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Economic Trends Report, Prepared for the Town of Winthrop

Edward J. Collins, Jr. Center for Public Management, University of Massachusetts Boston

ECONOMIC TRENDS REPORT

Prepared for the Town of Winthrop

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McCORMACK GRADUATE SCHOOL OF POLICY AND GLOBAL STUDIES

UMASS BOSTON

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INTRODUCTION

This *Economic Trends* report provides a multi-decade look at the economy of the Town of Winthrop. It is hoped that the report will serve as a reference guide for residents, business persons, and policy makers seeking to grow the local economy, using facts and data to help identify strategies and goals for the future.

The report contains information on change in resident population, since residents oftentimes are a natural market for the goods and services provided by businesses within the community; they can also serve as a ready workforce for those businesses. It also looks at the number and type of business establishments in town and the jobs they provide. In the land use chapter, the report discusses where commercial property is located in town and what patterns of land use and parcel size can be identified. Finally, the report describes the results of a business survey that took place in May 2014. The report is divided into four chapters: 1) resident population and labor force;2) local business economy; 3) land use; and, 4) survey results.

Comparison Communities

Where possible, Winthrop is compared to six (6) other waterfront communities in Massachusetts. These include: Beverly, Chelsea, Hull, Revere, Salem, and Swampscott. The communities range in population from 10,292 (Hull) to 51,755 (Revere), according to the 2010 U.S. Census, and housed between 1,316 jobs (Hull) and 20,875 jobs (Beverly). All have access to one or more of the MBTA's transit services, including commuter rail, subway, ferry, and/or bus service, and are within the commute shed to Boston. Salem has a privately operated ferry service to Boston, as Winthrop had between 2010 and 2013. Of all of the communities, Beverly is the farthest from downtown Boston to the north (22.9 miles) and Hull is the farthest to the south (18.9 miles). Closest to the Boston financial district by driving is Chelsea City Hall (4.9 miles, 9 minutes without traffic), followed by Revere City Hall (6.7 miles, 11 minutes without traffic) and then Winthrop Town Hall (7.0 miles, 16 minutes without traffic).[1]

On many data points, the report also compares Winthrop to the State average.

Data Sources

This report uses six (6) predominant federal or regional data sources described below:

- *U.S. Census Bureau, Decennial Census* – In addition to population, age, and ethnicity, the decennial census also captures information on household size and housing.

- *U.S. Census Bureau, American Community Survey* – The American Community Survey has replaced the "long form" previously distributed every ten years. Instead, sampling is done annually across the country. ACS data includes greater detail into type of job worked, industry, educational attainment, income, travel time to work, etc.

- *U.S. Census Bureau, County Business Patterns* – County Business Patterns provides the number of establishments and number of employees during the week of March 12 of each year. ZIP Code Business Patterns provides the number of establishments by employment-size classes by detailed industry in the U.S. at the ZIP code level.

- *Bureau of Labor Statistics, Current Population Survey* – The Bureau of Labor Statistics (BLS) within the U.S. Department of Labor is the principal Federal agency responsible for measuring labor market activity, working conditions, and price changes in the economy. Labor

[1] All distances measured to 100 Federal Street, Boston by Google maps.

force projections are based on expectations of the future size and composition of the population, as well as on the trends in labor force participation rates of different age, gender, race, and ethnic groups, a total of 136 separate categories. The Current Population Survey (CPS) is a monthly survey of households conducted by the Bureau of Census for the Bureau of Labor Statistics.

- *MetroBoston DataCommon* – The MetroBoston DataCommon provides information about the region's people and communities across a variety of topics - from arts and education to the environment and transportation. It is a partnership between the Metropolitan Area Planning Council and the Boston Indicators Project at the Boston Foundation.

- *Nielsen Company, Claritas Retail Market Place (RMP)* – Claritas Retail Market Place (RMP) data are derived from two major sources of information. The demand data come from the Consumer Expenditure Survey (CE Survey) prepared by the BLS. The supply data are derived from the Census of Retail Trade (CRT), prepared by the U.S. Census. Additional data sources are incorporated to create both supply and demand estimates. The difference between demand and supply represents the opportunity gap or surplus available for each merchandise line in the specified reporting geography. A positive value signifies an opportunity gap, i.e., demand within the radius is greater than current sales, while a negative value signifies a surplus, i.e., sales exceed the demand within the identified radius and customers are coming from elsewhere to purchase the available goods. Data was purchased for the 1-, 2-, and 3-mile radius of Bowdoin Street in Winthrop.

The Winthrop Assessing Department also provided valuable information regarding commercial property in town, and local businesses provided information and insights into business activity via the business survey.

EXECUTIVE SUMMARY

In recent years, Winthrop's economy has seen some significant declines, including a 40% drop in local jobs between 1990 and 2010. As a result, it currently offers less than 0.2 jobs per resident in the labor force, as compared to other communities that have one local job per resident in the labor force or more. This means the daytime population in town goes down significantly, which then further impacts the health of local businesses in a potentially spiraling effect. Although some of the current economic data appear grim, the process of reflecting on this important data only empowers the community as it seeks to develop strategies to grow the economy. On a positive note, most Winthrop survey respondents indicate that their revenues have increased in the past three years, indicating that they are emerging from the national recession.

Despite its challenges, Winthrop has tremendous strengths on which to build. It has a resident population that has a greater proportion of high school graduates than the State average (although fewer residents on average have advanced degrees) and a strong foundation of small and independent businesses that are committed to the community, in part because many business owners are town residents. Winthrop also has an outstanding physical environment, with its beaches, marsh, and views, and is incredibly well situated for quick access to Boston and Logan Airport. These are only a few of the strengths upon which an economic development strategy can be built.

The findings of this trends report include:

Residential Population and Labor Force

1. Winthrop's population has declined over the past half-century at the same time the median age has risen.
2. The level of educational attainment and median household income in Winthrop are less than State averages.
3. The number of Winthrop residents in the labor force has declined over the past two decades.
4. Winthrop residents use public transportation to get to work at a much higher percentage than the State average; their transit commute times are shorter than residents of other communities.
5. Winthrop residents most commonly work in the following industry sectors: *Educational Services, and Healthcare and Social Assistance*; *Information, Finance, Insurance, and Real Estate*; and, *Professional, Scientific, Management and Administration and Waste Management* services.
6. By occupation, Winthrop residents most often work in *Management, Business, Science, and Arts* and *Sales and Office*.

Local Business Economy

7. Since 1990, Winthrop has lost over 1,100 local jobs (-41%), a trend that is directly opposite other comparison waterfront communities.
8. Winthrop offers fewer than 0.2 jobs per resident in the labor force.
9. Winthrop's economy is dominated by small establishments; larger employers are scarce.
10. Winthrop's local economy today is most heavily comprised of jobs in the *Educational and Health Services* sector, *Leisure and Hospitality* sector, and *Trade, Transportation and Utilities* sector.
11. The amount that Winthrop residents spend on retail goods exceeds Winthrop's local retail sales by $204 million, i.e., the equivalent of 68% of the residential community's retail spending is done out of town.[2]

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[2] Nielsen Solution Center, "RMP Opportunity Gap – Retail Stores", reports for 1-, 2-, and 3-mile radii of 294 Bowdoin Street, Winthrop, prepared on March 26, 2014.

Land Use Trends

12. Clubs and lodges represent the greatest non-residential use of land in Winthrop, followed by retail (including restaurants and services), and mixed use. Industry/warehousing and vacant/parking also utilize significant land area.
13. Winthrop is home to many small commercial parcels.[3] In fact, three-quarters of non-residential parcels are 10,600 square feet in size or smaller.
14. Most commercial properties contain buildings that are low in scale (two stories or less). Considerable land is taken up by parking.
15. Many commercial properties in Winthrop meet the definition of "underutilized," i.e., the value of the building on the property is less than the value of the land.
16. Commercial property generates limited revenue for the Town of Winthrop.

Business Survey

17. Overwhelmingly, survey respondents had started their own independent businesses. On average, they have been in business for 28 years.
18. Approximately one-half of respondents lease the space in which their business is located; others own the space or work from their homes.
19. Universally, respondents indicate that more revenue is generated from within Winthrop than from any other geographic area, and almost 85% of revenue is generated from within I-95. They also indicate that the majority of their employees live in Winthrop.
20. While most customers reportedly arrive at Winthrop businesses via private vehicle, respondents did acknowledge customers using other forms of transportation. Employees also tend to drive alone.
21. Over half of respondents indicated that the amount of business changes seasonally, with summer being most frequently reported as the busiest time.
22. Most business owners reported that revenues increased in the past three years, although some experienced decreases. Increased costs at times offset the growth in revenue.
23. "Word of mouth" was by far the most commonly used marketing tool among respondents, and the tool most often claimed as generating the greatest amount of new business.
24. The majority of respondents indicated that they opened their business in Winthrop, at least in part, because Winthrop is where they live.
25. Respondents indicated that finding qualified labor is difficult.
26. Making Winthrop Center more attractive was among respondents' suggestions for how Winthrop can help grow the local economy.

[3] It should be noted that there are instances where a property owner may own more than one abutting parcel, thereby effectively creating a larger parcel, but ownership information was not available to the project team so instances where this was the case could not be determined.

HISTORY OF WINTHROP[4]

The land that would eventually become Winthrop was first claimed by Englishman Samuel Maverick in 1624. Maverick built a fortified trading post at the confluence of the Mystic and Charles Rivers and is considered the first non-native settler in the Boston Harbor area. Maverick called his holdings "Winnisimmet," which is the native word for "good spring nearby." The peninsula soon became known as Pullen Poynt (Pulling Point), because the waters between Shirley Hill and Deer Island, then an actual island, were so rough as to make it difficult to navigate under sail. As a result, sailing vessels had to be pulled through using ropes thrown to people onshore.

In 1632, the peninsula was annexed by the new town of Boston, which had just become new capital of the Massachusetts Bay Colony; it was used for pasture land and the production of fodder. Shortly thereafter, in 1637, the land was divided into 17 parcels and given by Governor John Winthrop (1587-1649) to 15 prominent members of the Colony, which included himself and William Pierce, provided that they build homes on the land within two years. It is Governor Winthrop for whom the town is named. William Pierce and three others – Joseph Bill, Edward Gibbons, and John Oliver – fulfilled their requirements of ownership; the others did not. The Pierce parcel was eventually acquired by Deane Winthrop, one of John Winthrop's five sons, who enlarged the home in 1675. Additions were added over the years, and the home still stands at 40 Shirley Street. The Deane Winthrop House is the oldest continually occupied home in the United States. Decades after the initial homes were built, in the 1690s, Winthrop only contained four to five farms owned by the Bill, Gibbons, Oliver, and Winthrop families.[5]

As the Massachusetts Bay Colony population grew, the area's role as an agricultural center became more important. In fact, grains and grasses were harvested and brought to Boston to feed the livestock there, and animals grazing in Winthrop would provide food for colonists. In 1739, the area that would become Chelsea, Revere, and Winthrop split away from

Boston Harbor Map, 1693

[4] With assistance from Winthrop resident G. David Hubbard II.

[5] The followers of Anne Hutchinson, who lived in Winthrop in the 1630's, "were tried and banished for their religious beliefs in 1637/8." Winthrop Improvement and Historical Association, Winthrop Then & Now, p. 15.

Boston to become the Town of Chelsea.

By the mid-1700s, the Point Chelsea/Pulling Point peninsula was home to a successful fishing industry, in addition to continuing its agricultural importance. In 1753, "the Southern tip was named Point Shirley after the then Royal Governor William Shirley."[6] Following the battle of Lexington and Concord on April 19, 1775, the Colonial militia began a blockade of Boston by closing the narrow isthmus that connected Boston to the mainland. While the British were able to resupply the garrisoned city by sea, supplies continued to dwindle. To further constrain supplies from reaching the British Army, the Massachusetts Safety Committee on May 14, 1775 ordered the removal of all livestock and supplies from Chelsea and other waterfront communities to protect it from scavenging troops. On May 27 and 28, Colonial and British forces skirmished in the Battle of Chelsea Creek with the British forging party returning to Boston empty handed. Following the Colonial "loss" at Bunker Hill, the British reinforced their fortifications at the Charlestown neck and at other harbor approaches. At the time, the colonists built a 40 foot long and three foot high stone wall on Shirley Hill. The fortification was occupied by 17 men with muskets who remained there for 30 days protecting the harbor from the British. They departed after they learned they would no longer be paid for their time.

Boston Area Map, American Colonial Era

After the war, the peninsula remained largely an agricultural district with few industries except for a salt works that was founded in 1780 in place of the former fisheries on Point Shirley. Fifty years later, in 1830, Joseph Warren Revere, the youngest son and business partner of Revolutionary War hero Paul Revere, founded a copper mill at Point Shirley. The Point Shirley works would eventually be closed with production shifting to Canton, Massachusetts. By 1839, the first bridge would be built over the Belle Isle Marsh to connect the peninsula with Hog Island (now the Orient Heights neighborhood of East Boston). At the time, Winthrop was home to 139 residents and 23 buildings.[7]

In a continuing quest for autonomy, the area that is now Winthrop and Revere broke away from the Town of Chelsea to become North Chelsea in 1846. North Chelsea in turn would split again, to become Revere and Winthrop, with the town of Winthrop being incorporated in 1852. In 1842, Winthrop's first hotel, the Taft Inn, was built at the far end of Point Shirley. It offered rooms for 200 guests and dining for 1,000 and was accessed via ferry. A breakfast club, including such notable people as Ralph Waldo Emerson, met at the inn. The building was razed in 1952.[8]

In 1877, tracks were laid for the Boston, Winthrop, and Point Shirley Railroad. The narrow gauge spur started at the Boston, Revere Beach, and Lynn Railroad at what is now the Orient Heights Blue Line Station and

[6] Winthrop Improvement and Historical Association, p. 6.

[7] Winthrop Improvement and Historical Association, p. 7.

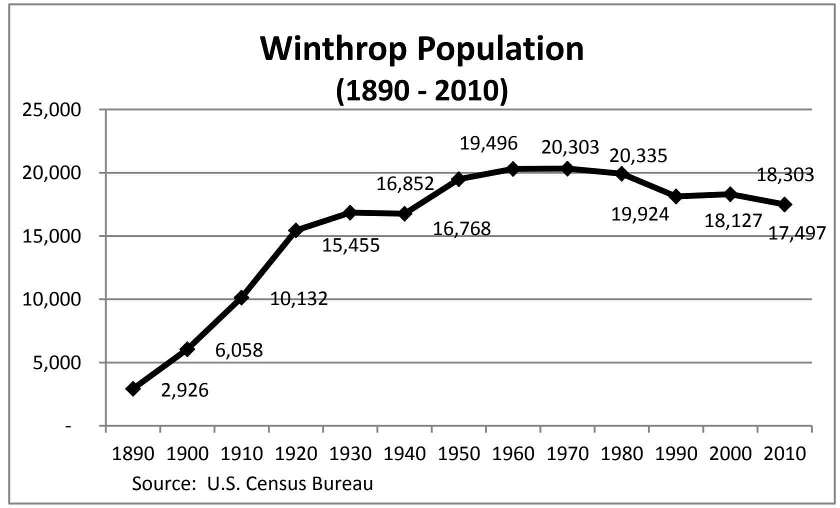
[8] Winthrop Improvement and Historical Association, p. 26 and conversation with G. David Hubbard II, June 10, 2014.

traversed the north and east side of town to Point Shirley on what is now Morton Street and Veterans Road. A second railroad entered town in 1880 when the Eastern Junction, Broad Sound Pier and Point Shirley Railroad began service. The Eastern Junction hugged the shoreline from Revere Beach to Point Shirley, where passengers could board a ferry to continue their journeys to Boston. The two railroads merged in 1880 to become the Boston, Winthrop, and Shore Railroad, which abandoned the Revere Beach alignment and realigned additional track to create the Winthrop Loop with nine stations.

Fort Banks was established in 1890 as part of a grand costal defense network up and down the eastern seaboard. At the start of the Spanish American War in 1898, land at Winthrop Heights was requisitioned to become Fort Heath. Both instillations served their country for some time, with Fort Banks being decommissioned in 1947 in the demilitarization following World War II. Fort Heath continued serving well into the cold war, providing support to the Nike Hercules surface-to-air missile systems until 1966.

With construction of the railroad, Winthrop began to grow, both as a suburban residential community and as a resort community. The residential population, which was 1,043 in 1880, grew almost three-fold by 1890, to just under 3,000 residents. Eventually, Winthrop was home to a reported 55 hotels. From the 1890s on, Winthrop was known for its neighborhoods – Delby's corner, Crest Avenue, French Square/Center, Point Shirley, McGees corner, and the Ocean Spray area, which each had small associated commercial areas.

In 1900, Dr. Metcalf opened the Winthrop Hospital on Winthrop Street, which remained in this location until the early 1930s. The hospital was then moved to Lincoln Street, where it employed as many as 200 people until 1992, when it closed. Among the factors that led to its closure was the increase in medical specialization since the founding of the hospital and the fact that the hospital relied upon Winthrop residents who began to access medical facilities in Boston and elsewhere in the region with increasing frequency.[9] A community health center took the hospital's place from 1992 until 1999, when it too closed. Since 1999, the property has remained vacant, with plans to convert it into senior housing being approved in 2012.



Deer Island eventually became part of the peninsula in 1938 as tide action from the Great New England Hurricane filled the Shirley Gut and the U.S. government built a road across facilitating the construction of Fort Dawes at the end of Deer Island in 1940. However, Deer Island continues to be part of the City of Boston.

Prohibition, the Great Depression, the advent of the automobile, and World War II resulted in changes to Winthrop. During the economic downturn and the war period, traveling to Winthrop for a vacation became less feasible for many families, and as the automobile became more affordable, they had options to go to other locations in Massachusetts. By 1940, Winthrop's rail lines were removed. Over time, the majority of hotels were torn down or converted to other uses, including rental

[9] Discussion with G. David Hubbard II, June 10, 2014.

housing. Today, Winthrop contains four lodging establishments, including the Harrington House B&B (3 rooms), Inn at Crystal Cove (28 rooms), Suburban Extended Stay (30 rooms), and the Winthrop Arms (9 rooms).

Winthrop Center has continued to serve as an important retail and service center throughout its existence, but it has faced increasing competition in recent years as a result of the emergence of suburban shopping malls in the 1950s and internet shopping, in very recent years. The conversion of the EB Newton School to the EB Newton Cultural Center has brought increasing activity back to Winthrop Center as people visit the Clock Tower Gallery, Winthrop History Room, the building's rehearsal space, community rooms, and Head Start Program.

