail stores selling building materials and supplies; electronics and appliances; auto parts; sporting goods; and furniture.

There has been a recent wave of restaurant turnovers – these are natural, because the failure rate for new businesses is relatively high, but it can spark concerns (however, there are two new restaurants already coming in).

The newness of UMass commercialization efforts means that many in the business and development community are not aware of how much is now happening.

There is some anti-development sentiment in town, partly caused by recent developments that may not conform to the vision that residents had and that they thought were expressed in the Town's master plan.

Threats

LACK OF FUNDING/SUPPORT

State tourism funding has been low for several years; if this continues, it will continue to adversely affect the local tourism industry.

INCREASED COSTS

Taxes are increasing to keep up with demand for public services.

DEVELOPMENT TRENDS

Development along the Route 9 corridor has increased and will continue to grow, thus making the major route into Amherst more time-consuming and less attractive.

Students have indicated that they don't always feel welcome downtown, and they may stay away in larger numbers, given the multitude of dining, shopping and entertainment options on campus. Dining options on campus have improved significantly over the past decade, and thus downtown restaurants are less alluring.

The traditional inns and B&Bs in Amherst have reported that they are losing visitors to Airbnbs. Traditional lodging establishments are regulated and insured, sustaining costs that Airbnbs have not had. Legislation is being developed in Massachusetts to tax and possibly regulate Airbnbs and other short-term rentals, as well as provide the town with the option to levy an additional local tax, but the outcome is still unknown, in terms of the specifics of the legislation and the impact it will have. The pros and cons of this should be carefully considered.

In terms of new construction, developers want 10-year leases for new office space, to which few tenants are willing or able to commit.

Opportunities

LOCAL GOVERNMENT

Amherst now has the opportunity to undertake a comprehensive review of the existing master plan and zoning laws. Permitting can also be streamlined. The Town can encourage redevelopment and infill of existing commercial areas, especially with an eye to redeveloping historic buildings. The recent collaboration between UMass and the Town was extremely fruitful and led to several positive new steps, and continuing to collaborate would be ideal. The new Economic Development Director could take on some of these projects, possibly assisting small businesses with local regulations, finding space, and navigating their first few years in town.

BUSINESS SUPPORT

The creation of the Business Improvement District (BID) has given downtown stakeholders a resource to pursue new initiatives and projects, and a number of things are in the works. Wayfinding signage should be very helpful in encouraging visitors to spend more time here.

The Town can tap into regional resources – Valley Venture Mentors sometimes holds events in Amherst and could be encouraged, and local businesses could be made aware of the MSBDC resource so that they will begin to book appointments. Local venture capitalists may begin to pay more attention to Amherst as some of the other factors start to improve.

The AmherstWorks space is part of the Workbar network in the Boston area, and members can visit back and forth, so there's potential for AmherstWorks to help local startups connect with Boston-area resources and for Boston startups to explore relocation options in Amherst.

UMASS IMPACT

UMass resources are substantial and growing, and in particular, the University has accelerated efforts to commercialize research and incubate start-ups.

Over the past five years, UMass has made significant changes in the way it approaches commercialization, with several entities devoted to assisting the process. The **Technology Transfer Office (TTO)** is working closely with faculty to bring their inventions to market by licensing patents and/or by assisting them with starting a new business. These businesses may be utilizing innovations or market opportunities in technology, but the TTO is expanding to work in other fields such as creative arts or education and training. Staff at the TTO and the **Berthiaume Center for Entrepreneurship** are available to help incubate these small spinoff enterprises in-house until they reach the size of about two to three employees. The Berthiaume Center provides a wealth of resources to student, faculty and alumni entrepreneurs and sponsors an Innovation Challenge, a cross-campus entrepreneurship competition that helps launch promising ventures. Once the business is large enough, UMass works with them to seek nearby space (although at this time there are few options within the town of Amherst).

