



WOOSTAPRENEURS
TOUT DIVERSITY,
COLLABORATION,
PAGES 8&9

INSIDE THIS EDITION

- NEW DEVELOPMENTS
- SMALL BIZ ROUND-UP
- GAME CHANGERS EXPO
- EDITORIAL/OPINION

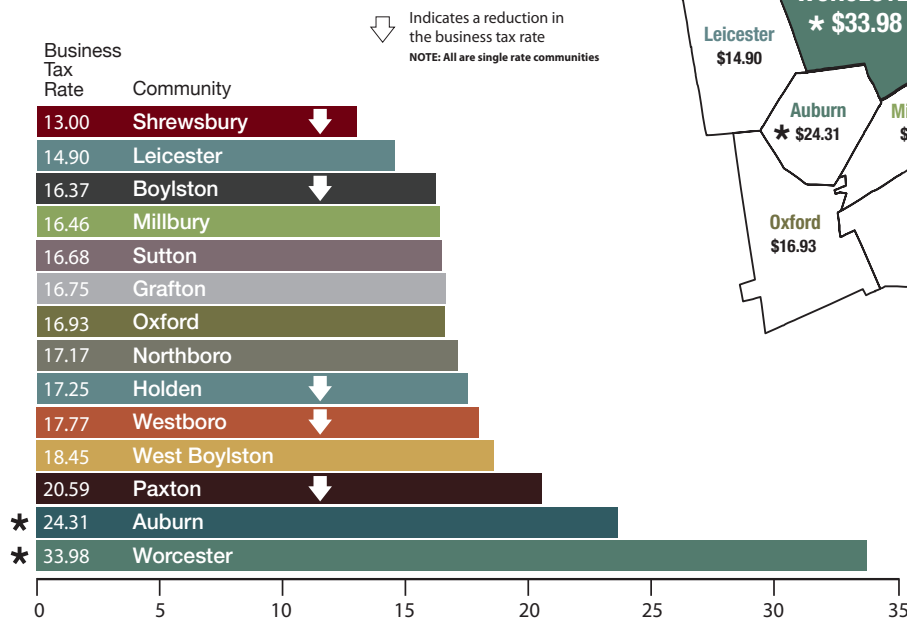
WORCESTER REGIONAL CHAMBER OF COMMERCE NEWSPAPER • VOL. 1 ISSUE 1 - NOVEMBER 2016

Tax classification, by the numbers

2016 Commercial / Industrial Tax Rates Worcester and Surrounding Communities

Residential properties account for 71.0% of the valuation with business accounting for 29.0%.

However, businesses are paying for 40% of the levy while residents are paying 60%



Need for more equitable city tax rate weighed

WORCESTER – With a City Council vote likely scheduled in December to set a new residential and commercial/industrial tax rate, recent developments have underscored the need for a more equitable percentage to ease the burden placed upon many businesses.

The Fiscal Year 2016 Worcester residential tax rate is \$20.61 per \$1,000 of assessed valuation and the commercial/industrial property tax rate is \$33.98. That commercial rate is projected to rise even further next year. Worcester's 2015 residential tax rate was \$20.07 per \$1,000 assessed valuation and the commercial/industrial tax rate was \$31.73.

As it now stands, Worcester sits at a competitive disadvantage to tax rate structures as compared to surrounding communities. Every year the Chamber compiles a fiscal analysis of the region's residential and commercial/industrial tax rates. In 2016, Worcester's residential properties accounted for 71 percent of the total valuation with businesses accounting for 29 percent. However, Worcester businesses are paying for 40 percent of the levy while residents are paying only 60 percent. This forced an 11 percent or \$30 million shift of the city's residential levy to commercial/industrial properties in 2016.

Most tax rates in surrounding towns are going down or holding stable. Worcester's commercial tax rate has steadily risen for many years. The city is only one of two municipalities out of 14 area towns that still utilizes a dual tax rate. Even the city of Boston's commercial tax rate is \$7 lower than the city's.