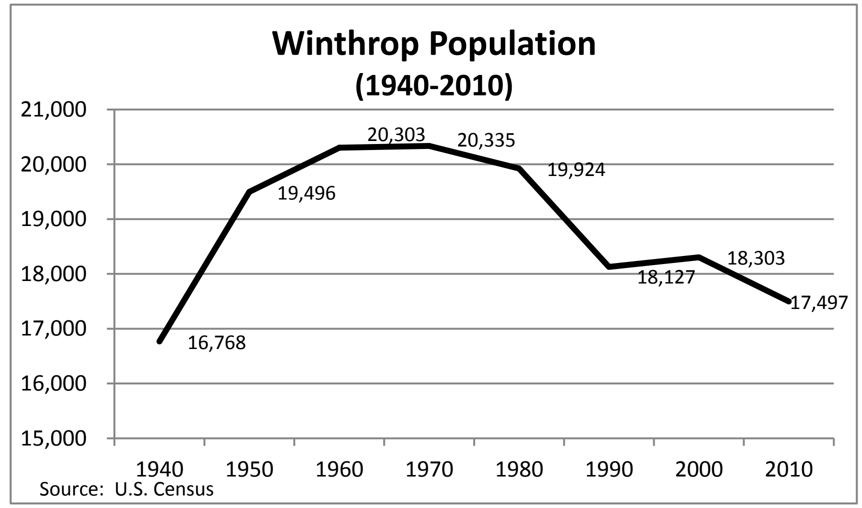
RESIDENTIAL POPULATION AND LABOR FORCE

1. Winthrop's population has declined over the past half-century at the same time the median age has risen.

After growing rapidly between 1940 and 1950, Winthrop's population leveled off and then declined from 1970 to 2010. Like most urban and inner-ring suburban communities, Winthrop experienced declines in population after World War II. Overall, Winthrop has lost over 2,800 residents (-14%) from its peak, falling from 20,335 residents in 1970 to 17,497 in 2010. This trend of declining population reversed itself in many urban areas and immigrant gateway communities in the U.S. during the past two decades, but not in Winthrop, which continued to fall in population. In fact, all of the comparison communities grew between 1990 and 2010, except Hull. Between 1990 and 2010, Beverly increased by 1,307 residents (3.4% growth), Chelsea by 6,467 residents (22.5% growth), Revere by 8,969 residents (21% growth), and Salem by 3,249 residents (8.5% growth).

Winthrop's pattern is somewhat unique in that the population stayed relatively level after WWII, until 1980, when a steep decline took place (-9%), followed by another decline from 2000 to 2010 (-4.4%). Recent data reveal an increase of roughly 440 residents in Winthrop between 2010 and 2012,[10] suggesting that Winthrop's population reversal is happening later than most. However, with only two years of data, it cannot be determined if the upward trend will continue.

At the same time the overall population decreased, Winthrop's median age increased, rising from 33.0 years of age in 1960 to 43.7 in 2010 (+10.7 years). This is a more extreme change than Massachusetts as a whole,



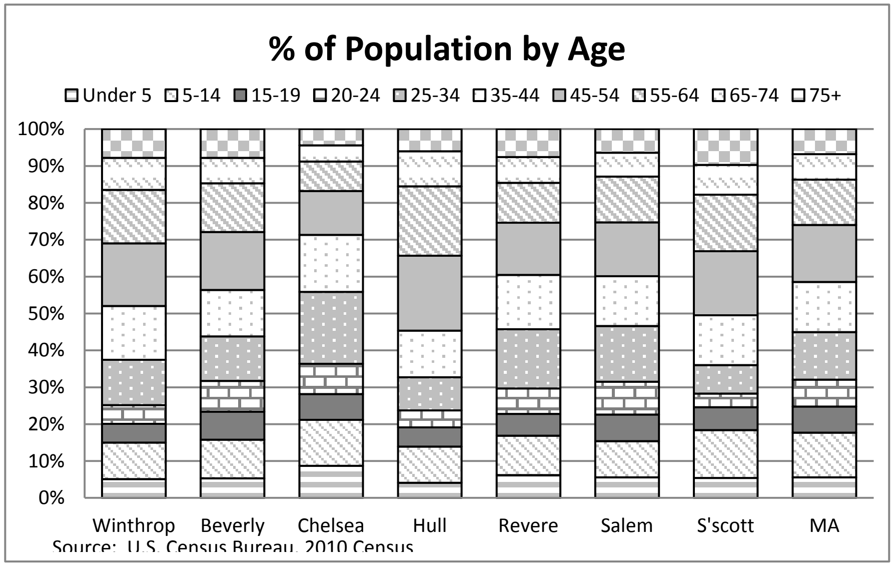
which increased in median age from 32.1 in 1960 to 39.1 in 2010 (+7 years). In contrast, several nearby communities have particularly low median ages today, including Boston (30.8), Chelsea (31.8), and Somerville (31.4). In terms of median age, Winthrop finds itself more closely aligned with communities farther outside the Boston metropolitan area, such as Beverly (40.1), Hull (47.4), and Swampscott (45.3).

When compared to the state average, Winthrop has a smaller percentage of children and youth, and a higher percentage of residents aged 55 and older. As of 2010, 20.1% of Winthrop residents were between the ages of 0-19, in contrast to 24.8% of Massachusetts residents. A total of 31% were aged 55 or older, where only 26% of State residents were in that age bracket.

The size of Winthrop's resident population and the composition of its households have a direct influence on the buying power of the community. In fact, the U.S. Census reports that the average retail expenditure per person in Massachusetts is $13,553 per year.[11] When taking into account

[10] U.S. Census, 2012 Population Estimate.

[11] U.S. Census Quickfacts, 2007.



the approximately 2,300 decline in resident population since 1960, this translates into a nearly $31.2 million reduction in retail spending.

Whether a child lives in a household affects spending patterns, as well. Data from the U.S. Department of Agriculture indicate that households in the Northeast spend a considerable amount per child each year, ranging from $13,788 for a child less than 1 year of age to $16,250 for a 15 year old.[12] (A description of the expenditure categories and what types of goods and services are included in each can be found in Appendix A.)

The formation of new households – in good economic times these are typically young adults leaving their parents' home or finding an apartment after college – also can contribute significantly to local spending. According to the New York Times, "(u)nder normal circumstances, each time a household is formed it adds about $145,000 to output that year as the spending ripples through the economy, according to an estimate last year from Mark Zandi, chief economist at Moody's Analytics."[13]

HOUSEHOLD SPENDING ON CHILDREN
Northeast U.S. – Urban and Suburban Communities
(Figures are for One Child by Age Only)

Age	Housing	Food	Transport	Clothing	Health-care	Childcare /Educ	Other	Total
< 1	$4,525	$1,588	$1,413	$925	$725	$4,063	$550	$13,788
10	$4,525	$2,675	$1,650	$850	$825	$3,013	$825	$14,363
15	$4,525	$2,888	$2,013	$1,100	$1,175	$3,788	$763	$16,250

Source: U.S. Department of Agriculture, 2014

[12] USDA, "USDA Cost of Raising A Child Calculator", retrieved from http://www.cnpp.usda.gov/tools/CRC_Calculator/default.aspx , April 22, 2014.
[13] Rampbell, Catherine, "Movin' Out", New York Times, November 9, 2012, retrieved from http://economix.blogs.nytimes.com/2012/11/09/movin-out/?_php=true&_type=blogs&_r=0, April 29, 2014.

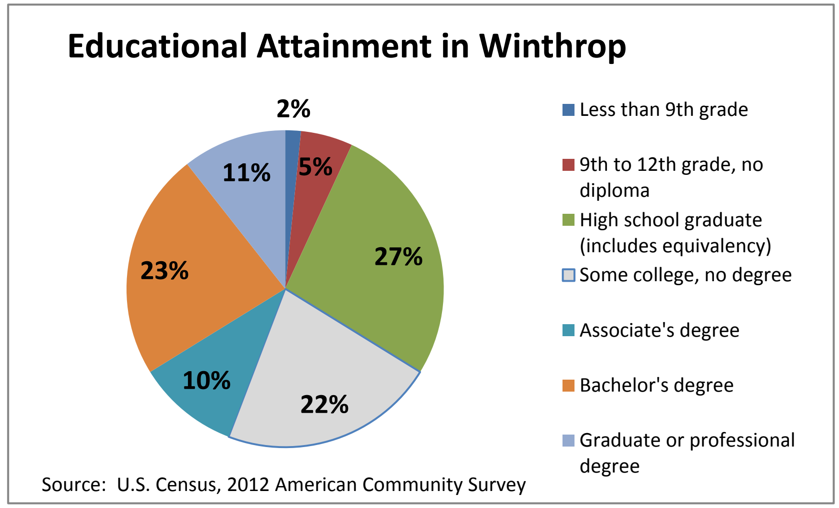
2. The level of educational attainment and median household income in Winthrop are less than State averages.

The percentage of Winthrop residents (aged 25 and older) who have earned higher level degrees (i.e., graduate or professional degrees) is less than the Commonwealth as a whole. In fact, only 11% of Winthrop residents hold advanced degrees, as compared to 17% across the State. While, on a positive note, the percent of residents with bachelor's degrees is higher than the Commonwealth, the rate of college attrition (i.e., adults who have some college education, but no degree) is significantly higher in Winthrop than across the State – 22% of Winthrop residents vs. the State average of 17% with "some college." Overall, the Town exceeds the Commonwealth in terms of residents with a high school degree or better, but it falls behind when comparing residents with bachelor's degrees or higher.

In addition, among the comparison communities, if the gateway cities[14] of Chelsea, Revere, and Salem are removed, Winthrop is found to have the lowest percentage of high school graduates and lowest percentage of residents with bachelor's degrees or higher. In Cambridge – a well-known outlier in the Boston metropolitan area – 73.8% of residents have a bachelor's degree or higher.

As is well recognized, in today's economy, jobs with higher levels of pay and benefits typically require higher levels of education, whether through an academic degree or technical training. (The table on the next page illustrates the relationship between level of education and income within Winthrop and across Massachusetts.)

Winthrop does stand out in some ways, however. First, the median income of workers with less than a high school degree is significantly



higher in Winthrop than the Commonwealth (+34.4%) and the comparison communities. Since employees with lower levels of education tend to work in hourly wage jobs, as opposed to salaried jobs, this may be because Winthrop residents are working more hours than other communities, or they may have access to higher-paying hourly jobs (the median earning in Winthrop divided by a standard work year of 2,080 hours translates into a wage of $14.69 per hour). No data source pinpoints the reason for this difference. The same is true for Winthrop residents with bachelor's degrees; they report earnings above the State average and the comparison communities.

Another difference is that the median earnings of the Winthrop residents with the highest level of educational attainment is significantly lower than the Commonwealth (-13.9%) and the comparison communities, with the exception of Chelsea. In terms of the impacts on local businesses, this means that not only do fewer Winthrop residents have higher level degrees, those that do are earning less than their peers in other communities.

If median earnings by education level is multiplied by the number of Winthrop residents aged 25 and above with that level of education, the

[14] The Commonwealth has identified 26 gateway cities. Under MGL Chapter 23, Section 3A, gateway communities have a population between 35,000 and 250,000, an average household income below the state average and an average educational attainment rate below the state average. The term "gateway" references the fact that there may be significant numbers of recent immigrants within the community.

EDUCATIONAL ATTAINMENT AMONG COMPARISON COMMUNITIES								
	Winthrop	**Beverly**	**Chelsea**	**Hull**	**Revere**	**Salem**	**Swamp-scott**	**MA**
< 9th grade	1.6%	1.8%	24.3%	2.7%	11.3%	5.2%	0.9%	4.9%
9th - 12th, no diploma	5.3%	4.1%	13.0%	3.1%	9.3%	6.7%	1.3%	6.0%
HS graduate	26.9%	24.9%	32.0%	26.2%	39.8%	24.2%	18.4%	25.9%
Some college, no degree	22.0%	18.9%	12.4%	22.2%	17.3%	18.5%	15.2%	16.6%
Associate's degree	10.4%	8.4%	4.5%	7.9%	5.7%	7.5%	7.7%	7.7%
Bachelor's degree	23.2%	24.6%	7.8%	22.9%	12.2%	24.2%	29.6%	22.2%
Grad or profess degree	10.6%	17.2%	5.9%	14.9%	4.4%	13.7%	26.9%	16.8%
% HS grad or higher	93.1%	94.0%	62.7%	94.2%	79.5%	88.0%	97.8%	89.1%
% Bachelor's degree or higher	33.8%	41.8%	13.8%	37.8%	16.7%	37.9%	56.5%	39.0%

Source: U.S. Census, American Community Survey (2008-2012)

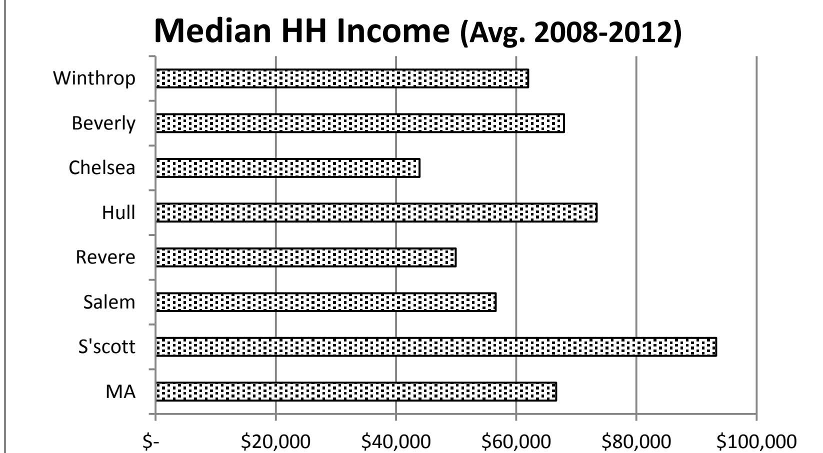
MEDIAN EARNINGS BY EDUCATIONAL ATTAINMENT (2012 dollars)								
	Winthrop	**Beverly**	**Chelsea**	**Hull**	**Revere**	**Salem**	**Swamp-scott**	**MA**
< HS graduate	$30,556	$23,542	$22,143	$22,153	$24,845	$23,346	$13,750	$22,741
HS graduate	$35,319	$34,352	$25,849	$34,712	$31,195	$33,145	$32,373	$32,190
Some college or Associate's degree	$41,675	$40,208	$34,774	$43,436	$39,553	$36,898	$50,139	$38,836
Bachelor's degree	$62,745	$54,382	$44,250	$49,455	$44,048	$51,271	$55,000	$55,467
Graduate or profess degree	$61,743	$68,454	$60,104	$77,443	$64,333	$67,215	$75,828	$71,690

Source: US Census, American Community Survey (2008-2012) relative buying power each group has can be determined.[15] From the table below, it can be seen that, based upon median earnings and the number of residents, those with "some college" or a bachelor's degree bring the most gross income into the Winthrop community. This is not the same in all communities. In Swampscott, for example, residents with graduate or professional degrees earn nearly $76,000 per year, and they represent a large portion of the total residential population. As a result, they are the largest income-generating segment of the Swampscott community.

GROSS EARNINGS BY LEVEL OF EDUCATION
(Winthrop residents aged 25+)

Level of Education	# residents	Gross Earnings
Less than HS graduate	927	$28.3M
High school graduate	3,612	$127.6M
Some college or assoc degree	4,351	$181.3M
Bachelor's degree	3,115	$195.5M
Graduate or prof degree	1,423	$87.9M

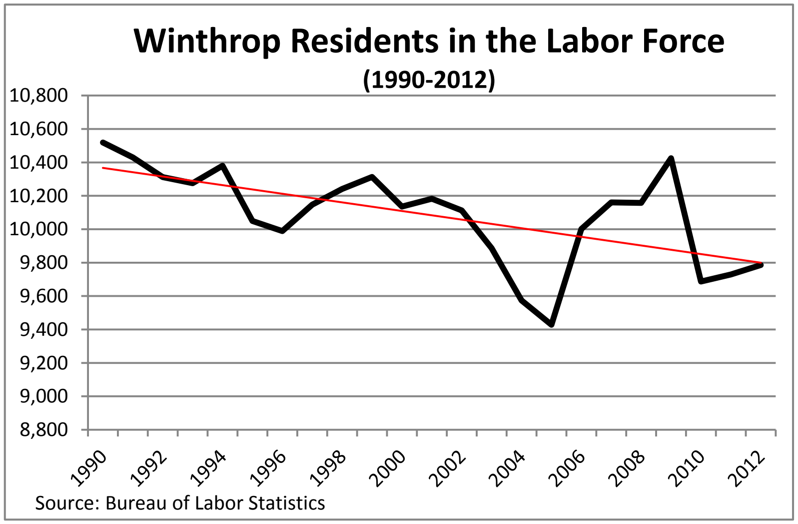
Overall, the median household income in Winthrop ($62,000) is 7% lower than the State average ($66,658), representing $4,700 less income in real dollars per household in Winthrop. Among the comparison communities, Winthrop finds itself in the middle, with Chelsea having the lowest household income at $43,919 per year and Swampscott at the highest level with $93,281 per household when averaging income earned between 2008 and 2012.



Source: U.S. Census, American Community Survey, 2012

[15] It should be noted that this does not represent actual income, as some residents with higher level degrees may be retired or underemployed and therefore generating less income than the median, and others may earn substantially more than the median. Additionally, since only median (as opposed to mean or average) data are available for this analysis, the figures likely understate the buying power of each category, especially among the highest level of education. Median is the midpoint of all of the responses submitted, as opposed to the average. In Winthrop, the mean household income is $62,000 per the U.S. Census American Community Survey where the average is $85,255.

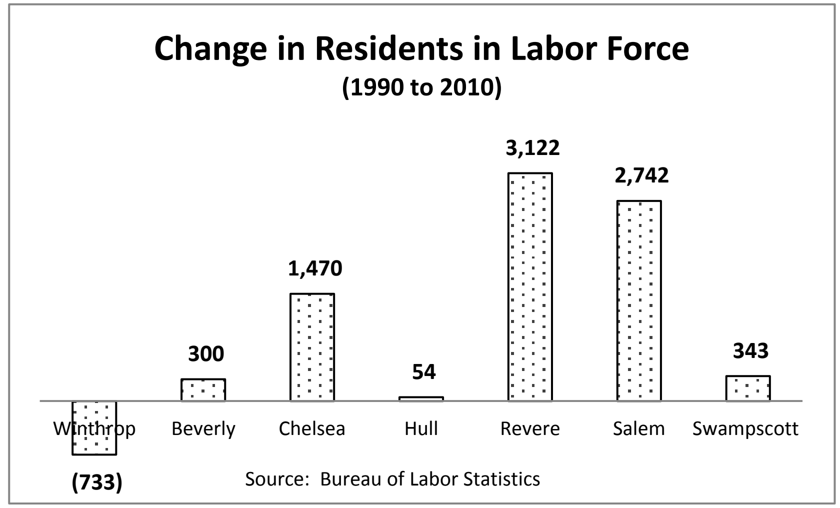
3. **The number of Winthrop residents in the labor force has declined over the past two decades.**



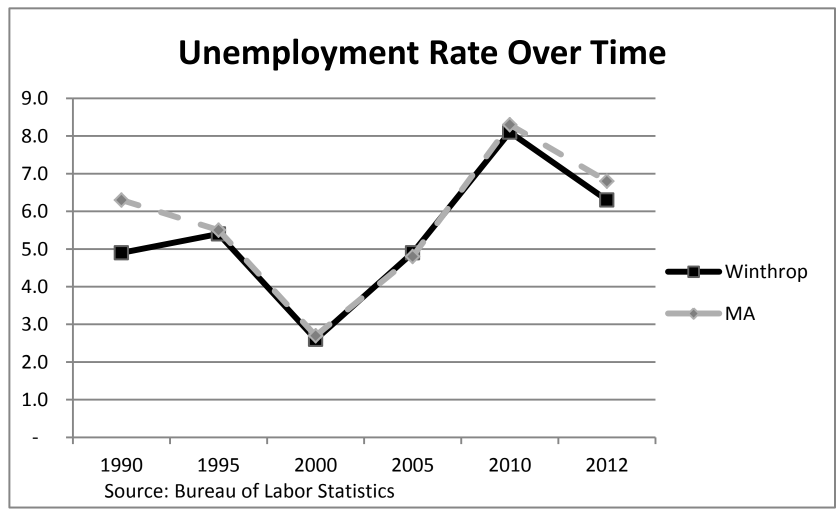
Since 1990, the number of Winthrop residents in the labor force has fluctuated, with significant peaks and valleys that do not directly align with the State and national economy. The reduction in the local labor force was most severe between 1999 and 2005 at the time when the Massachusetts economy was experiencing an extended period of growth. Another steep decline occurred in 2009-2010, a decline that more closely aligned with the Great Recession, even though economists indicate that the recession ended in the summer of 2009. Between 1990 and 2012, the absolute number of working residents declined by 733 workers (-7%). At the same time, Winthrop's overall population declined by 630 residents, revealing that the decrease in residents in the workforce exceeded that of the population as a whole.