The **UMass Innovation Institute (UMII)** at the University of Massachusetts Amherst is helping faculty work with industry partners to conduct research and commercialize the output. UMII serves as a single point of contact for industry and helps to secure collaborations and set up funding mechanisms for ongoing projects. The Institute also works with the Technology Transfer Office for technology translation to industry and connections to investors and entrepreneurs. As part of these activities, it enables access to University facilities for outside users, particularly within the **Institute for Applied Life Sciences (IALS)**. IALS now has 30 state-of-the-art core research facilities accessible to industry, as well as two labs for startup companies in need of space, known as "Collaboratories." These core facilities are being utilized by established companies for projects involving precision manufacturing, 3-D technology, biotechnology and other emerging areas. This is an added asset to the region that benefits local industry, raises Amherst's profile, and can lead to new and expanded markets and business growth.

The UMass **Institute for Applied Life Sciences (IALS)** also sponsors the Isenberg/IALS Innovation Fellows Program, wherein MBA candidates work with UMass faculty and graduate students to help commercialize their research. University and industry collaborations sometimes result in the industries hiring local graduates and other local talent.

Through the efforts described above, there are about five start-ups coming out of UMass Amherst in 2018, with a number of others in various stages of development (about 16-17 total). One recent startup has remained in Amherst, while others have moved to the 495 or 128 areas.

There has been interest in developing a high-technology business incubator in Amherst for the past 15 years or so – and this is a significant opportunity. With a review of the master plan and zoning laws, perhaps potential incubator space can be found in Amherst. Areas that meet the necessary criteria but are zoned for an incompatible use could be rezoned or placed under a Research and Development Overlay for the purpose of developing a University-related business incubator.

In the meantime, the Town can benefit from business development in adjacent communities, where affordable office and incubator space is available. Young companies can locate near the University while they are still in the fledgling stage and can still take advantage of the resources there. Since Amherst is a regional draw for dining and entertainment, additional residents in the adjacent towns will most

certainly translate into increased attendance at local restaurants and attractions and possibly increased retail spending. Ultimately, some of these businesses could relocate into Amherst, hire Amherst residents, and/or provide services to Amherst residents. Other communities have worked out revenue-sharing arrangements with adjacent towns for shared research park facilities, and this could be investigated.

Finally, these strengths of UMass and the local colleges can be brought forward so that more people know about them. This will raise the town's profile and potentially bring more investors, business support programs (such as VVM), and other interested parties to the table.

COLLEGES

Both Amherst College and Hampshire College also have entrepreneurship resources for students, and these present opportunities to encourage local start-ups. Amherst College has a course in entrepreneurship, the Amherst College Entrepreneurship Society, and a Social Innovation Leadership Team which addresses social entrepreneurship. Hampshire College has a program in entrepreneurship, with dedicated faculty and staff, and offers courses at Hampshire as well as through the Five-College Consortium. Hampshire has an entrepreneurship internship program, a student-run investment fund for startups, and a Center for Design which serves as a maker-space for artists, designers and entrepreneurs. Both schools also helps students connect with resources at UMass and other institutions.

NEW BUSINESS/ ADDITIONAL VISITORS

With a review of the master plan and zoning laws, and potential changes to the map and regulations, perhaps potential incubator space can be found. Although land is limited for growth and development, existing business centers can sustain higher densities than they do currently.

Some possible new development might include:

- Medical and recreational marijuana
- New restaurants
- Additional retail shops – up to 5 or 6 and generally upscale
- A new music venue
- Other small firms with roots at UMass that cater to an upscale market, such as landscape design, interior design, food services, photography, and so on.

New Amherst businesses originating at UMass or with UMass students are not limited to high-technology spinoffs. There have been and will be many small firms with roots at UMass, including service-oriented firms such as landscape design, interior design, food services, and so on. It would make sense to pursue this area further to see how much influence the University is having on local entrepreneurship and how this can be encouraged and enhanced.

Although land is limited for growth and development, existing business centers can sustain higher densities than they do currently.

The University owns property between the campus and downtown Amherst (known as the "Gateway" property) which can be optimized for best uses. This is an opportunity for the Town to work with UMass on potential best uses for the property.

The marijuana industry is nascent, and there may be opportunities for local research facilities to conduct further research on the health impacts of marijuana.