Moreover, Worcester's average residential tax burden is also lower than surrounding communities, with the cost per square foot less than half of neighboring towns resulting in Worcester residents getting a greater value for their investment. An average home's price per square foot in 2016 for Worcester was \$92 with the next highest cost being \$143 in Millbury. Meanwhile, Worcester enjoys the second lowest residential property taxes among five abutting towns at \$3,916 for the average homeowner

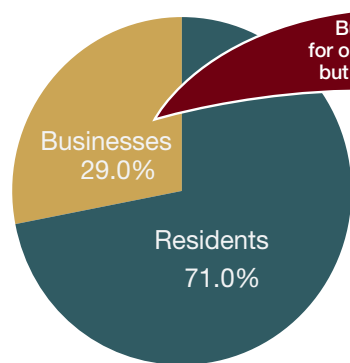
SEE TAXES, PAGE 16

Property Tax Base

(Valuations)
\$11,236,881,245

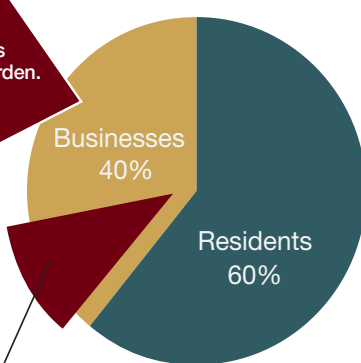
Levy

(Property Taxes Collected)
\$274,868,950



Businesses account for only 29% of property values but are paying 40% of the burden.

Portion of the residential levy shifted to businesses in 2016 11% or \$30 Million



★ Dual tax Rate Communities

WORCESTER REGIONAL
Chamber of Commerce

Game Changers show in force at conference

WORCESTER – In a sold out Worcester Regional Chamber of Commerce event, Game Changers from across Worcester and Central Mass. converged upon Mechanics Hall Oct. 14 to celebrate business innovation while envisioning ways to attract even more development to the city.

“The fact that we can match our history with being the most innovative state in

the country is really a sweet spot to be in,” said Lt. Gov. Karyn Polito, who served as one of two keynote speakers along with Worcester Railers pro hockey team owner Cliff Rucker.

During her remarks, Polito highlighted recent initiatives her administration has brought to fruition, including a MassWorks grant to help enable the deal with Franklin

SEE EXPO, PAGE 15



Timothy P. Murray, president and CEO of the Worcester Regional Chamber of Commerce, speaks before a large audience gathered at Mechanics Hall during the Game Changers Business Conference.

Region hails Heart to Hub Express



From left, Kathryn Meng, a senior program advisor at the Worcester Clean Tech Incubator, travels to Boston aboard the Express Train with friend Kyla Pacheco of the Worcester Idea Lab.

WORCESTER – Judging by the long traffic jam on the MassPike near Newton May 23, the Express Train's non-stop commuter rail trip from Worcester to Boston won by a mile with more than 300 riders aboard.

Trading in car keys for ticket stubs will offer commuters a net time savings of around 30 minutes per trip. The previous Worcester-to-Boston commuter rail schedule for the Framingham/Worcester lines could take more than 90 minutes with as many as 16 stops along the way.

“This is a talent train,” said Worcester Polytechnic Institute President Laurie Leshin during remarks delivered inside Union Station with six students along for the ride. “This brings the talent in Worcester to the opportunities in Boston. My dream is Lincoln Square is the next Kendall Square.”

The non-stop train service has long been not only a dream but an active pursuit for former Lt. Gov. Timothy Murray, now president and CEO of the Worcester Regional Chamber of Commerce. At South Station, Murray said the train would link millennial workers to high tech and new economy start-up companies, spurring economic development.

“The things that drive the Worcester economy are the same things that drive the Boston economy. There is a natural synergy in the underpinnings of both economies,” Murray said. “This was not just a transportation imperative, it was also an economic one if we're going to be serious about keeping people and companies in Massachusetts.”

Crediting current Lt. Gov Karyn Polito, who also attended the event, for making sure this service remained a priority for state transportation officials, Murray said the state has invested in significant improvements along the tracks to facilitate the non-stop service over the past 10 years.