WINTHROP WORKFORCE	
Labor Force	9,786
Employed	9,166
Unemployed	620
Unempl. Rate	6.3%
MA Unempl. Rate	6.8%

Source: BLS, 2012



Winthrop's reduced workforce contrasts directly with the comparison communities, which have all seen their labor force increase over the

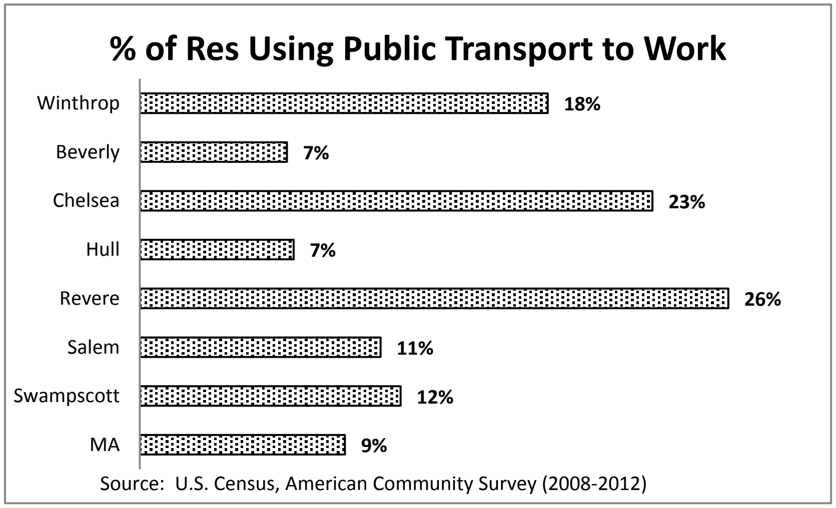


same period. Of particular note are the increases in resident workers in Revere (+3,122) and Salem (+2,742).

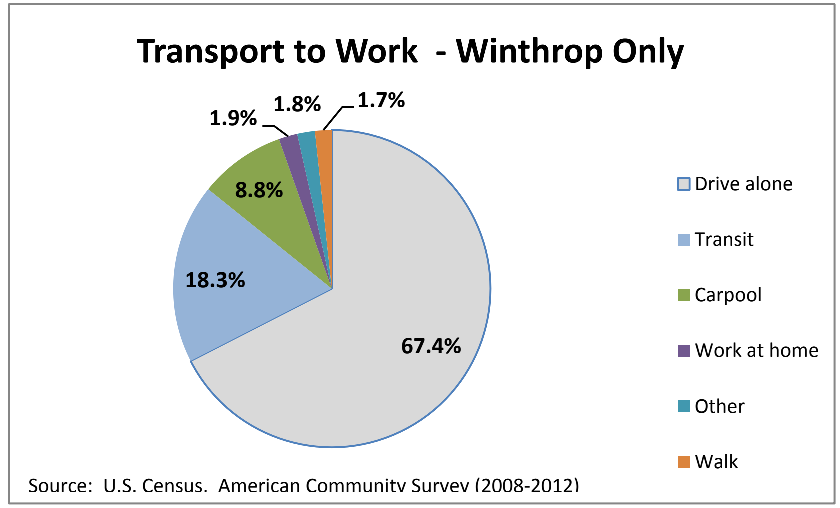
Despite the decline in the overall labor force, Winthrop's unemployment rate has moved in patterns similar to State averages since 1990. At times, including 1990-95 and 2010-12, Winthrop's unemployment rate has been lower than the State average. Specifically, in 2012, unemployment among Winthrop residents was 6.3%, when the State had a 6.8% unemployment rate.

4. Winthrop residents use public transportation to get to work at a much higher percentage than the State average; their transit commute times are shorter than residents of other communities.

Winthrop residents use public transportation to commute to work at a rate almost twice as high as the State average: 18% of Winthrop residents vs. a State average of 9%. This translates into 1,651 Winthrop residents on average using public transportation each day during the work week.



In terms of transit commuters, Winthrop is only surpassed by Chelsea and Revere among the comparison communities and is not exceptionally far from the ridership share in the transit-rich communities of Brookline (26.4%) and Cambridge (26.5%). This is despite the fact that Winthrop does not have direct access to an MBTA station; instead, residents must take a MBTA-contracted and subsidized service (Paul Revere Transportation) to access the Orient Heights Blue Line Station. (It should be noted that the public ferry service in Winthrop was only in operation during a portion of the survey period. Ferry service with subsidy was available from 2010-12 and without subsidy in 2013. In addition, service was only available from May to October during these years.) Two comparison communities – Beverly and Hull – had a smaller percentage of transit riders than the



Massachusetts average. Other Winthrop residents walk to work (153), use other means (162), or carpool (792).

Interestingly, a relatively small percentage of Winthrop residents work from home, a trend that is increasing across the U.S. Only 1.9%, or 172 residents, worked at home during the time of the ACS survey. This contrasts with the Commonwealth average (4.7%) and the communities of Beverly (5.2%) and Hull (4.4%). Other communities, such as Brookline and Cambridge, had even higher percentages of residents working from home, at 7.6% and 6.8%, respectively. Benefits of working at home include the shorter commute time and the additional "eyes on the street" where these residents live and work. Plus, more residents stay in their home community and might venture out for lunch or a coffee break during the work day.

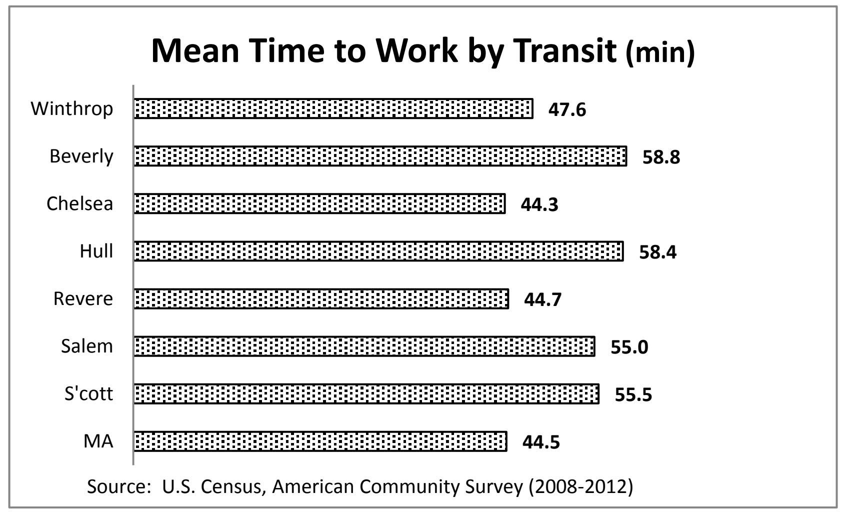
COMMUTE TO WORK BY MODE								
	Winthrop	**Beverly**	**Chelsea**	**Hull**	**Revere**	**Salem**	**Swamp-scott**	**MA**
Drive Alone	67.4%	75.3%	49.2%	75.0%	57.9%	67.0%	76.0%	72.2%
Transit	18.3%	6.6%	23.0%	6.9%	26.4%	10.8%	11.7%	9.2%
Carpool	8.8%	5.8%	15.3%	6.8%	10.7%	9.6%	4.3%	8.1%
Work at home	1.9%	5.2%	1.9%	4.4%	1.4%	3.8%	3.3%	4.2%
Walk	1.7%	6.4%	8.2%	3.5%	2.1%	6.8%	3.0%	4.7%
Other	1.8%	0.7%	2.4%	3.4%	1.5%	2.1%	1.7%	1.6%

Source: U.S. Census, American Community Survey, 2008-2012

Across all modes of transportation, the time spent commuting to work by Winthrop residents was reported at just over 30 minutes. This is a few minutes higher than the State average, but commute times in the Commonwealth and across the comparison communities only had a 10 minute differential, ranging from 25.8 minutes (Beverly) to 35.2 minutes (Hull).

TRAVEL TIME TO WORK (all modes) (min)	
Winthrop	30.1
Beverly	25.8
Chelsea	29.2
Hull	35.2
Revere	30.1
Salem	28.4
Swampscott	29.7
MA	27.7

Where travel times did differ was with regard to travel by public transportation. In fact, the reported average commute time for Winthrop residents (47.6 minutes) is shorter than the times reported by residents of comparable waterfront communities. Beverly, Hull, Salem, and Swampscott all report average transit commute times of 55 minutes or more.



5. **Winthrop residents most commonly work in the following industry sectors: *Educational Services, and Healthcare and Social Assistance*; *Information, Finance, Insurance, and Real Estate*; and, *Professional, Scientific, Management and Administration and Waste Management* services.**

As was consistent in Massachusetts and the comparison communities, more Winthrop residents were employed in the *Educational Services, and Health Care and Social Assistance* industry sector than in any other sector. This sector includes teachers, doctors, nurses, and staff of social service agencies. The next two highest sectors – *Information, Finance, Insurance, and Real Estate* and *Professional, Scientific, Management, Administration, and Waste Management* – are also the next highest industry categories for Massachusetts, as well.

Where Winthrop residents differ is that a higher proportion work in *Arts, Entertainment, and Recreation and Lodging and Food Services* (+3.7%) and *Transportation, and Warehousing, and Utilities* (+5.2%) than the State average. Given the town's proximity to Logan Airport, Deer Island, and other transportation infrastructure, such as the nearby MBTA maintenance yard, it is perhaps not surprising that over 20% of residents work in these two industry sectors. Also of note is the fact that fewer Winthrop residents work in *Retail Trade* than the Massachusetts average and all of the comparison communities. Winthrop also has the smallest share of residents working in the *Manufacturing* sector.

RESIDENT EMPLOYMENT BY INDUSTRY SECTOR

	Winthrop	Beverly	Chelsea	Hull	Revere	Salem	Swamp-scott	MA
Educ services, health care / social assist	21.0%	24.3%	15.8%	21.6%	20.1%	24.9%	29.0%	25.7%
Info, finance, ins, & RE	12.8%	13.2%	9.0%	10.9%	10.1%	13.1%	12.0%	11.0%
Prof, scientific, mgmt, admin, waste mgmt	12.4%	10.7%	13.7%	9.6%	10.5%	12.3%	17.0%	12.5%
Arts, ent, recr, food, lodging	11.6%	7.5%	11.9%	8.2%	14.1%	8.6%	4.0%	7.9%
Transp, warehsng, utilities	9.0%	3.2%	3.5%	4.9%	8.0%	2.7%	4.6%	3.8%
Construction	8.0%	6.0%	7.9%	10.9%	6.3%	6.5%	4.1%	6.2%
Retail trade	6.6%	11.8%	11.2%	12.9%	11.7%	11.6%	10.1%	10.8%
Public administration	5.5%	4.3%	2.7%	6.9%	3.5%	3.7%	5.9%	4.0%
Other svcs (except publ admin)	4.3%	5.1%	7.0%	4.1%	6.3%	4.7%	3.5%	4.5%
Wholesale trade	4.2%	2.9%	3.8%	3.0%	3.0%	2.8%	3.8%	2.8%
Manufacturing	4.0%	10.8%	12.9%	5.0%	6.0%	8.5%	5.9%	10.1%
Armed forces	0.5%	0.1%	0.2%	0.8%	0.2%	0.2%	0.0%	0.2%
Agriculture & Mining	0.0%	0.1%	0.4%	1.2%	0.2%	0.3%	0.0%	0.4%

Source: U.S. Census, American Community Survey, 2005-2009

6. **By occupation, Winthrop residents most often work in *Management, Business, Science, and Arts* and *Sales and Office*.**

According to the U.S. Census Bureau, "(o)ccupation describes the kind of work the person does on the job"[16] and "(i)ndustry …describe(s) the kind of business conducted by a person's employing organization."[17] For example, someone who is a manager of a department store would be described of having an occupation of manager, but work within the retail industry. Information on occupational and industry are gathered by a series of questions of open ended questions that ask respondents what their duties are and where they work.

Among Winthrop's residents, 40% work in the broad category of *Management, Business, and Science and Arts Occupations*, 26% work in *Sales and Office Occupations*, and 17% in *Service Occupations.* (These categories are further broken down in the table on the next page.) Among the sub-categories, the most common occupations worked by Winthrop residents include:

- Office and administrative support occupations – 1,484 residents (16%);
- Management occupations – 1,182 residents (13%);
- Sales and related occupations – 883 residents (10%);
- Education, training, and library occupations – 609 residents (7%);
- Food preparation and serving related occupations – 575 residents (6%); and,
- Business and financial operations occupations – 571 residents (6%).

With the exception of food preparation, these occupations have reported median earnings in excess of $40,000 per year. However, only management occupations reported income above $70,000 per year. In addition, only a relatively modest number of Winthrop residents worked in some of the most highly paid occupations including:

- Arts, design, entertainment, sports, and media occupations ($82,969) – 139 residents;
- Architecture and engineering occupations ($80,469) – 125 residents;
- Computer and mathematical occupations ($73,179) – 239 residents;
- Health diagnosing and treating practitioners and other technical occupations ($64,063) – 280 residents;
- Law enforcement workers including supervisors ($62,813) – 97 residents;
- Installation, maintenance, and repair operations ($62,869); and,
- Health technologists and technicians ($62,549) – 254 residents.

As mentioned earlier, substantial education is required for each of these occupation types. Even installation and repair will typically require technical training or substantial on-the-job training to reach the higher levels of skill and experience.

WINTHROP RESIDENTS BY WORKER CLASS

	%	#
Private wage and salary workers	80.1%	7,360
Government workers	13.7%	1,008
Self-employed workers in own not incorporated business	5.8%	58
Unpaid family workers	0.4%	0
Total		**9,166**

Source: U.S. Census, Am Comm Survey, 2005-2009

[16] US Census Bureau, "Occupation", retrieved from http://www.census.gov/people/io/about/occupation.html, April 23, 2014.
[17] U.S. Census Bureau, "Industry", retrieved from http://www.census.gov/people/io/about/occupation.html, April 23, 2014.

In terms of where Winthrop residents work, the vast majority work for private employers, as is common in Massachusetts and in the comparison communities. Nevertheless, over 1,000 residents reported that they work for government agencies and 58 (est.) indicated that they were self-employed. A very small number (0.4%) reported that they worked for a family business and were unpaid.

WINTHROP RESIDENTS BY TYPE OF OCCUPATION			
Occupational Type	**Population**	**% of Total**	**Med Yrly Earnings**
Civilian employed population 16 years and over	9,228	100%	$45,978
Management, business, science, and arts occupations:	**3,728**	**40%**	**$63,140**
Management, business, and financial occupations:	**1,753**	**19%**	**$69,474**
Management occupations	1,182	13%	$73,929
Business and financial operations occupations	571	6%	$50,750
Computer, engineering, and science occupations:	**467**	**5%**	**$72,460**
Computer and mathematical occupations	239	3%	$73,179
Architecture and engineering occupations	125	1%	$80,469
Life, physical, and social science occupations	103	1%	$58,438
Education, legal, community service, arts, and media occupations:	**974**	**11%**	**$47,451**
Community and social services occupations	70	1%	$46,731
Legal occupations	156	2%	$50,991
Education, training, and library occupations	609	7%	$45,211
Arts, design, entertainment, sports, and media occupations	139	2%	$82,969
Healthcare practitioner and technical occupations:	**534**	**6%**	**$63,133**
Health diagnosing and treating practitioners and other technical occupations	280	3%	$64,063
Health technologists and technicians	254	3%	$62,549
Service occupations:	**1,602**	**17%**	**$22,345**
Healthcare support occupations	**110**	**1%**	**$26,875**
Protective service occupations:	**281**	**3%**	**$50,655**
Fire fighting and prevention, and other protective service workers including supervisors	184	2%	$40,673
Law enforcement workers including supervisors	97	1%	$62,813
Food preparation and serving related occupations	**575**	**6%**	**$18,750**
Building and grounds cleaning and maintenance occupations	**239**	**3%**	**$24,625**
Personal care and service occupations	**397**	**4%**	**$17,198**
Sales and office occupations:	**2,367**	**26%**	**$43,029**
Sales and related occupations	883	10%	$44,883
Office and administrative support occupations	1,484	16%	$40,192
Natural resources, construction, and maintenance occupations:	**744**	**8%**	**$62,069**
Construction and extraction occupations	371	4%	$61,131
Installation, maintenance, and repair occupations	373	4%	$62,869
Production, transportation, and material moving occupations:	**787**	**9%**	**$36,741**
Production occupations	182	2%	$33,269
Transportation occupations	424	5%	$42,121
Material moving occupations	181	2%	$31,488

Source: U.S. Census, American Community Survey, 2008-2012

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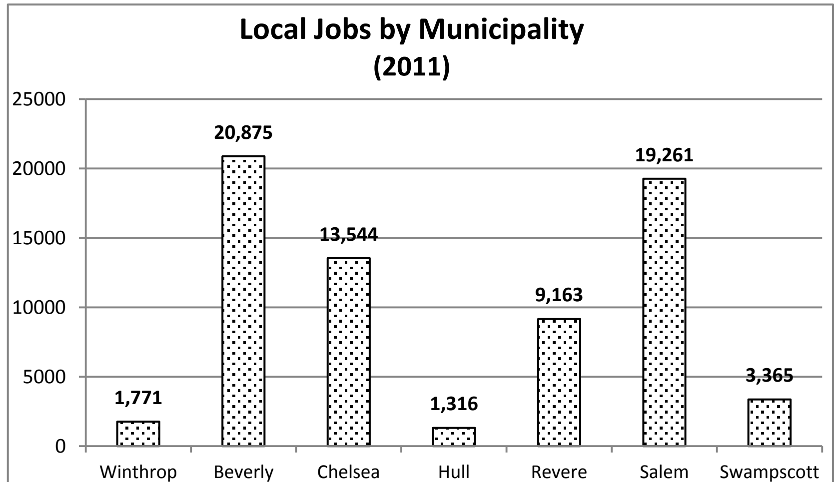
LOCAL BUSINESS ECONOMY

7. **Since 1990, Winthrop has lost over 1,100 local jobs (-41%), a trend that is directly opposite other comparison waterfront communities.**

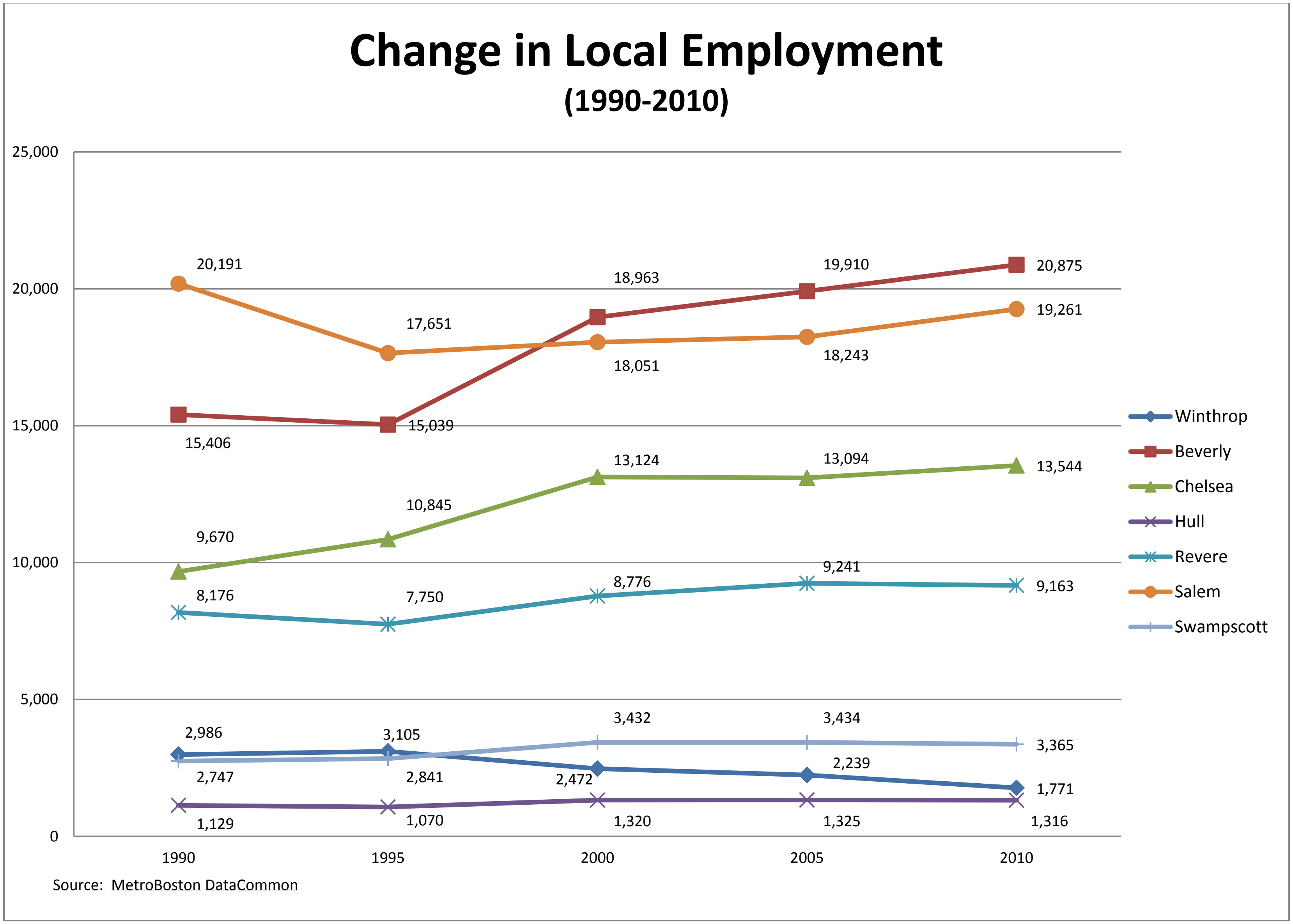
For over 20 years, Winthrop has been experiencing a steep decline in local employment. In 1990, Winthrop businesses offered 2,905 jobs in various employment sectors, a figure that had fallen to 1,798 by 2011 – a net loss of 1,107 jobs or a 41% decrease. The declines over each decade – 1990-2000 and 2000-2011 – were nearly the same, with the loss of 596 jobs between 1990 and 2000, and 511 jobs between 2000 and 2011. However, as a percent of total jobs, the more recent decline represents a larger proportion of the total jobs remaining in town. (It should be noted that the March 2014 Zip Code Business Patterns reports a further decline to 1,368 jobs; however, it does not offer the breakdown by sector that the 2011 data does, so the more detailed analysis must rely on 2011 data.)

The two decades of job decline in Winthrop are in direct contrast to the comparison communities, even when taking the 2008 recession into account. In fact, all of the comparison communities have seen some growth in jobs numbers between either 1990 and 2000 or between 2000 and 2010, even if they had declines in one of the two decades. Of particular note are Beverly (+35.5%), Chelsea (+40%), Hull (+17%), and Swampscott (+22%). Salem experienced a downturn in the early 1990s, but then experienced consistent increases in employment starting in 1995. Hull, which had less than half of the number of jobs that Winthrop had in 1990, was approaching parity with Winthrop by 2010.

Since 2001, Winthrop's job loss has been most prominent in the *Education and Healthcare* sectors, down 31% (243 jobs), and *Trade, Transportation and Utility* sector, down 38% (158 jobs). Unfortunately, these are two of the top three job sectors driving Winthrop's local economy. The *Professional and Business* sector also underwent a large percentage decrease, a 54% decline with the loss of 98 jobs, as did the *Goods Producing* sector with a 40% decline and loss of 98 jobs. Some of the job losses were offset by increases in *Leisure and Hospitality* jobs (+60 jobs) and *Other* jobs (+33 jobs), but these were modest increases relative to the overall loss.



Source: MAPC, Datacommon, 2011



Change in Local Employment
(1990-2010)
25,000
20,000
15,000
10,000
5,000
0
1990
1995
2000
2005
2010
20,191
17,651
18,051
18,243
19,261
15,406
15,039
18,963
19,910
20,875
9,670
10,845
13,124
13,094
13,544
8,176
7,750
8,776
9,241
9,163
2,986
3,105
2,472
2,239
1,771
2,747
2,841
3,432
3,434
3,365
1,129
1,070
1,320
1,325
1,316
Winthrop
Beverly
Chelsea
Hull
Revere
Salem
Swampscott
Source: MetroBoston DataCommon

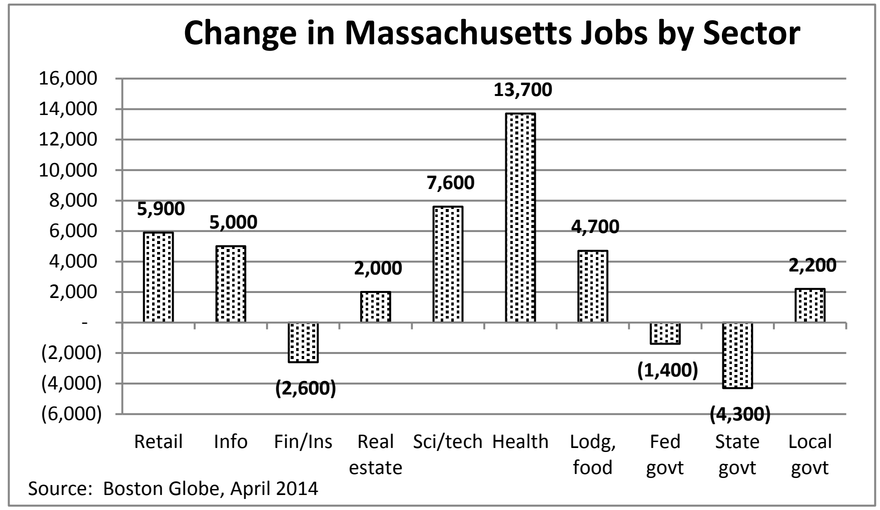
JOB CHANGE BY SECTOR (2001-2011)				
	# Jobs 2001	# Jobs 2011	# change	% change
All jobs	**2,309**	**1,798**	**-511**	**-22%**
Service Industries	**2,064**	**1,650**	**-414**	**-20%**
Edu and Hlth	794	551	-243	-31%
Transp, Trade & Util	414	256	-158	-38%
Info Tech	22	N/A	N/A	
Prof and Business	180	82	-98	-54%
Construction	162	134	-28	-17%
Financial Activities	104	114	10	10%
Leisure & Hospitality	254	314	60	24%
Manufacturing	0	14	14	
Other	126	159	33	26%
Goods Producing	**245**	**147**	**-98**	**-40%**

Source: MetroBoston Datacommon

On April 18, 2014, the *Boston Globe* reported that total employment in Massachusetts had reached a record high – higher than 2001, prior to the Great Recession. The paper further reported on those employment sectors that had seen significant one-year growth, and those that declined over the same time period, i.e., between March 2013 and 2014. While one year's data does not indicate a trend, the sectors that saw the most growth are those that are well recognized as strengths in Massachusetts. Of particular note is the dramatic increase in healthcare jobs across the Commonwealth (+13,700) and science/technology (+7,600), and the meaningful increases in retail (+5,900) and information (+5,000).[18]

[18] Woolhouse, Megan, "Employment hits a record 3.4m in March", Boston Globe, April 18, 2014.

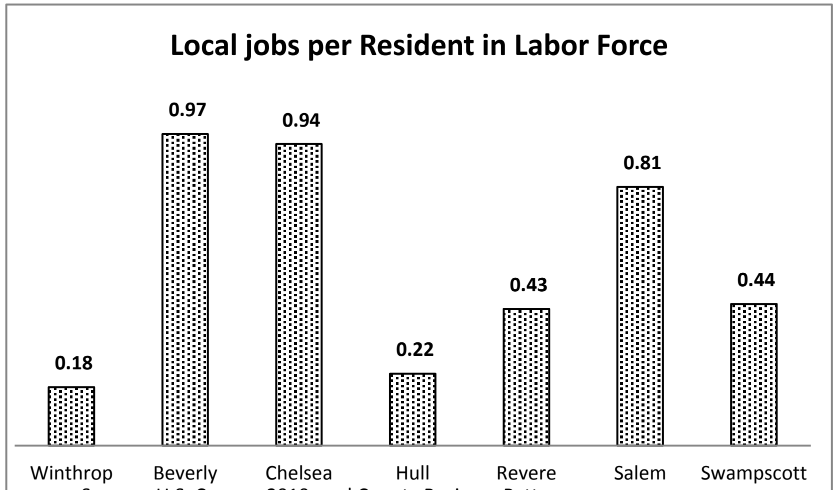
Other than retail, which is combined with Leisure and Hospitality in the MetroBoston DataCommon, Winthrop does not have much presence in the dominant growth areas. While Winthrop does have 31 employers in the health and social services sector, not all are health based – eight (8) are childcare providers and eight (8) are homes for the elderly or disabled. Of the 15 remaining, most are modest in nature. Of the 13 businesses that are treating physicians, chiropractors, or dentists, 11 of them have nine (9) or fewer employees.



8. **Winthrop offers fewer than 0.2 jobs per resident in the labor force.**

In 2010, Winthrop was host to 0.1 jobs per resident and 0.18 jobs per resident in the labor force.[19] These figures were the lowest among all of the comparison communities, which offered between 0.22 jobs for every resident in the labor force (Hull) to 0.97 jobs (Beverly). Cambridge, while not among comparable communities, offers 1.77 jobs for every resident in the labor force.

The number of jobs per resident in the labor force influences the local economy in a number of ways. First, in communities where the number of working residents is relatively even with the number of jobs, the daytime population of the community is approximately that of the evenings and weekends. This means for local businesses, such as restaurants and retail shops, the potential customer base remains relatively constant throughout the day. In communities with very few jobs per resident in the labor force, the daytime population will fall significantly during the week, since most residents will leave town for work. In Winthrop, with 9,228 residents in the labor force and only 1,798 jobs, the daytime population can be expected to fall by approximately 7,400 persons each week day, a very significant decrease in a community with 17,497 residents in 2010.[20] Secondly, in communities with larger employment bases, residents have a greater potential to find work close to home, thereby reducing commute times and increasing the potential that they would purchase typical goods and services closer to home. Most shoppers will try to purchase groceries and other small incidentals either close to their work or close to their home so as to reduce the number of side trips during their commute home or to work. Residents who work near their home may also build stronger relationships with local merchants who they might see during the work day, as opposed to only on the weekend or in the evening.



Source: U.S. Census, 2010, and County Business Patterns

In communities like Cambridge, where the number of jobs exceeds the number of resident workers, the daytime population of the community goes up. As can be seen in Kendall Square, Central Square, and other parts of Cambridge, where large number of workers are located, foot traffic to local cafés, restaurants, and other shops can be quite high.

Report indicate that employers are finding that the type of workers they are most seeking (i.e., those with backgrounds in technology and science) desire shorter commutes and want to work in environments with an active street life where they can go out during lunch or immediately following the end of the work day. “To put it simply, the suburbs have lost their sheen: Both young workers and retiring Boomers are actively seeking to live in densely packed, mixed-use communities that don’t require cars—that is, cities or revitalized

[19] Based upon population increase since 2010 (American Community Survey, 2012) and employment decrease in 2014 (Zipcode Business Patterns, March 2014), this ratio may be as low as approximately 0.14 jobs per resident in the workforce at the time of writing.
[20] Note that this does not take into account the fact that some residents may work late evening or night time shifts.

outskirts in which residences, shops, schools, parks, and other amenities exist close together."[21]

[21] Wieckowski, Anna, Harvard Business Review, "Back to the City", May 2010, retrieved from http://hbr.org/2010/05/back-to-the-city/ar/1, April 25, 2014.

9. **Winthrop's economy is dominated by small establishments; larger employers are scarce.**

The U.S. Census ZIP Code Business Patterns reports that of the 240 businesses[22] located in Winthrop in 2011, only 11 had over 20 employees, and only one of these had between 50 and 99 employees. On the other end of the spectrum, 152 businesses (63%) had between 1 and 4 employees, 49 (20.4%) had between 5 and 9 employees, and 28 (11.7%) had between 10 and 19 employees.

WINTHROP EMPLOYERS BY # OF EMPLOYEES						
Industry Sector	**Total**	**1-4**	**5-9**	**10-19**	**20-49**	**50-99**
TOTAL	240	152	49	28	10	1
Retail trade	37	24	8	3	2	0
Other svcs (exc. public)	37	26	9	1	1	0
Construction	35	30	4	1	0	0
Health care & social asst	31	9	9	11	1	1
Lodging / food services	24	9	7	3	5	0
Prof, scientific, tech svcs	15	13	2	0	0	0
Finance & insurance	11	5	2	4	0	0
Real estate	11	9	2	0	0	0
Arts, entertain, & rec	10	7	1	2	0	0
Admin, Waste Mgmt Srvs	8	6	2	0	0	0
Transp & warehousing	7	5	1	0	1	0
Wholesale trade	5	3	1	1	0	0
Educational services	5	3	0	2	0	0
Manufacturing	2	1	1	0	0	0
Information	2	2	0	0	0	0

Source: ZIP Code Business Patterns- 2011 US Census

Each of the industry sectors is broken down into smaller industries, revealing greater detail about the types and size of businesses. For example, Winthrop's sole business reporting more than 50 employees is a childcare provider, whose business falls within the *Healthcare and Social Assistance* sector. Overall, Winthrop houses seven (7) reported childcare providers, three of which have nine (9) or fewer employees, three which have between 10 and 19 employees, and the large one with more than 50 employees.

Among those businesses with 20-49 employees, the majority (5 businesses) are in the *Lodging and Food Services* sector. This can be further broken down to reveal that three of the five are full service restaurants, one is a limited service restaurant, and one is a "snack and non-alcoholic beverage bar." Also within the *Health Care and Social Assistance* sector is one business with 20-40 employees – an ambulance service. The one business within *Transportation and Warehousing* sector that has 20-49 employees is a bus transportation company. Interestingly, the two reporting nursing care facilities indicated they only had between 10 and 19 employees.[23]

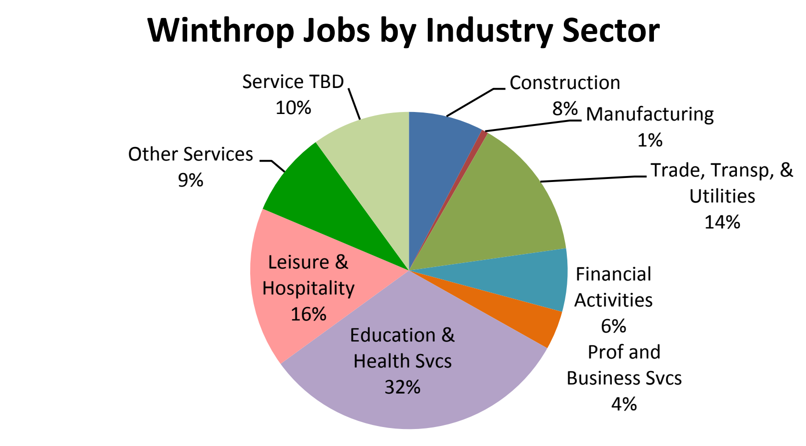
Among very small businesses, *Construction*, *Other Services*, and *Retail Trade* was the most common industry sector. Based upon other data sources (see below), it can be determined that the 35 construction businesses have 134 employees, an average of 2.6 employees per business.

[22] The Zip Code Business Patterns uses payroll data to generate its reports. Therefore, workers who are paid as contractors or who are unpaid will not be included in this data.

[23] Some of these businesses may have left Winthrop since collection of the reported data. In addition, data are reported at the headquarters of a company. Even if the workers are actually physically located in another municipality, their presence will be reported where payroll is processed.

All of the comparison communities housed businesses substantially larger than Winthrop's current businesses. Even Hull, which had fewer total jobs than Winthrop, had a nursing care facility with more than 100 employees. Swampscott, which had the fewest jobs after Winthrop, contained three businesses with over 100 employees each. These included two supermarkets and one nursing care facility.

10. **Winthrop's local economy today is most heavily comprised of jobs in the *Educational and Health Services* sector, *Leisure and Hospitality* sector, and *Trade, Transportation and Utilities* sector.**

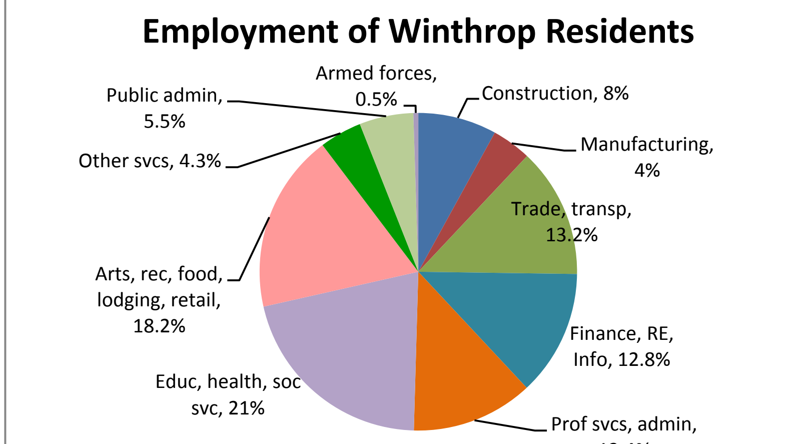


Source: U.S. Census, Business Survey, 2007

In Winthrop, *Education and Health Services* remains the largest employment sector, despite steep declines in jobs between 2000 and 2010. These include medical, pharmaceutical, clinical laboratory, nursing and allied health professions, in addition to jobs in education in the public and private institutions. The second largest sector is *Leisure and Hospitality,* which overtook *Trade, Transportation and Utilities* in 2009. This resulted from the recent growth in leisure and hospitality jobs coupled with the decline in trade, transportation, and utility jobs in recent years, with a particularly deep loss of 80 jobs between 2004 and 2005. Following these three sectors, at 10% of total jobs, are service jobs of unknown type.[24]

[24] Some data by sector was suppressed by the Census Bureau, due to the fact that there were too few business reporting. These have been grouped into "Service TBD" in the graphic above.

The mix of jobs in Winthrop does differ from the comparison communities and the Commonwealth in a number of ways. First,



Source: U.S. Census, American Community Survey, 2012

Winthrop houses substantially fewer professional services jobs than the Commonwealth as a whole and all of the comparison communities. With only 4.6% of jobs being in professional services, the share of such jobs in Winthrop is approximately one-third of that of the Commonwealth and one-fourth of that sector in the Boston inner core communities. On the other hand, Winthrop has a substantially larger share of workers in the *Leisure and Hospitality* sector when compared to the Commonwealth. However, Hull's share of *Leisure and Hospitality* jobs is twice that of Winthrop and Swampscott's share is approximately the same. Winthrop also has a smaller share of *Financial Services* jobs than the Boston Inner Core, but is aligned with the Commonwealth as a whole.