Those enhancements have included moving the rail yard, acquisition of the track, new rail ties and better signalization, and new rolling stock with locomotives and coach cars to add capacity, adding

FRAMINGHAM/WORCESTER LINE Effective November 21, 2016

Monday to Friday

Inbound to Boston

AM

PM

AM

ZONE	STATION	TRAIN #	500	502	580	504	582	506	508	584	510	552	586	512	514	516	518	522	588	590	524	526	592	528	530	532	534	536	538
Bikes Allowed																													
8	Worcester	♂	4:45	5:15	-	5:55	-	6:30	7:00	-	7:30	8:05	-	8:40	10:40	12:05	2:15	3:45	-	-	5:20	6:05	-	7:15	8:00	8:30	9:35	11:20	12:20
8	Grafton	♂	4:58	5:28	-	6:08	-	6:43	7:13	-	7:43	-	-	8:53	10:53	12:18	2:28	3:58	-	-	5:33	6:18	-	7:28	8:13	8:43	9:48	11:33	12:33
7	Westborough	♂	5:02	5:32	-	6:12	-	6:47	7:17	-	7:47	-	-	8:57	10:57	12:22	2:32	4:02	-	-	5:37	6:22	-	7:32	8:17	8:47	9:52	11:37	12:37
6	Southborough	♂	5:11	5:41	-	6:21	-	6:56	7:26	-	7:56	-	-	9:06	11:06	12:31	2:41	4:11	-	-	5:46	6:31	-	7:41	8:26	8:56	10:01	11:46	12:46
6	Ashland	♂	5:15	5:45	-	6:25	-	7:00	7:30	-	8:00	-	-	9:10	11:10	12:35	2:45	4:15	-	-	5:50	6:35	-	7:45	8:30	9:00	10:05	11:50	12:50
5	Framingham	♂	5:26	5:56	6:05	6:36	6:46	7:11	7:42	7:50	8:11	-	8:40	9:21	11:21	12:46	2:56	4:26	4:47	5:40	6:01	6:46	7:05	7:56	8:41	9:11	10:16	12:01	1:01
4	West Natick	♂	5:31	6:01	6:10	6:41	6:51	7:16	7:49	7:55	8:16	-	8:45	9:26	11:26	12:51	3:01	-	4:52	-	6:06	-	7:10	8:01	8:46	9:16	10:21	12:06	1:06
4	Natick Center	♂	5:36	6:05	6:15	-	6:56	7:21	-	8:00	8:20	-	8:50	9:31	11:31	12:56	3:06	-	4:57	-	6:11	-	7:15	8:06	8:51	9:21	10:26	12:11	1:11
3	Wellesley Square	♂	5:41	-	6:20	-	7:01	7:26	-	8:05	8:25	-	8:55	9:36	11:36	1:00	3:10	-	5:01	-	6:15	-	7:19	8:10	8:55	9:25	10:30	12:15	1:15
3	Wellesley Hills	♂	5:45	-	6:24	-	7:05	7:30	-	8:09	8:29	-	8:59	9:40	11:39	1:04	3:14	-	5:05	-	6:19	-	7:23	8:14	8:59	9:29	10:34	12:19	1:19
3	Wellesley Farms	♂	5:48	-	6:27	-	7:08	7:34	-	8:12	8:32	-	9:02	9:43	11:42	1:07	3:17	-	5:08	-	6:22	-	7:26	8:17	9:02	9:32	10:37	12:22	1:22
2	Auburndale	♂	5:53	-	6:32	-	7:13	7:39	-	8:17	-	-	9:07	9:48	11:47	1:12	-	-	-	-	-	-	7:31	-	9:07	-	-	12:27	1:27
2	West Newton	♂	5:56	-	6:35	-	7:16	7:42	-	8:20	-	-	9:10	9:51	11:50	1:15	-	-	-	-	-	-	7:34	-	9:10	-	-	12:30	1:30
1	Newtonville	♂	5:59	-	6:38	-	7:19	7:46	-	8:23	-	-	9:13	9:54	11:53	1:18	-	-	-	-	-	-	7:37	-	9:13	-	-	12:33	1:33
1A	Yawkey	♂	L 6:07	L 6:22	L 6:48	L 7:00	L 7:27	L 7:56	L 8:09	L 8:33	L 8:46	L 8:57	L 9:23	L 10:02	L 12:01	L 1:26	L 3:30	L 4:46	L 5:21	L 6:07	L 6:35	L 7:08	L 7:45	L 8:30	L 9:21	L 9:45	L 10:50	L 12:41	L 1:41
1A	Back Bay	♂	L 6:12	L 6:27	L 6:53	L 7:05	L 7:32	L 8:01	L 8:14	L 8:38	L 8:51	L 9:02	L 9:28	L 10:07	L 12:06	L 1:31	L 3:35	L 4:51	L 5:26	L 6:12	L 6:40	L 7:13	L 7:50	L 8:35	L 9:26	L 9:50	L 10:55	L 12:46	L 1:46
1A	South Station	♂	6:18	6:33	6:59	7:11	7:38	8:07	8:20	8:44	8:57	9:07	9:34	10:12	12:11	1:36	3:40	5:06	5:41	6:17	6:45	7:23	7:55	8:40	9:31	9:55	11:00	12:51	1:51