Somewhat of a mismatch exists between the industry sectors found in Winthrop and the industry sectors in which Winthrop residents work. Of note is the fact that over 25% of residents work in the finance, real estate, and professional services sectors, whereas only 10% of jobs in town fall within those sectors. In addition, the share of jobs in education, health and social services exceeds that of the percent of residents, 32% as compared to 21%, respectively. The percent of jobs and percent of residents working in leisure, hospitality, and retail are very similar, as is construction, and trade, transportation, and utilities.

Nevertheless, even if the proportionate share of different employment sectors aligned more closely with the type of work done by Winthrop residents, the fact that the number of jobs per resident in the workforce is so low would mean that most Winthrop residents would still need to continue to leave town to get to work.

PERCENT OF JOBS BY JOB SECTOR (2011)

	Total	Profess Svc	%	Trade, Transp	%	Leisure & Hosp	%	Financial Svc	%	Info	%	Other	%
Winthrop	1,798	82	4.6%	256	14.2%	314	17.5%	114	6.3%			159	8.8%
Beverly	21,365	2,496	11.7%	3,172	14.8%	1,685	7.9%	1,158	5.4%	714	3.3%	1,346	6.3%
Chelsea	13,889	1,422	10.2%	4,271	30.8%	751	5.4%	375	2.7%	22	0.2%	504	3.6%
Hull	1,262	74	5.9%	217	17.2%	376	29.8%	32	2.5%	8	0.6%	63	5.0%
Revere	8,891	666	7.5%	2,326	26.2%	1,415	15.9%	364	4.1%	237	2.7%	455	5.1%
Salem	19,417	1,056	5.4%	2,987	15.4%	2,689	13.8%	703	3.6%	147	0.8%	954	4.9%
Swampscott	3,448	252	7.3%	764	22.2%	611	17.7%	129	3.7%			165	4.8%
MA	3,146,952	465,590	14.8%	557,508	17.7%	318,120	10.1%	203,626	6.5%	83,343	2.6%	135,339	4.3%
INNER CORE	1,005,466	187,226	18.6%	129,602	12.9%	99,444	9.9%	112,470	11.2%	31,782	3.2%	42,761	4.3%

Source: MetroBoston DataCommon

11. **The amount that Winthrop residents spend on retail goods exceeds Winthrop's local retail sales by $204 million, i.e., the equivalent of 68% of the residential community's retail spending is done out of town.[25]**

Data from 2014, indicate that Winthrop residents are expending $301 million in retail sales, including restaurants this year. This includes $49.8 million on motor vehicles and parts, $38 million at food and beverage stores, $36.1 million at general merchandise stores, and $34.4 million at foodservice and drinking establishments (see Appendix B for a complete report). However, the supply of those items in Winthrop falls well below demand. This type of local consumer demand that is satisfied outside of the local retail community is referred to as "leakage". The opposite, i.e., when sales exceed local demand, is called an "opportunity surplus."

In Winthrop, there are three categories of retail stores where 2014 sales exceeds the demand generated by local residents (i.e., within a 1 mile radius of the center of Winthrop). These include: Household Appliance Stores (+$2.7 million), Hardware Stores (+$3.2 million), and Pharmacies and Drug Stores (+$10.2 million). A small surplus is also found in the category of conveniences stores (+$343,000). Overall, more than $16.3 million of business is being done within Winthrop in these retail categories that is not immediately demanded by the local resident population. In effect, those dollars are being "imported" from outside of town in support of local businesses. When looking at the difference between demand and sales at a 3 mile radius, it can be seen that nearly all of the hardware sales within the 3 mile is generated by the stores within Winthrop, i.e., $5.87 million in sales within Winthrop and $5.9 million within 3 miles. Nevertheless, $5 million of demand remains unmet within the 3-mile radius, presenting a potential marketing opportunity for the Winthrop hardware stores. In contrast, pharmaceutical needs within three miles are well served by the existing businesses, and there are more sales in household appliances within 3 miles than actual demand. This is most likely because Revere's Beach Sales appliance store is within the 3-mile radius.

WINTHROP SALES THAT EXCEED LOCAL DEMAND (2014)

	1 Mile Radius[26]			3 Mile Radius		
Category	2014 Demand ($MM)	2014 Sales ($MM)	Diff ($MM)	2014 Demand ($MM)	2014 Sales ($MM)	Diff ($MM)
Household appliance	$0.7	$3.4	($2.7)	$3.0	$6.8	($3.8)
Hardware stores	$2.67	$5.87	($3.2)	$10.9	$5.9	$5.0
Pharmacies and drug	$13.0	$23.2	($10.2)	$50.7	$50.6	$0.1

Source: Nielsen Company, Claritas Retail Market Place

However, in every other category of retail sales, local demand is not being met by sales within the local business community. In theory, this presents an opportunity for increased business, if residents can be attracted to shop closer to home. Of course, not all types of retail business identified are currently located within Winthrop and others, such as department stores, may not be appropriate given the Town's parcel size and location. That said, significant leakage can be found in several retail categories where some level of sales are already occurring within Winthrop. These include: grocery stores; beer, wine,

[25] Nielsen Solution Center, "RMP Opportunity Gap – Retail Stores", reports for 1-, 2-, and 3-mile radii of 294 Bowdoin Street, Winthrop, prepared on March 26, 2014.

[26] Winthrop's two household appliance stores include: Winthrop Appliance Service on Myrtle Street and Complete Appliance Services Plus on Edgehill Avenue. Hardware stores include Woodside Ace Hardware on Main Street and Shirley TrueValue Hardware on Shirley Street. Pharmacies include CVS and Samuel's Pharmacy on Woodside Avenue, and Brown's Rexall Drug on Winthrop Street.

and liquor stores; gasoline stations; jewelry stores; sporting goods; office supplies, stationery, and gift stores; and foodservice and drinking places. Another relatively modest gap exists in the bookstore/newsstand category.

WINTHROP SALES THAT ARE LOWER THAN LOCAL DEMAND (2014)						
	1 Mile Radius			3 Mile Radius		
Category	2014 Demand ($MM)	2014 Sales ($MM)	Diff ($MM)	2014 Demand ($MM)	2014 Sales ($MM)	Diff ($MM)
Grocery store	$25.6	$6.0	$19.6	$113	$50.5	$62.5
Beer, wine, liquor	$10.2	$1.2	$9.0	$42.9	$3.6	$39.4
Gasoline	$29	$8.3	$20.7	$116.6	$37.8	$78.8
Jewelry	$5.2	$0.5	$4.7	$19.4	$4.4	$14.9
Sporting Goods	$2.6	$0.1	$2.5	$11.7	$0.5	$11.3
Office Supplies	$4.0	$0.5	$3.5	$7.6	$.7	$6.9
Foodservice / drinking	$34.4	$15.4	$19	$146.3	$231	($84.7)

Source: Nielsen Company, Claritas Retail Market Place

In terms of grocery stores, only $6 million of Winthrop's $25.6 million of demand is being met locally. Today, the Winthrop Marketplace is the "only full service grocery market in town."[27] The Winthrop Assessors Office reports that the building is approximately 5,700 square feet in size, dramatically smaller than large grocery stores such as Stop and Shop or Whole Foods which are typically 40,000 square feet or larger, and even smaller than small grocery retailers such as Foodies in Boston. The closest Boston comparables are Trader Joes in the Back Bay (7,117 sf) and Foodies in the South End (8,162 sf). Even at the 3-mile radius, a $62.5 million deficit exists in grocery store sales, meaning that local sales are only addressing approximately 45% of demand.

For beer, wine, and liquor, only approximately 12% of local demand is being met within Winthrop. This means that on the order of $9 million in retail sales is leaving the community. At the 3-mile radius, even less demand is being met, with only 8.4% of demand being satisfied within 3 miles. This means that $39.4 million in retail sales are being satisfied elsewhere.

Gasoline is another category where demand within one mile and three miles of the center of Winthrop is not being met locally. Of the $20.7 million in unmet demand, $16 million of this is within the subcategory of gasoline station with convenience store. Jewelry sales in Winthrop are projected to total approximately $500,000 this year, whereas demand is for $5.2 million based upon the resident population and their shopping patterns ($4.7 million gap). For sporting goods, approximately $2.5 million of unmet demand exists.

By the U.S. Census's definition, businesses that fall into the Office Supplies, Stationery, and Gift category sell stationery, school supplies, office supplies, office equipment and furniture, and computer supplies (not computers themselves). The data indicate that approximately $500,000 in sales of these types of items occurs within Winthrop, as compared to $4.0 million in demand – resulting in a very significant $3.5 million gap.

Within the food service and drinking category, considerable unmet demand exists within Winthrop, but an oversupply exists within the 3-mile radius (due to the fact that sales at Logan Airport food establishments are included within the 3-mile radius). Of particular note is that only approximately one-third of total demand for full service restaurants is being met within the Town of Winthrop – $5.2 million of $15.6 million in demand. This is despite the fact that

[27] Winthrop Marketplace, retrieved from http://www.winthropmktplace.com/, April 28, 2014.

Winthrop contains several regionally-known restaurants. Significant demand also exists for limited service eating establishments, and special food services, which includes caterers and food trucks. A total of $1.4 million in demand exists for drinking place that does not include food service.

FOOD SERVICE & DRINKING (2014)						
	1 Mile Radius			**2 Mile Radius**		
Category	2014 Demand ($MM)	2014 Sales ($MM)	Diff ($MM)	2014 Demand ($MM)	2014 Sales ($MM)	Diff ($MM)
Food svce /drinking	$34.4	$15.4	$19.0	$63.3	$36.2	$27.1
Full Svc Rest	$15.6	$5.2	$10.4	$28.7	$13.0	$15.7
Lmtd Svc Eating	$13.7	$8.5	$5.2	$25.3	$19.6	$5.7
Special Foodsvc	$3.7	$1.7	$2.0	$6.8	$3.3	$3.5
Drinking Place	$1.4	0	$1.4	$2.5	$0.25	$2.25

Source: Nielsen Company, Claritas Retail Market Place

Within a 2-mile radius, significant unmet demand in food service and drinking exists. In fact, less than half of the demand for full service restaurants is being met, as is demand for special food services. Limited service eating is better served, with approximately 80% of demand being met, while very limited sales are being made for drinking establishments without food within the 2-mile radius.

Although in some of the categories where a gap exists, the type of establishment providing that type of good is significantly larger than the realistic footprint of a retail business in Winthrop (e.g., department store), there are some categories of retail where demand exists and where businesses could be relatively modest in size. These include: nursery and garden center; specialty food; optical goods; clothing; and, used merchandise. In the area of nursery and garden center, local unmet demand is $3 million, a figure that grows to $12.1 million within the 3-mile radius. Given that there appear to be no garden centers within the 3 mile radius, opportunity in this area appears significant.

Clothing is the next largest category of demand where significant funds are being expended outside of town ($13.7 million in unmet demand). This is a more challenging area in that Winthrop historically had several clothing stores that have closed, and internet shopping is capturing substantial portions of demand for clothes. Nevertheless, Winthrop does have a remaining children's clothing store in the Center. Demand for used merchandise is relatively small in Winthrop ($420,000 in unmet demand), but this is an area that is growing around the country, especially used clothing stores.

OTHER RETAIL (2014)						
	1 Mile Radius			**3 Mile Radius**		
Category	2014 Demand ($MM)	2014 Sales ($MM)	Diff ($MM)	2014 Demand ($MM)	2014 Sales ($MM)	Diff ($MM)
Nursery/ Garden Ctr	$3.0	0	$3.0	$12.1	$0	$12.1
Specialty food	$3.1	$0.7	$2.4	$14.1	$3	$11.1
Optical goods	$0.74	$0.03	$0.7	$3.15	$.045	$2.7
Clothing	$14.5	$0.75	$13.7	$62.4	$14.7	$47.7
Used merch	$0.62	$0.2	$0.42	$2.7	$.6	$2.1

LAND USE TRENDS

12. Clubs and lodges represent the greatest non-residential use of land in Winthrop, followed by retail (including restaurants and services), and mixed use. Industry/warehousing and vacant/parking also utilize significant land area.

According to data from the Winthrop Assessing Department, the Winthrop Golf Course is the single largest non-residential parcel in town, making clubs and lodges the single largest land use in town. At 12 acres in size, the golf course, clubhouse, and associated parking constitute nearly 70% of land occupied by clubs and lodges. Following the golf course in size are the parcels on which the Elks Lodge and dock are located (2.4 acres), the Cottage Park Yacht Club (.89 acres), and the Winthrop Yacht Club (.48 acres).[28] At 12,200 sf (.28 acres), the Pleasant Park Yacht Club is considerably smaller than the others.

Retail uses, which include restaurants and services, occupy just under 460,000 sf (10.55 acres) of land combined, followed by mixed use at 430,800 sf (9.89 acres). For the purpose of this report, "mixed use" refers to parcels that have more than one type of land use, frequently with retail on the ground floor and office and/or residential above. However, not all mixed use properties are multi-story; they can simply have two different types of uses side by side.

As is well known, retail uses are clustered in the Central Business District, along Main Street at Pleasant Street, on Shirley Street at

[28] These figures exclude associated parking, which is addressed under "vacant / parking".

NON-RESIDENTIAL LAND USES IN WINTHROP			
	Bldg (sf)	**Land (sf)**	**Land (ac)**
Club/Lodge	176,455	715,834	16.43
Retail	227,506	459,698	10.55
Mixed Use	255,483	430,797	9.89
Vacant/Parking		345,445	7.93
Industrial/Warehouse	115,201	238,503	5.48
Automotive	59,110	175,864	4.04
Office	54,830	104,137	2.39
Town	24,184	57,499	1.32
Bank	23,707	46,396	1.07
Lodging	55,546	44,632	1.02
Funeral	15,198	39,192	0.90

Source: Town of Winthrop, Assessing Department, May 2014

Washington Street, at Magee Corner, Crystal Cove, and at Crest Avenue/Highland Avenue. Other retail businesses are scattered throughout the community, sometimes without other businesses nearby. With the exception of some of the restaurants, which draw customers from a large radius, most of the retail businesses are local-serving in nature. These include hair and nail salons, dry cleaners and laundromats, the Winthrop Marketplace grocery store, pet services, mini-markets, sub shops, and optometrists with associated retail sales. Other than Dunkin' Donuts and CVS, Winthrop does not appear to be home of any chain stores or corporate restaurants. As mentioned earlier, retail uses that draw customers from outside of Winthrop include the hardware stores, and pharmacies and drug stores. Services include law offices and insurance offices, which may have a mix of customers that are local and from outside of town.

Parcels that are vacant or are used for surface parking, including boat parking, total just under eight (8) acres of land. Altogether, approximately 17% of Winthrop's 200 or so non-residential parcels (36 parcels) are identified as either vacant or parking. Of these, 28 parcels are less than 15,000 sf each and eight (8) are larger. The single largest parking area is on Washington Street and totals 1.1 acres in size. When all of the parcels associated with the Elks Club are taken together, including the parking, building, and dockyards, they total 3.7 acres. As can be seen from the aerial photo, buildings in the Washington Street area are separated by several hundred feet of asphalt, immediately adjacent to the waterfront in the Washington Street-Shirley Street area.

Aerial photo of Washington Street
Source: Google Earth, May 2014

Industrial and warehouse uses (nearly 5.5 acres) and automotive uses (just over 4.0 acres) collectively occupy a significant portion of Winthrop's non-residential land. A cluster of auto/industrial uses can be found along Argyle Street, interspersed with a few residences. Excluding the residences, the Argyle Street parcels total just under 2 acres of land. A highly visible cluster of auto uses are also located in the Central Business District on Pauline Street and Woodside Avenue, and a moving company can be found just off of Fremont Street on Burrill Terrace.

Most parcels that contain office use only – as opposed to mixed use – are medical in nature, including dentists and optometrists, and modest in size. The two most significant exceptions are Vasquez Adjustors on Adams Street (.32 acres) and the East Boston Neighborhood Health Center on Sturgis Street (.97 acres).

13. **Winthrop is home to many small commercial parcels.[29] In fact, three-quarters of non-residential parcels are 10,600 square feet in size or smaller.**

Of the 213 non-residential parcels identified (commercial condos are excluded), 156 (73%) are 10,000 sf or less in size, and 191 (90%) are 20,000 sf or less in size. As a result, the median non-residential parcel in Winthrop contains just under 6,300 sf. Five of the town's largest parcels include the golf course, three clubs/lodges, and one parcel used for parking for one of the lodges.

The largest parcel currently used for the retail or mixed use is 1-49 Main Street, where Belle Isle Seafood has relocated (1.47 acres). This is followed by Michaels Mall (1.3 acres), 120 Banks Street – the former home of Viking Oil and current home of RPM Fitness (1.2 acres) and 26 Main Street (.97 acres), where the Mobil gas station is located.[30] The Ace Hardware on Main Street also is above average in size (.61 acres), as is the vacant parcel on Pleasant Street between the Pleasant Park Yacht Club and the rear of the Ace Hardware (.74 acres).

Collectively, the three parcels on the south side of Main Street and the vacant lot on Pleasant Street total just over 3.0 acres. On the north side, the Mobil gas station, Dunkin' Donuts, and boat yards total 1.45 acres; with the nearby Belle Isle boat yard being 1 acre in size. At the corner of Putnam and Pauline Streets, Michaels Mall property (1.3 acres) and Nick's place (.73 acres) total just over 2 acres.

Main Street parcels

[29] It should be noted that there are instances where a property owner may own more than one abutting parcel, thereby effectively creating a larger parcel, but ownership information was not available to the project team, so instances where this was the case could not be determined.

[30] The apartment complex at 550 Pleasant Street, which has commercial space on the ground floor, is exactly 1 acre in size, but most of that land area is dedicated to residential use so is not included here.

14. Most commercial properties contain buildings that are low in scale (two stories or less). Considerable land is taken up by parking.

The term "floor area ratio," or FAR, which represents the ratio of building area to land area, is often used to describe the intensity of activity on a property. For example, a 5,000 sf building on a 10,000 sf lot has a FAR of 0.5, where a 10,000 sf building on a 5,000 sf lot has a FAR of 2.0.

In Winthrop, approximately two-thirds of non-residential parcels are built with a FAR of less than 1.0, meaning that the amount of built square footage on the site is less than the area of the lot. Only two parcels were found to have a ratio above 2.0, including the Winthrop Arms hotel (2.13 FAR) and 1-9 Pauline Street, the former home of Amanda Oakleaf baking (2.02 FAR). Following these are the Stasio Building Supply at 39 Walden Street (1.65 FAR), 36 Woodside Ave, the former home of Center Café (1.65 FAR), and the Alia Restaurant at 499 Shirley Street (1.63 FAR). Interestingly, the Wadsworth Building on Winthrop Street, which has a very strong street presence, only has an FAR of 1.31 due to the large parking lot behind the building.

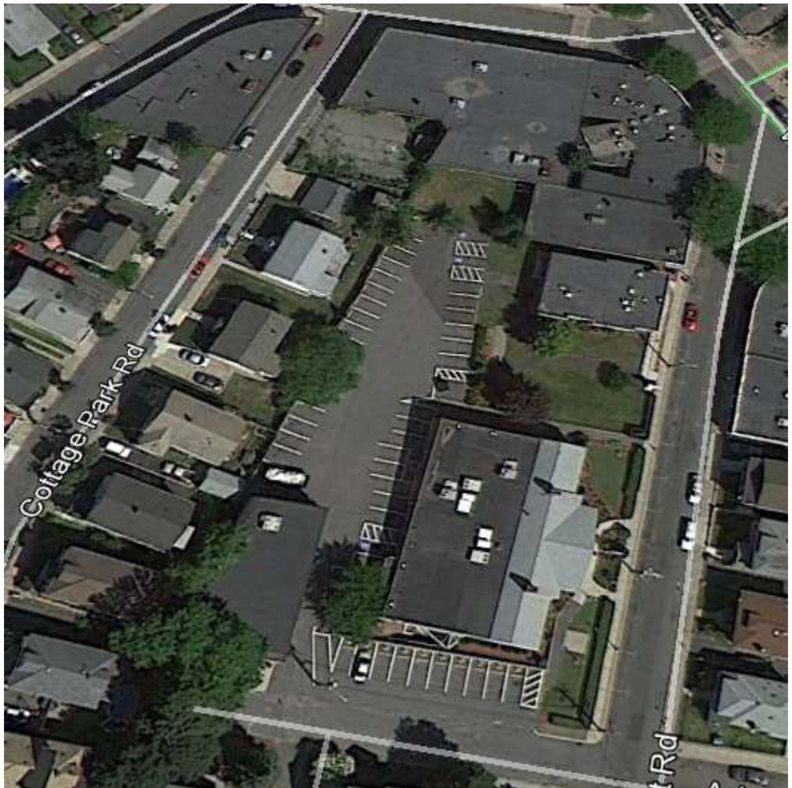
A total of 120 (68%) of the 177 non-residential parcels (excluding vacant lots, parking, and commercial condos) have a FAR of less than 1.0. The current land uses on these properties include:

- Automotive – 20 parcels
- Bank – 4 parcels
- Club / Lodge – 4 parcels[31]
- Funeral Home – 3 parcels
- Industrial / Warehouse – 11 parcels
- Lodging -1 parcel
- Mixed use – 26 parcels
- Office - 7 parcels
- Retail – 45 parcels

In some locations in Winthrop, parking is a more dominant land use than business. As can be seen in the aerial photo below, the municipal parking lot, and parking at Michaels Mall, Nick's restaurant, and MSA Mortgage are almost as large as the surrounding building footprints. Also intensively parked is the Bartlett Road area, which is dominated by the Bank of America parking lot. Previously mentioned was the Washington Street area near the Elks Lodge, which has considerable parking.

Putnam Street at Pauline Street

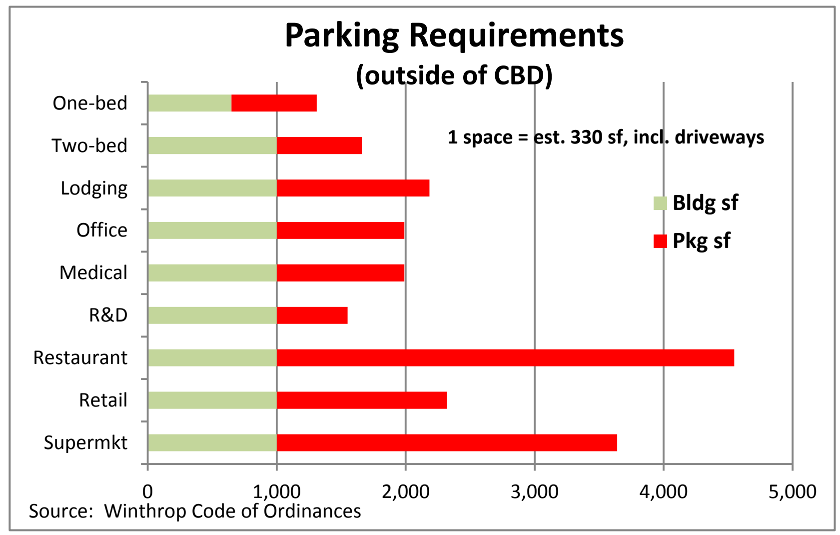
[31] Does not include parking if is on a separate parcel. If abutting parcels were incorporated, the FAR would be lowered.



Rear of 25 Bartlett Road

The Town's parking requirements are a contributor to this situation. As can be seen from the graphic below, in areas outside of the Central Business District (CBD), at times more land area is required to meet the parking requirement than the use has itself. Of particular note are restaurants, supermarket, and retail where the amount of space required for parking is two to four times greater than the business use itself. The requirements for restaurants are particularly complex and include spaces per seat, spaces per employee, and spaces per floor area in a function room. The parking requirement for lodging is also multi-facetted, requiring spaces per room, per employee, per restaurant seat, and per floor area in a function room, even though it may be expected that some attendees at a function may be guests at the lodging establishment. The small parcel size found in Winthrop coupled with the Town's parking requirements can make designing a building on a parcel outside of the CBD difficult and may, in fact, compel a strip mall form of design as the most efficient use of the lot area.

Within the CBD, some of the space requirements are reduced and credit is provided for on-street parking and the municipal lot. As a result, business establishments less than 3,000 sf in size do not require parking on site, but those larger than 3,000 sf and residences still do. However, if mixed use development in the CBD is contemplated, the residential parking requirement may prove to be a challenge, given the small typical parcel size.



15. **Many commercial properties in Winthrop meet the definition of "underutilized," i.e., the value of the building on the property is less than the value of the land.**

One measure of whether a parcel is underutilized is whether the structure(s) on the site is worth more than the underlying land. This measure is often used by developers seeking to identify potential opportunity sites in a community. In Winthrop, of 177 non-residential parcels (excluding vacant lots, parking, and commercial condos), 107 (60.5%) have a land value that is greater than the building value.[32]

COMMERCIAL PARCELS WITH HIGHER RATIOS OF BUILDING VALUE TO LAND VALUE

Business	Address	Ratio
Suburban Extended Stay	312 Shirley St	4.66
Winthrop Arms	130 Grovers Ave	4.20
CVS	1-7 Woodside Ave	3.80
Michael's Mall	10-34 Putnam St	3.75
EBNHC Elder Services	26 Sturgis St	3.48
Bank of America	25 Bartlett Rd	2.78
McCormick's Florist, etc.	197-05 Winthrop St	2.76
Webster FCU	15 Woodside Ave	2.74
Alia Restaurant, Barber	499-03 Shirley St	2.32
Wadsworth Bldg	214-24 Winthrop St	2.23
Center Café (former)	36 Woodside Ave	2.22
Amanda Oakleaf (former)	1-9 Pauline St	2.20
Citgo, Honey Dew	2-16 Shirley St	2.17
Ferrara & Sons	19 Revere St	2.03

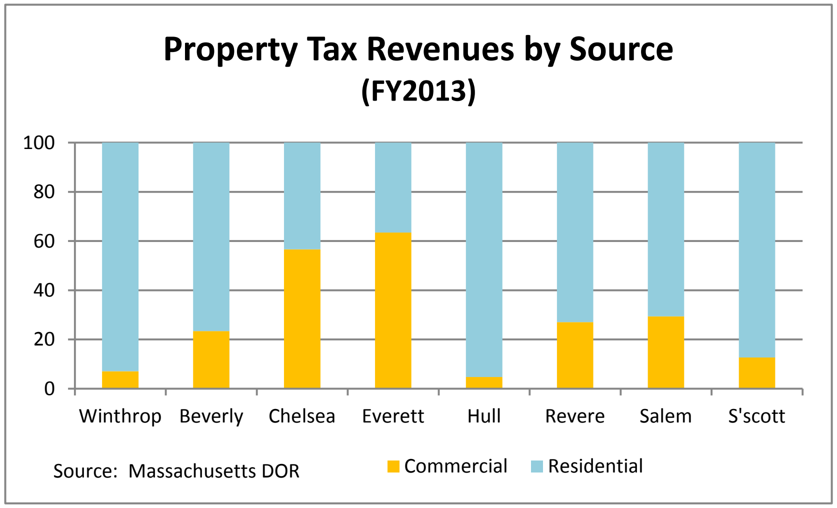
Source: Town of Winthrop, Assessing Department, May 2014

Even more significantly, on 44 of these properties (25%), the ratio of the building value to land value was less than 0.5. In contrast, a snapshot of residential properties indicates a much higher percentage have a building value that exceeds the value of the land. On a randomly selected page of the Assessors data (28 Beach Road to 58 Beacon Street), 21 of 32 residential parcels (65.6%) had a building value equal to or greater than the land value, plus an additional 4 had a building value that was 95-99% that of the land. In fact, none of the residential properties had a ratio building to land value of less than .87.

In terms of the more intensively developed properties, if clubs/lodges are excluded, only 14 parcels have a ratio of building to land value of 2 or greater. Among these are the Suburban Extended Stay (4.66), the Winthrop Arms (4.2), and the CVS pharmacy (3.8). Not only does this ratio give an indicator of the amount of activity on a property, it also directly and adversely impacts Town revenues. An argument could be made that as a result of the underutilization of commercial property in Winthrop, the residential tax payer covers a larger portion of the Town budget than in more commercially developed communities, such as Cambridge or even Everett.

[32] This does not take into account abutting parcels under the same ownership that act as one.

16. **Commercial property generates limited revenue for the Town of Winthrop.**



The value and amount of commercial property in Winthrop has an influence on the resources available to meet community service needs. When considering the share of revenue generated by commercial property (including personal property) versus residential property, it can be seen that only 7% of Winthrop's property tax revenues in FY2013 were generated by commercial property. This is the lowest of all the comparison communities, with the exception of Hull. In Chelsea and Everett, in particular, more than half of the property tax revenues were generated by commercial property, 56.7% and 63.5%, respectively. In contrast, in Cambridge two-thirds of all property tax revenues are generated by commercial property.

While the limited amount of commercial business in Winthrop may be one reason why commercial property tax receipts are so low, it should also be noted that the tax rate paid by commercial property in Winthrop is lower than all of the comparison communities with the exception of Hull. Everett, in particular, has established a very high rate on its commercial property, and in FY2013 had the highest rate of any municipality in Massachusetts. In contrast, Winthrop is ranked 224 out of 351 cities and towns in the Commonwealth.

RESIDENTIAL AND COMMERCIAL PROPERTY TAX RATES[33]

	Res Rate	Res Rank	Comm Rate	Comm Rank
Winthrop	14.91%	170	14.91%	224
Beverly	13.64%	221	24.86%	62
Chelsea	14.13%	208	34.20%	10
Everett	15.64%	130	43.04%	1
Hull	13.47%	230	13.47%	261
Salem	16.38%	97	31.46%	24
Swampscott	18.84%	21	35.02%	5

Source: Boston Globe, March 26, 2013

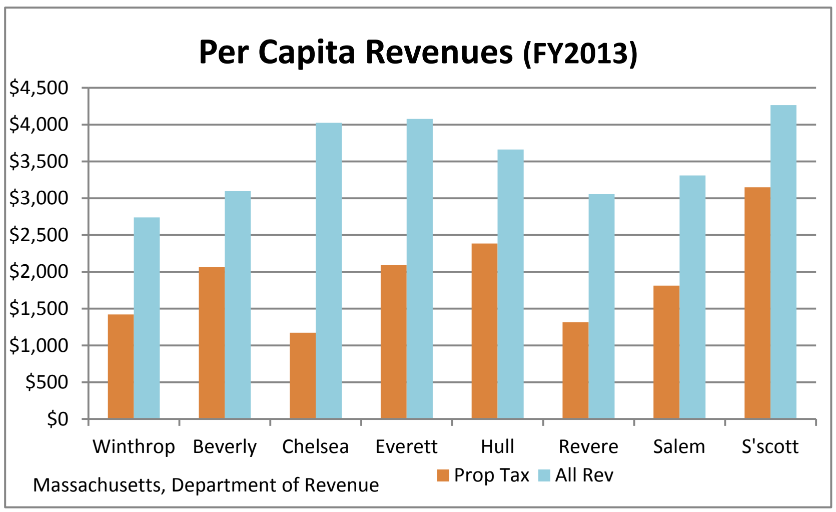
According to the Massachusetts Department of Revenue, in FY2013, Winthrop generated $1,420 in property tax revenues per person. This places the Town behind all of the comparison communities except for Chelsea and Revere. Particularly substantial revenues were generated by Swampscott ($3,147 per capita) and Hull ($2,384 per capita). Both Beverly and Everett had per capita property tax revenues in excess of $2,000, approximately one-third greater than the amount generated in Winthrop. When all resources are taken into account, Winthrop falls to last place among the comparison communities in terms of revenue available per capita. This is due to the fact that Chelsea and Revere, which generate less property tax per capita than Winthrop, receive

[33] Douglas, Craig, "Massachusetts Property Tax Rates in 2013, by city and town", Boston Globe, March 26, 2013, retrieved from http://www.bizjournals.com/boston/blog/bbj_research_alert/2013/03/massachusetts-property-tax-rates-for.html, May 13, 2014.

LOCAL REVENUES Per Capita (FY2013)[1]		
	Prop Tax	All Rev
Winthrop	$1,420	$2,738
Beverly	$2,065	$3,094
Chelsea	$1,171	$4,023
Everett	$2,094	$4,075
Hull	$2,384	$3,660
Revere	$1,313	$3,054
Salem	$1,811	$3,309
Swampscott	$3,147	$4,264

Source: Massachusetts Department of Revenue

more Local Aid than Winthrop does, raising them above Winthrop in terms of total resources available on a per capita basis



BUSINESS SURVEY RESULTS

In May 2014, the Collins Center at UMass Boston made a survey available to businesses in Winthrop online and in hard copy. The purpose of the survey was to gather some basic information about the businesses, their customer base, and their employees, and to gain an understanding of recent trends in revenues and expenses. (A copy of the survey questionnaire can be found in Appendix C.)

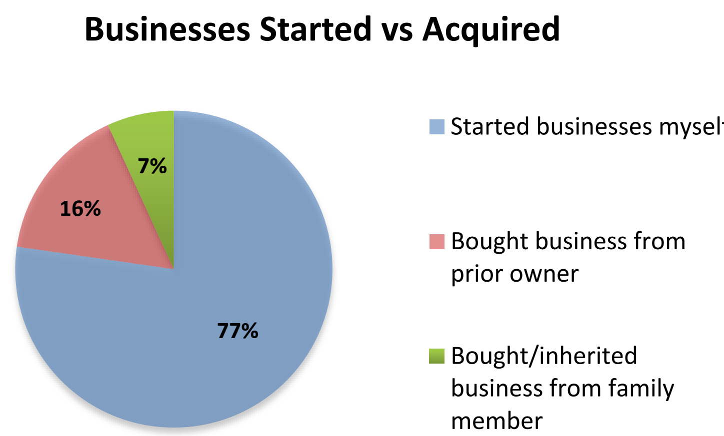
17. Overwhelmingly, survey respondents had started their own independent businesses. On average, they have been in business for 28 years.

The majority of businesses responding to the survey had been started by the current owner (34 out of 44 respondents). Seven (7) businesses were purchased from a prior owner while, 3 others were purchased or inherited from a family member.

Very few businesses (only 4 out of 47 responses) are part of a chain,[34] including only one business in the hotel and food services sector and none within the retail sector.

Responses were received from many different employment sectors that largely mirrored US Census data on the types of jobs found in Winthrop.

The greatest number of responses came from within the hotel and food services, retail trade, finance and insurance, and health care and social



Source: 2014 Business Surey

assistance sectors. Within Winthrop, these are among the largest sectors based on number of establishments. Construction and 'other' services represent two other large sectors in Winthrop.

SURVEY RESPONDENTS BY SECTOR		
Business Sector	**Number (46 total)**	**Sector as % of Winthrop bus.[35]**
Admin and Waste Management	1	3%
Arts, Entertain and Recreation	2	4%
Construction	4	14%
Finance and Insurance	6	4%
Health Care and Social Assistance	5	12%
Hotel and Food Services	9	10%
Info Technology	2	<1%
Manufacturing	1	<1%

[34] For survey purposes, chain was defined as an enterprise operating 5 or more identical businesses.

[35] MetroBoston DataCommon.

Other Services (excl. Public Admin)	3	15%
Prof, Scientific, Tech Services	4	6%
Real Estate	3	4%
Retail Trade	6	15%

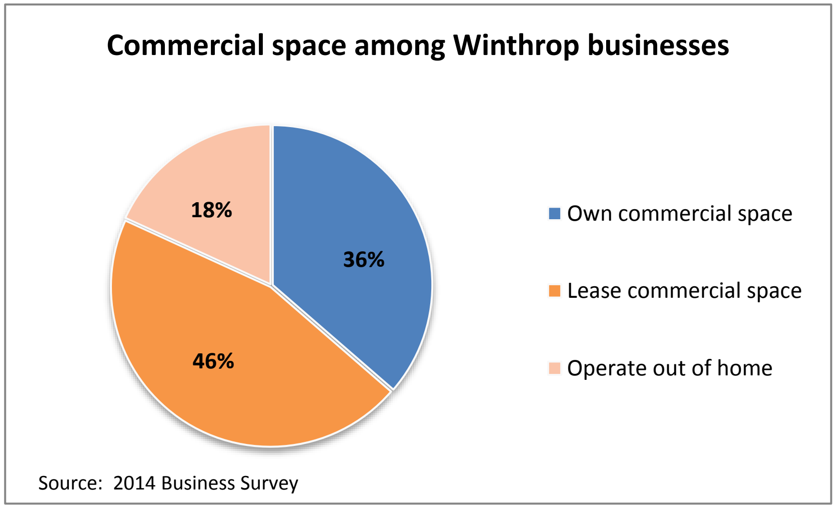
Source: 2014 Winthrop Business Survey, MetroBoston Data Common

Of the respondents, over 50% indicated that their businesses had been in existence for twenty or more years in Winthrop, and fully 85% of them have passed the 5-year mark. Of the respondents, only 7 indicated they had opened since 2009. Given that the attrition rate for small businesses flattens out after year 5, by which point 50% of businesses have closed,[36] the businesses found in Winthrop are long-lived and likely more stable. On the other hand, evidence does not indicate that many new businesses are opening in Winthrop, at least not in recent years.

Among those that opened recently, the majority (4) are in the hotel and food services sector, one in health and social services, one in professional, scientific and tech services, and one retail business. Most often, jobs in these sectors, with the exception of health and social services, tend to require lower education levels and compensate at lower wage levels.

[36] http://www.bls.gov/bdm/entrepreneurship/bdm_chart3.htm

18. Approximately one-half of respondents lease the space in which their business is located; others own the space or work from their homes.



Overall, more respondents lease rather than own their commercial space (20 vs 16). While leasing can provide a business with the opportunity to relocate to respond to emerging opportunities or market conditions, it also leaves the businesses somewhat vulnerable when landlords seek to increase rents. On the other hand, owning a property can provide long term stability to a business during an economic downturn, especially if it has low mortgage and maintenance costs.

The majority of retailers (5 out of 6) and half of the food and hotel businesses (4 out of 8) lease rather than own.

Sectors where business is conducted out of the owner’s home include construction, hotel and food services, information technology services, ‘other’ services, and professional, scientific and technical services.

19. **Universally, respondents indicate that more revenue is generated from within Winthrop than from any other geographic area, and almost 85% of revenue is generated from within I-95. They also indicate that the majority of their employees live in Winthrop.**

On average, respondents report that almost 50% of revenue comes from customers within Winthrop and 85% of revenue from within I-95. For retail businesses, an average of 77% of revenue is reportedly generated by local customers, while another 22% comes from customers within Massachusetts but outside of Winthrop. Within food and hotel services, 83% of revenue is generated from within the state, and almost half of that within Winthrop. Only two businesses reported greater than 2% of revenue as coming from international customers; both are within the hotel and food services sector. Among these, the one business that reported generating over 50% of revenue from international customers listed 'proximity to airport' as a driver for operating its Winthrop business.

PERCENT OF REVENUE BY CUSTOMER LOCATION

Sector	Within Winthrop	Within MA, outside of Winthrop	Within U.S., outside of MA	Outside of U.S.
All	48%	42%	6%	4%
Hotel/Food	37%	46%	5%	12%
Retail	77%	22%	1%	0%
Real Estate	67%	33%	0%	0%

Source: 2014 Winthrop Business Survey

Among revenue generated within Massachusetts but outside of Winthrop, almost half is reportedly generated from customers within a 1-3 mile radius and almost all from customers within I-95.