Trains in purple box indicate peak period trains.

up to more than \$30 million in de-stressing tracks and infrastructure upgrades. Murray helped envision and channel some of these enhancements during the Gov. Deval Patrick administration and previous to that as a city councilor and mayor working alongside the Worcester legislative delegation.

Worcester Mayor Joseph Petty called the new line critical to the continued transformation of Worcester's economy, building the middle class, taking traffic off of the MassPike, and getting city residents to Boston faster. “Worcester is closer than people think with our thriving biomedical industry, medical breakthroughs at UMass Medical, and growing neighborhoods,” Petty said. “One train is good, two would be better, and three would be wonderful.”

City Manager Edward Augustus called the new service the most important tool to entice investments by developers in the city. “When I tell them we're going to have one hour service back and forth from Worcester to Boston, their eyes light up. They understand the opportunity this presents for them and to take advantage of a very expensive housing

market in Boston,” Augustus said.

Echoing the city manager's thoughts, Polito added that Worcester is “an affordable, livable place to have a good and exciting life yet still feel connected to the innovation economy in our capital city or even here in Worcester.” Congressman Jim McGovern spoke to the tax benefits commuters can now capitalize upon in parity with drivers. “It never made any sense to me that our tax code gave preference to parking benefits over mass transit. That has changed permanently on the federal level.” McGovern said similar Massachusetts' legislation is now in the works.

MassDOT Secretary Stephanie Pollack, who rode on the train with Polito and her peers, reflected on the Express Train as part of a wider update of commuter rail schedules, calling the new times the most substantive changes in decades that will lead to improved service. While there are no ridership projections for the new non-stop service, Pollack is confident that word of mouth will spread fast in the city supported by active promoters at WPI, the city, Worcester Chamber and Action Worcester.

Live. Work. Play. Stay!

Internship, Career and Live Local Fair

Discover the intellectual capital
of Central Massachusetts.

More than 8,000 students graduate annually from our 12 area institutions. Access them all in one Career Fair on **March 29, 2017**.

The Live. Work. Play. Stay! Internship and Career Fair will take place from **3 - 6 pm at Worcester State University**.

Employer registration and sponsorship information is available online at www.worcesterchamber.org or contact Karen Pelletier at 508.753.2924, ext. 229 or kpelletier@worcesterchamber.org.