Most sectors attract the majority of their employees from within Winthrop, with the exception of finance and insurance businesses which attract more than one-half of employees from outside of Winthrop, but within I-95. Retail businesses, in particular, secure the vast majority of their employees from within Winthrop, and hotel and food services from within a 6 mile radius of Winthrop.

20. While most customers reportedly arrive at Winthrop businesses via private vehicle, respondents did acknowledge customers using other forms of transportation. Employees also tend to drive alone.

Among 39 respondents, just over one-quarter (11 businesses) reported that some customers (a minority, ranging from 1%-25%) arrive via MBTA bus or subway, and one business (hotel and food service) reported that 50% of customers arrive via MBTA bus or subway. Only one respondent reported customers arriving at their place of business via commuter rail.

A total of 24 respondents indicated that their customers walk to their establishment, with the percentage of walkers averaging 18%, but ranging up to 60% for one business. Within the retail sector, respondents indicated that, on average, 20% of their customers walk to their place of business. Overall, only two businesses reported a very small minority of their customers using bikes.

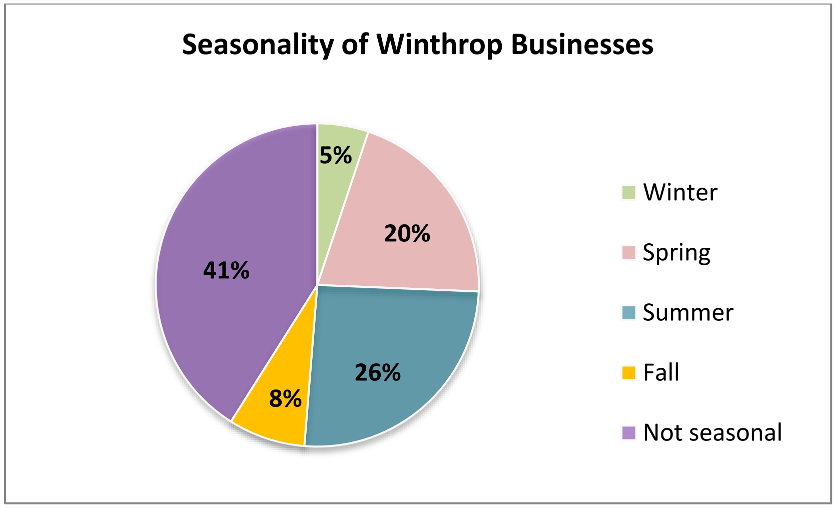
Among 32 respondents, the vast majority reported that employees drive alone to get to work. Six businesses reported that some employees use the MBTA (ranging from 1 to 8 workers), while none of their employees commute via MBTA commuter rail. A total of 15 businesses reported at least one worker walking to work and 5 reported some use of carpooling. The figures on driving to work are particularly interesting in light of the large numbers of employees that live in Winthrop and are therefore no more than one mile away from their place of work.

21. Over half of respondents indicated that the amount of business changes seasonally, with summer being most frequently reported as the busiest time.

A total of 58% of 39 respondents (23 businesses) indicated their business is seasonal. Of those seasonal businesses, summer and spring are by far the busiest.

In particular, all retail businesses reported a level of seasonality, with two businesses indicating summer is busiest, two reporting spring, and one fall. Among hotel and food service businesses, four reported summer as busiest, one spring, and three businesses reported no seasonality.

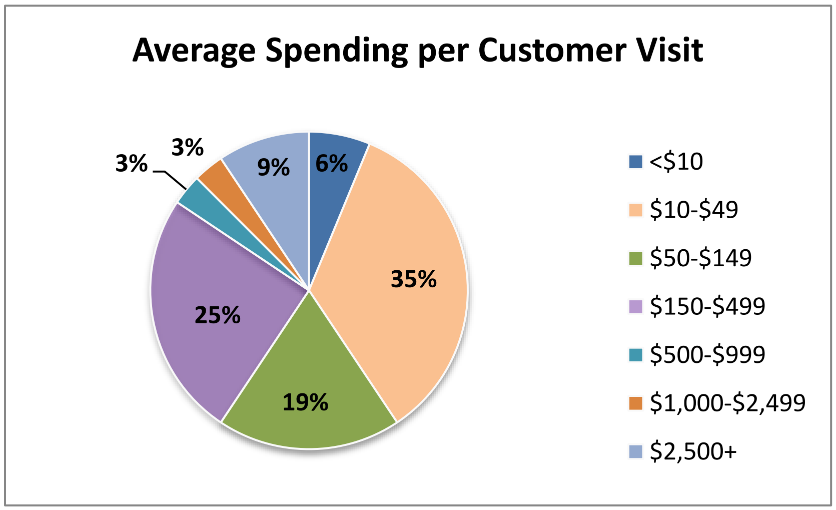
Overall, winter and fall were found to be the slowest periods of the year.



22. Most business owners reported that revenues increased in the past three years, although some experienced decreases. Increased costs at times offset the growth in revenue.

A sizeable majority (64%) of respondents reported that revenue has increased in the past 3 years (24 out of 37 respondents), whereas 21% (8 businesses) reported a decrease in revenue over the same time period. While responses tended to vary within sectors, overall, all finance and insurance businesses indicated an increase in revenues, 6 out of 8 hotel and food service businesses indicated an increase, and either an increase or 'no change' was reported among all retail businesses.

Despite revenue growth among almost two-thirds of reported businesses, over half (18 out of 34 respondents) indicated that profits had fallen, as expenses out-paced revenue growth. Among the remainder, 10 respondents (29%) report increased profits, while 7 respondents (20%) report no change.



The most commonly reported factors driving expenses up included:

- Cost of insurance and health benefits,
- Workers' salaries,
- Cost of information technology;
- Local taxes and fees, and,
- Cost of goods or materials.

The average amount spent per customer was reportedly within the $10-$49 range. This amount was reported among 11 out of 32 respondents, including all of the retail businesses. The range reported with the second highest frequency was an average customer spending of $150-$499, followed by $50-$149.

23. **"Word of mouth" was by far the most commonly used marketing tool among respondents, and the tool most often claimed as generating the greatest amount of new business.**

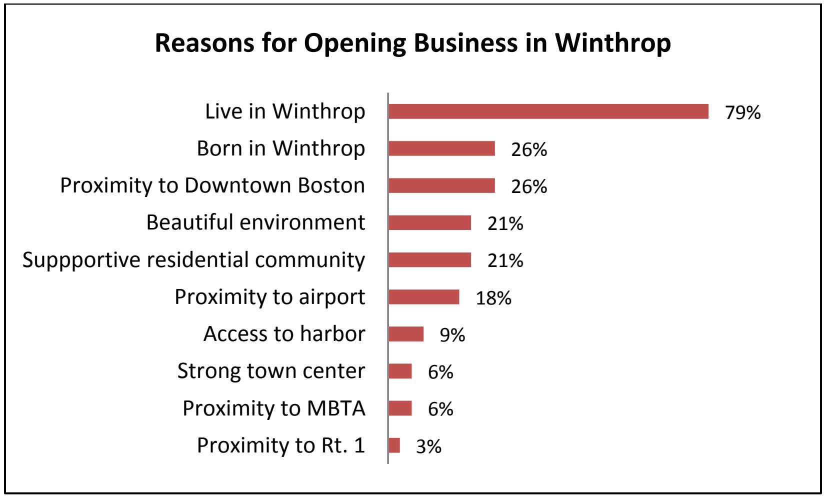
Nearly all respondents (35 out of 39 respondents or 88%) use "word of mouth" or customer referrals as a marketing tool. Business websites, the local newspaper, the Chamber of Commerce, and search engine optimization are among the other most popular marketing tools reported. Among least popular are regional newspapers, local TV, trade shows or business expos, trade or business journals, and formal business networking groups. Three business claim not to market at all.

MARKETING TOOLS USED BY WINTHROP BUSINESSEs		
Marketing Tool	**# of Businesses Using (among respondents)**	**% of Business Using (among respondents)**
Word of Mouth / Customer Referrals	35	88%
Business website	22	55%
Chamber of Commerce	17	43%
Local paper	16	41%
Search Engine Optimization	15	38%
Social media	15	38%
Direct mail	10	25%
Cross promotion	9	23%
Business networking sites	8	20%
Online customer referral sites	8	20%
Printed business listings	8	20%
Formal bus networking groups	6	15%
Trade or business journals	4	10%
Trade shows or business expos	3	8%
Local TV	3	8%
Regional paper	1	3%

Source: 2014 Winthrop Business Survey

The businesses marketing strategy appears to have produced results, given that almost two-thirds of respondents, (18 of 28) reported word of mouth or customer referrals as their leading source of new business. Internet/website/online advertising came in at a distant second, with 5 combined responses. Only 3 respondents listed the Chamber among their top three most effective marketing tools, despite it being the third most popular marketing tool used.

24. The majority of respondents indicated that they opened their business in Winthrop, at least in part, because Winthrop is where they live.



Among 34 respondents, living in Winthrop was by far the greatest contributing factor as to why owners opened businesses in town (27 out of 34 respondents).[37] Proximity to downtown Boston was a distant second, listed by 9 respondents, while proximity to the airport was listed by 6 respondents. Seven respondents were influenced at least in part by what they consider to be a supportive residential community. While the beautiful environment was selected by seven respondents, access to the harbor was listed as being a factor in their decision to open a business by only three respondents. Winthrop's town center and its proximity to the MBTA appear to have had little influence on generating new businesses within the community (among respondents).

[37] The question was worded as "what attracted you to open a business in Winthrop?" Thus, folks who responded 'living in Winthrop' as a reason for opening their business were not those who may have moved to Winthrop specifically to open a business or subsequent to opening their Winthrop business.

25. Respondents indicated that finding qualified labor is difficult.

Twenty-two out of the 34 respondents (64%) find it difficult or very difficult to find qualified labor, whereas only 11% reported it 'not difficult,' and none reported it easy. Within the professional sectors of finance and insurance and professional, scientific and technical services, 7 out of 8 respondents indicated it was difficult or very difficult to find qualified labor.

26. Making Winthrop Center more attractive was among respondents' suggestions for how Winthrop can help grow the local economy.

Respondents had over a dozen suggestions on ways to help Winthrop grow its business economy, including:

- Clean and beautify the Center;
- Open a supermarket, and other businesses that will fill a local need;
- Encourage residents to support local businesses;
- Create a more business friendly environment and allow for more signage to increase awareness of offerings;
- Develop the center business area, and rezone for mixed use;
- Attract non-residents to do business in Winthrop;
- Increase amount of commercial space in Winthrop; and,
- More networking within Chamber.

APPENDIX A

TYPES OF EXPENSES FOR HOUSEHOLDS WITH CHILDREN

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TYPES OF EXPENSES FOR HOUSEHOLDS WITH CHILDREN

Housing expenses consist of shelter (mortgage payments, property taxes, or rent; maintenance and repairs; and insurance), utilities (gas, electricity, fuel, cell/telephone, and water), and house furnishings and equipment (furniture, floor coverings, major appliances, and small appliances).

Food expenses consist of food and nonalcoholic beverages purchased at grocery, convenience, and specialty stores; dining at restaurants; and household expenditures on school meals.

Transportation expenses consist of the monthly payments on vehicle loans, down payments, gasoline and motor oil, maintenance and repairs, insurance, and public transportation (including airline fares).

Clothing expenses consist of children's apparel such as diapers, shirts, pants, dresses, and suits; footwear; and clothing services such as dry cleaning, alterations, and repair.

Health care expenses consist of medical and dental services not covered by insurance, prescription drugs and medical supplies not covered by insurance, and health insurance premiums not paid by an employer or other organization. Medical services include those related to physical and mental health.

Child care and education expenses consist of day care tuition and supplies; baby-sitting; and elementary and high school tuition, books, fees, and supplies. Books, fees, and supplies may be for private or public schools. The average child care and education expenses used in the Calculator are based on families who have these expenses. If you do not have these expenses, expenditures on a child should be adjusted to account for this.

Miscellaneous expenses consist of personal care items (haircuts, toothbrushes, etc.), entertainment (portable media players, sports equipment, televisions, computers, etc.), and reading materials (nonschool books, magazines, etc.).

Source: USDA, "Cost of Raising a Child Calculator", retrieved from
http://www.cnpp.usda.gov/tools/CRC_Calculator/default.aspx, April 22, 2014

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APPENDIX B

CLARITAS RETAIL GAP ANALYSIS

(1-, 2-, and 3- mile radius of Winthrop, MA)

Nielsen Group

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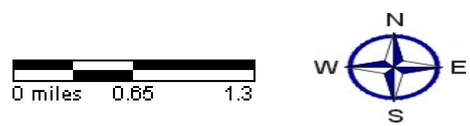
Area Map

Retail Gap Analysis

294 BOWDOIN ST
WINTHROP,MA 02152-1737
Coord: 42.374066, -70.978899
Radius - See Appendix for Details

Legend

- Point
- Interstate Highways
- US Highways
- State Highways
- Major Highways
- Major Roads
- Roads
- Railroads
- Landmarks
- Parks
- Hydrography
- Airports
- Block Groups
- Tracts
- MCD
- Area Zip Codes
- YPD
- County



Appendix: Area Listing

Area Name:

Type: Radius 1

Radius Definition:

294 BOWDOIN ST	Center Point:	42.374066		-70.978899
WINTHROP, MA 02152-1737	Circle/Band:	0.00	-	1.00

Area Name:

Type: Radius 2

Radius Definition:

294 BOWDOIN ST	Center Point:	42.374066		-70.978899
WINTHROP, MA 02152-1737	Circle/Band:	0.00	-	2.00

Area Name:

Type: Radius 3

Radius Definition:

294 BOWDOIN ST	Center Point:	42.374066		-70.978899
WINTHROP, MA 02152-1737	Circle/Band:	0.00	-	3.00

RMP Opportunity Gap - Retail Stores

Retail Gap Analysis

Radius 1: 294 BOWDOIN ST, WINTHROP, MA 02152-1737, 0.00 - 1.00 Miles, Total

Retail Stores	2014 Demand (Consumer Expenditures)	2014 Supply (Retail Sales)	Opportunity Gap/Surplus
Total Retail Sales Incl Eating and Drinking Places	301,264,716	97,007,362	204,257,354
Motor Vehicle and Parts Dealers-441	49,800,521	23,234,348	26,566,173
Automotive Dealers-4411	41,884,125	22,829,361	19,054,764
Other Motor Vehicle Dealers-4412	3,220,581	347,803	2,872,778
Automotive Parts/Accsrs, Tire Stores-4413	4,695,815	57,184	4,638,631
Furniture and Home Furnishings Stores-442	6,356,309	1,248,566	5,107,743
Furniture Stores-4421	3,423,338	1,130,877	2,292,461
Home Furnishing Stores-4422	2,932,971	117,689	2,815,282
Electronics and Appliance Stores-443	5,676,906	3,475,248	2,201,658
Appliances, TVs, Electronics Stores-44311	4,091,482	3,475,248	616,234
Household Appliances Stores-443111	741,899	3,475,248	(2,733,349)
Radio, Television, Electronics Stores-443112	3,349,583	0	3,349,583
Computer and Software Stores-44312	1,406,161	0	1,406,161
Camera and Photographic Equipment Stores-44313	179,264	0	179,264
Building Material, Garden Equip Stores -444	31,177,136	7,306,137	23,870,999
Building Material and Supply Dealers-4441	27,010,064	7,306,137	19,703,927
Home Centers-44411	10,979,296	580,323	10,398,973
Paint and Wallpaper Stores-44412	460,040	0	460,040
Hardware Stores-44413	2,672,400	5,868,086	(3,195,686)
Other Building Materials Dealers-44419	12,898,329	857,728	12,040,601
Building Materials, Lumberyards-444191	5,065,453	320,988	4,744,465
Lawn, Garden Equipment, Supplies Stores-4442	4,167,072	0	4,167,072
Outdoor Power Equipment Stores-44421	1,136,009	0	1,136,009
Nursery and Garden Centers-44422	3,031,063	0	3,031,063
Food and Beverage Stores-445	38,979,658	7,944,338	31,035,320
Grocery Stores-4451	25,603,256	6,020,564	19,582,692
Supermarkets, Grocery (Ex Conv) Stores-44511	23,896,169	3,970,398	19,925,771
Convenience Stores-44512	1,707,087	2,050,165	(343,078)
Specialty Food Stores-4452	3,147,565	718,037	2,429,528
Beer, Wine and Liquor Stores-4453	10,228,838	1,205,737	9,023,101
Health and Personal Care Stores-446	16,330,848	23,406,879	(7,076,031)
Pharmacies and Drug Stores-44611	12,984,745	23,208,808	(10,224,063)
Cosmetics, Beauty Supplies, Perfume Stores-44612	1,142,666	163,011	979,655
Optical Goods Stores-44613	739,217	35,060	704,157
Other Health and Personal Care Stores-44619	1,464,220	0	1,464,220

RMP Opportunity Gap - Retail Stores

Retail Gap Analysis

Radius 1: 294 BOWDOIN ST, WINTHROP, MA 02152-1737, 0.00 - 1.00 Miles, Total

Retail Stores	2014 Demand (Consumer Expenditures)	2014 Supply (Retail Sales)	Opportunity Gap/Surplus
Gasoline Stations-447	29,015,788	8,272,131	20,743,657
Gasoline Stations With Conv Stores-44711	21,425,648	5,422,127	16,003,521
Other Gasoline Stations-44719	7,590,140	2,850,004	4,740,136
Clothing and Clothing Accessories Stores-448	14,489,041	747,926	13,741,115
Clothing Stores-4481	7,610,841	208,839	7,402,002
Men's Clothing Stores-44811	408,597	0	408,597
Women's Clothing Stores-44812	1,840,023	0	1,840,023
Children's, Infants Clothing Stores-44813	413,546	0	413,546
Family Clothing Stores-44814	3,954,232	102,361	3,851,871
Clothing Accessories Stores-44815	335,500	0	335,500
Other Clothing Stores-44819	658,944	106,478	552,466
Shoe Stores-4482	1,080,265	0	1,080,265
Jewelry, Luggage, Leather Goods Stores-4483	5,797,935	539,087	5,258,848
Jewelry Stores-44831	5,221,298	539,087	4,682,211
Luggage and Leather Goods Stores-44832	576,637	0	576,637
Sporting Goods, Hobby, Book, Music Stores-451	5,703,616	830,923	4,872,693
Sporting Goods, Hobby, Musical Inst Stores-4511	4,855,713	431,448	4,424,265
Sporting Goods Stores-45111	2,587,623	66,249	2,521,374
Hobby, Toys and Games Stores-45112	1,357,277	16,805	1,340,472
Sew/Needlework/Piece Goods Stores-45113	379,741	64,004	315,737
Musical Instrument and Supplies Stores-45114	531,072	284,390	246,682
Book, Periodical and Music Stores-4512	847,903	399,475	448,428
Book Stores and News Dealers-45121	734,631	399,475	335,156
Book Stores-451211	652,080	399,475	252,605
News Dealers and Newsstands-451212	82,551	0	82,551
Prerecorded Tapes, CDs, Record Stores-45122	113,272	0	113,272
General Merchandise Stores-452	36,094,356	41,004	36,053,352
Department Stores Excl Leased Depts-4521	15,160,570	0	15,160,570
Other General Merchandise Stores-4529	20,933,786	41,004	20,892,782
Miscellaneous Store Retailers-453	8,376,113	1,076,863	7,299,250
Florists-4531	319,685	193,041	126,644
Office Supplies, Stationery, Gift Stores-4532	4,019,201	537,748	3,481,453
Office Supplies and Stationery Stores-45321	1,970,198	0	1,970,198
Gift, Novelty and Souvenir Stores-45322	2,049,004	537,748	1,511,256
Used Merchandise Stores-4533	619,499	189,754	429,745
Other Miscellaneous Store Retailers-4539	3,417,727	156,320	3,261,407
Non-Store Retailers-454	24,909,334	4,058,093	20,851,241
Foodservice and Drinking Places-722	34,355,089	15,364,907	18,990,182
Full-Service Restaurants-7221	15,576,808	5,203,585	10,373,223

RMP Opportunity Gap - Retail Stores

Retail Gap Analysis

Radius 1: 294 BOWDOIN ST, WINTHROP, MA 02152-1737, 0.00 - 1.00 Miles, Total

Retail Stores	2014 Demand (Consumer Expenditures)	2014 Supply (Retail Sales)	Opportunity Gap/Surplus
Limited-Service Eating Places-7222	13,720,739	8,470,887	5,249,852
Special Foodservices-7223	3,671,380	1,690,435	1,980,945
Drinking Places -Alcoholic Beverages-7224	1,386,161	0	1,386,161
GAFO *	72,339,430	6,881,415	65,458,015
General Merchandise Stores-452	36,094,356	41,004	36,053,352
Clothing and Clothing Accessories Stores-448	14,489,041	747,926	13,741,115
Furniture and Home Furnishings Stores-442	6,356,309	1,248,566	5,107,743
Electronics and Appliance Stores-443	5,676,906	3,475,248	2,201,658
Sporting Goods, Hobby, Book, Music Stores-451	5,703,616	830,923	4,872,693
Office Supplies, Stationery, Gift Stores-4532	4,019,201	537,748	3,481,453

RMP Opportunity Gap - Retail Stores

Retail Gap Analysis

Radius 2: 294 BOWDOIN ST, WINTHROP, MA 02152-1737, 0.00 - 2.00 Miles, Total

Retail Stores	2014 Demand (Consumer Expenditures)	2014 Supply (Retail Sales)	Opportunity Gap/Surplus
Total Retail Sales Incl Eating and Drinking Places	545,622,530	211,371,401	334,251,129
Motor Vehicle and Parts Dealers-441	86,471,374	26,669,397	59,801,977
Automotive Dealers-4411	72,490,989	25,982,451	46,508,538
Other Motor Vehicle Dealers-4412	5,614,122	383,539	5,230,583
Automotive Parts/Accsrs, Tire Stores-4413	8,366,263	303,407	8,062,856
Furniture and Home Furnishings Stores-442	11,399,898	1,780,852	9,619,046
Furniture Stores-4421	6,131,044	1,663,163	4,467,881
Home Furnishing Stores-4422	5,268,853	117,689	5,151,164
Electronics and Appliance Stores-443	10,406,713	4,532,029	5,874,684
Appliances, TVs, Electronics Stores-44311	7,509,397	4,423,784	3,085,613
Household Appliances Stores-443111	1,344,541	3,655,310	(2,310,769)
Radio, Television, Electronics Stores-443112	6,164,856	768,474	5,396,382
Computer and Software Stores-44312	2,578,705	108,245	2,470,460
Camera and Photographic Equipment Stores-44313	318,612	0	318,612
Building Material, Garden Equip Stores -444	55,406,321	8,189,711	47,216,610
Building Material and Supply Dealers-4441	47,968,206	8,189,711	39,778,495
Home Centers-44411	19,622,375	580,323	19,042,052
Paint and Wallpaper Stores-44412	797,846	883,574	(85,728)
Hardware Stores-44413	4,848,104	5,868,086	(1,019,982)
Other Building Materials Dealers-44419	22,699,880	857,728	21,842,152
Building Materials, Lumberyards-444191	8,992,498	320,988	8,671,510
Lawn, Garden Equipment, Supplies Stores-4442	7,438,115	0	7,438,115
Outdoor Power Equipment Stores-44421	1,995,259	0	1,995,259
Nursery and Garden Centers-44422	5,442,857	0	5,442,857
Food and Beverage Stores-445	72,277,776	29,564,125	42,713,651
Grocery Stores-4451	47,571,677	26,805,917	20,765,760
Supermarkets, Grocery (Ex Conv) Stores-44511	44,405,606	22,830,415	21,575,191
Convenience Stores-44512	3,166,070	3,975,502	(809,432)
Specialty Food Stores-4452	5,871,255	900,361	4,970,894
Beer, Wine and Liquor Stores-4453	18,834,844	1,857,847	16,976,997
Health and Personal Care Stores-446	29,620,080	29,206,741	413,339
Pharmacies and Drug Stores-44611	23,531,049	28,521,660	(4,990,611)
Cosmetics, Beauty Supplies, Perfume Stores-44612	2,068,288	451,648	1,616,640
Optical Goods Stores-44613	1,361,797	35,060	1,326,737
Other Health and Personal Care Stores-44619	2,658,945	198,373	2,460,572

RMP Opportunity Gap - Retail Stores

Retail Gap Analysis

Radius 2: 294 BOWDOIN ST, WINTHROP, MA 02152-1737, 0.00 - 2.00 Miles, Total

Retail Stores	2014 Demand (Consumer Expenditures)	2014 Supply (Retail Sales)	Opportunity Gap/Surplus
Gasoline Stations-447	51,927,140	14,257,936	37,669,204
Gasoline Stations With Conv Stores-44711	38,530,422	5,947,555	32,582,867
Other Gasoline Stations-44719	13,396,718	8,310,381	5,086,337
Clothing and Clothing Accessories Stores-448	26,778,670	1,449,819	25,328,851
Clothing Stores-4481	14,298,134	244,330	14,053,804
Men's Clothing Stores-44811	773,988	0	773,988
Women's Clothing Stores-44812	3,438,828	0	3,438,828
Children's, Infants Clothing Stores-44813	784,248	0	784,248
Family Clothing Stores-44814	7,442,550	102,361	7,340,189
Clothing Accessories Stores-44815	627,163	0	627,163
Other Clothing Stores-44819	1,231,357	141,969	1,089,388
Shoe Stores-4482	2,063,533	666,402	1,397,131
Jewelry, Luggage, Leather Goods Stores-4483	10,417,002	539,087	9,877,915
Jewelry Stores-44831	9,347,549	539,087	8,808,462
Luggage and Leather Goods Stores-44832	1,069,453	0	1,069,453
Sporting Goods, Hobby, Book, Music Stores-451	10,469,225	830,923	9,638,302
Sporting Goods, Hobby, Musical Inst Stores-4511	8,975,827	431,448	8,544,379
Sporting Goods Stores-45111	4,819,407	66,249	4,753,158
Hobby, Toys and Games Stores-45112	2,510,845	16,805	2,494,040
Sew/Needlework/Piece Goods Stores-45113	664,273	64,004	600,269
Musical Instrument and Supplies Stores-45114	981,302	284,390	696,912
Book, Periodical and Music Stores-4512	1,493,398	399,475	1,093,923
Book Stores and News Dealers-45121	1,285,681	399,475	886,206
Book Stores-451211	1,136,400	399,475	736,925
News Dealers and Newsstands-451212	149,281	0	149,281
Prerecorded Tapes, CDs, Record Stores-45122	207,717	0	207,717
General Merchandise Stores-452	66,945,407	1,047,466	65,897,941
Department Stores Excl Leased Depts-4521	28,223,184	818,638	27,404,546
Other General Merchandise Stores-4529	38,722,223	228,828	38,493,395
Miscellaneous Store Retailers-453	15,166,905	1,431,427	13,735,478
Florists-4531	570,064	196,907	373,157
Office Supplies, Stationery, Gift Stores-4532	7,280,045	727,542	6,552,503
Office Supplies and Stationery Stores-45321	3,543,931	0	3,543,931
Gift, Novelty and Souvenir Stores-45322	3,736,114	727,542	3,008,572
Used Merchandise Stores-4533	1,135,212	246,445	888,767
Other Miscellaneous Store Retailers-4539	6,181,585	260,533	5,921,052
Non-Store Retailers-454	45,444,769	56,233,570	(10,788,801)
Foodservice and Drinking Places-722	63,308,253	36,177,405	27,130,848
Full-Service Restaurants-7221	28,679,391	13,027,033	15,652,358

RMP Opportunity Gap - Retail Stores

Retail Gap Analysis

Radius 2: 294 BOWDOIN ST, WINTHROP, MA 02152-1737, 0.00 - 2.00 Miles, Total

Retail Stores	2014 Demand (Consumer Expenditures)	2014 Supply (Retail Sales)	Opportunity Gap/Surplus
Limited-Service Eating Places-7222	25,344,227	19,623,700	5,720,527
Special Foodservices-7223	6,774,615	3,272,459	3,502,156
Drinking Places -Alcoholic Beverages-7224	2,510,020	254,213	2,255,807
GAFO *	133,279,957	10,368,631	122,911,326
General Merchandise Stores-452	66,945,407	1,047,466	65,897,941
Clothing and Clothing Accessories Stores-448	26,778,670	1,449,819	25,328,851
Furniture and Home Furnishings Stores-442	11,399,898	1,780,852	9,619,046
Electronics and Appliance Stores-443	10,406,713	4,532,029	5,874,684
Sporting Goods, Hobby, Book, Music Stores-451	10,469,225	830,923	9,638,302
Office Supplies, Stationery, Gift Stores-4532	7,280,045	727,542	6,552,503

RMP Opportunity Gap - Retail Stores

Retail Gap Analysis

Radius 3: 294 BOWDOIN ST, WINTHROP, MA 02152-1737, 0.00 - 3.00 Miles, Total

Retail Stores	2014 Demand (Consumer Expenditures)	2014 Supply (Retail Sales)	Opportunity Gap/Surplus
Total Retail Sales Incl Eating and Drinking Places	1,228,444,231	652,030,271	576,413,960
Motor Vehicle and Parts Dealers-441	183,363,011	81,333,530	102,029,481
Automotive Dealers-4411	153,679,422	76,274,944	77,404,478
Other Motor Vehicle Dealers-4412	12,041,616	837,734	11,203,882
Automotive Parts/Accsrs, Tire Stores-4413	17,641,973	4,220,852	13,421,121
Furniture and Home Furnishings Stores-442	24,369,060	6,342,958	18,026,102
Furniture Stores-4421	13,008,670	3,083,123	9,925,547
Home Furnishing Stores-4422	11,360,390	3,259,835	8,100,555
Electronics and Appliance Stores-443	23,768,195	13,005,041	10,763,154
Appliances, TVs, Electronics Stores-44311	17,219,763	12,837,755	4,382,008
Household Appliances Stores-443111	3,000,675	6,784,883	(3,784,208)
Radio, Television, Electronics Stores-443112	14,219,088	6,052,872	8,166,216
Computer and Software Stores-44312	5,867,864	167,286	5,700,578
Camera and Photographic Equipment Stores-44313	680,568	0	680,568
Building Material, Garden Equip Stores -444	118,039,710	21,160,703	96,879,007
Building Material and Supply Dealers-4441	101,824,900	21,160,703	80,664,197
Home Centers-44411	42,066,937	9,534,751	32,532,186
Paint and Wallpaper Stores-44412	1,619,387	883,574	735,813
Hardware Stores-44413	10,925,827	5,868,086	5,057,741
Other Building Materials Dealers-44419	47,212,749	4,874,291	42,338,458
Building Materials, Lumberyards-444191	18,766,724	1,824,120	16,942,604
Lawn, Garden Equipment, Supplies Stores-4442	16,214,810	0	16,214,810
Outdoor Power Equipment Stores-44421	4,137,089	0	4,137,089
Nursery and Garden Centers-44422	12,077,721	0	12,077,721
Food and Beverage Stores-445	170,021,100	57,080,092	112,941,008
Grocery Stores-4451	112,997,518	50,528,717	62,468,801
Supermarkets, Grocery (Ex Conv) Stores-44511	105,554,875	39,788,523	65,766,352
Convenience Stores-44512	7,442,643	10,740,194	(3,297,551)
Specialty Food Stores-4452	14,136,895	2,970,248	11,166,647
Beer, Wine and Liquor Stores-4453	42,886,687	3,581,127	39,305,560
Health and Personal Care Stores-446	64,013,164	52,257,482	11,755,682
Pharmacies and Drug Stores-44611	50,663,721	50,554,743	108,978
Cosmetics, Beauty Supplies, Perfume Stores-44612	4,423,433	691,636	3,731,797
Optical Goods Stores-44613	3,154,499	445,550	2,708,949
Other Health and Personal Care Stores-44619	5,771,511	565,553	5,205,958

RMP Opportunity Gap - Retail Stores

Retail Gap Analysis

Radius 3: 294 BOWDOIN ST, WINTHROP, MA 02152-1737, 0.00 - 3.00 Miles, Total

Retail Stores	2014 Demand (Consumer Expenditures)	2014 Supply (Retail Sales)	Opportunity Gap/Surplus
Gasoline Stations-447	116,609,987	37,826,794	78,783,193
Gasoline Stations With Conv Stores-44711	87,014,021	18,417,826	68,596,195
Other Gasoline Stations-44719	29,595,966	19,408,968	10,186,998
Clothing and Clothing Accessories Stores-448	62,416,909	14,734,984	47,681,925
Clothing Stores-4481	35,175,113	8,081,874	27,093,239
Men's Clothing Stores-44811	1,936,735	0	1,936,735
Women's Clothing Stores-44812	8,231,464	3,614,999	4,616,465
Children's, Infants Clothing Stores-44813	2,086,582	185,934	1,900,648
Family Clothing Stores-44814	18,467,139	2,976,036	15,491,103
Clothing Accessories Stores-44815	1,501,857	1,127,445	374,412
Other Clothing Stores-44819	2,951,336	177,460	2,773,876
Shoe Stores-4482	5,353,057	1,767,650	3,585,407
Jewelry, Luggage, Leather Goods Stores-4483	21,888,739	4,885,460	17,003,279
Jewelry Stores-44831	19,356,026	4,447,473	14,908,553
Luggage and Leather Goods Stores-44832	2,532,714	437,987	2,094,727
Sporting Goods, Hobby, Book, Music Stores-451	24,546,926	8,628,312	15,918,614
Sporting Goods, Hobby, Musical Inst Stores-4511	21,323,166	883,601	20,439,565
Sporting Goods Stores-45111	11,718,880	463,741	11,255,139
Hobby, Toys and Games Stores-45112	5,951,041	71,466	5,879,575
Sew/Needlework/Piece Goods Stores-45113	1,344,296	64,004	1,280,292
Musical Instrument and Supplies Stores-45114	2,308,949	284,390	2,024,559
Book, Periodical and Music Stores-4512	3,223,760	7,744,711	(4,520,951)
Book Stores and News Dealers-45121	2,742,334	7,338,443	(4,596,109)
Book Stores-451211	2,407,694	957,312	1,450,382
News Dealers and Newsstands-451212	334,640	6,381,131	(6,046,491)
Prerecorded Tapes, CDs, Record Stores-45122	481,426	406,268	75,158
General Merchandise Stores-452	158,780,893	5,998,708	152,782,185
Department Stores Excl Leased Depts-4521	67,840,584	2,901,978	64,938,606
Other General Merchandise Stores-4529	90,940,309	3,096,729	87,843,580
Miscellaneous Store Retailers-453	33,643,079	15,324,892	18,318,187
Florists-4531	1,219,454	1,742,738	(523,284)
Office Supplies, Stationery, Gift Stores-4532	16,142,922	3,812,524	12,330,398
Office Supplies and Stationery Stores-45321	7,625,295	699,583	6,925,712
Gift, Novelty and Souvenir Stores-45322	8,517,627	3,112,941	5,404,686
Used Merchandise Stores-4533	2,653,283	574,287	2,078,996
Other Miscellaneous Store Retailers-4539	13,627,420	9,195,343	4,432,077
Non-Store Retailers-454	102,578,265	107,324,776	(4,746,511)
Foodservice and Drinking Places-722	146,293,932	231,012,000	(84,718,068)
Full-Service Restaurants-7221	66,134,939	82,607,586	(16,472,647)

RMP Opportunity Gap - Retail Stores

Retail Gap Analysis

Radius 3: 294 BOWDOIN ST, WINTHROP, MA 02152-1737, 0.00 - 3.00 Miles, Total

Retail Stores	2014 Demand (Consumer Expenditures)	2014 Supply (Retail Sales)	Opportunity Gap/Surplus
Limited-Service Eating Places-7222	58,870,380	81,115,666	(22,245,286)
Special Foodservices-7223	15,701,612	58,737,644	(43,036,032)
Drinking Places -Alcoholic Beverages-7224	5,587,000	8,551,104	(2,964,104)
GAFO *	310,024,906	52,522,527	257,502,379
General Merchandise Stores-452	158,780,893	5,998,708	152,782,185
Clothing and Clothing Accessories Stores-448	62,416,909	14,734,984	47,681,925
Furniture and Home Furnishings Stores-442	24,369,060	6,342,958	18,026,102
Electronics and Appliance Stores-443	23,768,195	13,005,041	10,763,154
Sporting Goods, Hobby, Book, Music Stores-451	24,546,926	8,628,312	15,918,614
Office Supplies, Stationery, Gift Stores-4532	16,142,922	3,812,524	12,330,398

* GAFO (General merchandise, Apparel, Furniture and Other) represents sales at stores that sell merchandise normally sold in department stores. This category is not included in Total Retail Sales Including Eating and Drinking Places.

Nielsen' RMP data is derived from two major sources of information. The demand data is derived from the Consumer Expenditure Survey (CE Survey), which is fielded by the U.S. Bureau of Labor Statistics (BLS). The supply data is derived from the Census of Retail Trade (CRT), which is made available by the U.S. Census.Additional data sources are incorporated to create both supply and demand estimates.

The difference between demand and supply represents the opportunity gap or surplus available for each retail outlet in the specified reporting geography. When the demand is greater than (less than) the supply, there is an opportunity gap (surplus) for that retail outlet. For example, a positive value signifies an opportunity gap, while a negative value signifies a surplus.

RMP Opportunity Gap - Retail Stores

Retail Gap Analysis

Appendix: Area Listing

Area Name:

Type: Radius 1 | Reporting Detail: Aggregate | Reporting Level: Block Group

Radius Definition:

294 BOWDOIN ST	Latitude/Longitude	42.374066		-70.978899
WINTHROP, MA 02152-1737	Radius	0.00	-	1.00

Area Name:

Type: Radius 2 | Reporting Detail: Aggregate | Reporting Level: Block Group

Radius Definition:

294 BOWDOIN ST	Latitude/Longitude	42.374066		-70.978899
WINTHROP, MA 02152-1737	Radius	0.00	-	2.00

Area Name:

Type: Radius 3 | Reporting Detail: Aggregate | Reporting Level: Block Group

Radius Definition:

294 BOWDOIN ST	Latitude/Longitude	42.374066		-70.978899
WINTHROP, MA 02152-1737	Radius	0.00	-	3.00

Project Information:

Site: 1

Order Number: 973646686

ABOUT THE CENTER

The Edward J. Collins, Jr. Center for Public Management in the McCormack Graduate School of Policy and Global Studies at the University of Massachusetts Boston was established in 2008 to improve the efficiency and effectiveness of all levels of government. The Center is funded by the Commonwealth and through fees charged for its services.

Edward J. Collins, Jr. Center for Public Management
John W. McCormack Graduate School of Policy and Global Studies
University of Massachusetts Boston
100 Morrissey Blvd.
Boston, MA 02125
(617) 287-4824 (t)
(617) 287-5566 (f)
http://www.umb.edu/cpm

UMASS BOSTON
EDWARD J. COLLINS, JR. CENTER FOR PUBLIC MANAGEMENT
JOHN W. McCORMACK GRADUATE SCHOOL OF POLICY AND GLOBAL STUDIES
UNIVERSITY OF MASSACHUSETTS BOSTON