Presented by

WORCESTER REGIONAL
Chamber of Commerce



141st ANNUAL
MEETING

WORCESTER REGIONAL
Chamber of Commerce

FRIDAY, DECEMBER 2, 2016

Noon - 2 pm

LOCATION DCU Center | 50 Foster Street | Worcester

PROGRAM FEATURES

- New Officers and Directors
- President's Report
- Advocate of the Year
- Keynote Address

SCHEDULE

- | | |
|------------|--------------|
| 11:45 a.m. | Registration |
| 12:00 p.m. | Luncheon |
| 12:45 p.m. | Program |
| 2:00 p.m. | Adjournment |

REGISTER: WorcesterChamber.org

KEYNOTE SPEAKER

EDWARD M. AUGUSTUS, JR. has worked in public service for more than 20 years. City Manager Augustus has focused on continuing Worcester's economic development renaissance, supporting education and youth, and making city government inclusive for all residents of New England's second-largest city.



Feeding start-ups

New Food Hub tenants fire up plans

WORCESTER – Piloted in January 2016, the pieces are now in place for the Worcester Regional Food Hub to fully implement its three-tiered mission to enhance food producer and local consumer networks, targeted workforce development programs, and small business incubation.

As a collaborative effort between the Regional Environmental Council (REC) and the Worcester Regional Chamber of Commerce, the Food Hub program has launched its first-ever Commercial Kitchen Incubator. The facility, located at the Worcester County Food Bank at 474 Boston Turnpike Road in Shrewsbury, will provide a regulated commercial kitchen, culinary training, and planning assistance to support the development of food businesses by farmers, caterers, and other food entrepreneurs looking to start or grow an existing business.

Food Hub Operations Manager Dave Johnson, a Quinsigamond Community College graduate who brings nearly 10 years of agricultural experience and four years of food hub operations management in the non-profit sector to the position, said the incubator has already brought on area food entrepreneurs and farmers as stakeholders. Chamber President and CEO Timothy P. Murray is co-director of the project.

Of the currently permitted tenants, four are farmers creating value-added products (Seven Hills Farmstead, YouthGROW Urban Farm, Autumn Hills Orchard, and Flats Mentor Farm), one produces baked goods (RUKA), and two create specialty food products (Giacomo's Gourmet Foods and Peg's Preserves). Thus far, the kitchen has yielded products ranging from local jellies and pickles to organic granola, baked confections, and culturally specific foods. Program participants are local business owners based in Central Massachusetts and range in entrepreneurial experience from 0-5 years. Most tenants are currently selling direct to customers with the goal of reaching wholesale markets within the coming year.

Johnson said the kitchen will also be utilized by another REC program



Manager Dave Johnson in his commercial kitchen, also shown below.

called YouthGROW, which is dedicated to fostering youth mentorship and employment opportunities. “We have an urban farm in downtown Worcester and they have a line of hot sauce that kids have sold at the farmers’ market for a few years now,” Johnson said. “Our kitchen allows them to really scale up that operation.”

Cost for tenants is \$25 per hour to use kitchen facility, and there will be a cap at the incubator kitchen for vendors subject to the scheduling of REC staffing. “We are really trying to tailor the program to tenant needs,” said Johnson. As a food justice organization, Food Hub wants to create low barriers for entry into the program. The kitchen incubator application simply asks for culinary experience, product offerings and basic demographic information. REC staff then sit down with promising applicants to determine their goals and experiences and what support they need.”

CULINARY TRAINING PROGRAM

The two other tiers of the Food Hub program have spread their wings as well. The Food Service Culinary Training

Program that rolled out last July aims to provide employment opportunities to chronically un/under-employed populations through a comprehensive education in both classroom and work environments in partnership with Quinsigamond Community College. Johnson said two cohorts of 10-12 students will be created through a certificate program where students will receive 50 hours of classroom training over three to six weeks, followed by a four-month internship with an institutional partner. The culinary training cohorts have begun with training this past October.

MARKETING/DISTRIBUTION

The Food Hub program’s Hub

for Aggregation, Marketing, and Distribution segment is providing greater market opportunities for local farms by offering logistical support to help increase the produce purchased by local institutions, as well as the amount of affordable, local, healthy food available in underserved communities.

Worcester Public Schools, QCC, College of the Holy Cross, and Worcester County Food Bank have been consistently increasing local sourcing through our offerings and the Food Hub began selling local produce to two different mobile farmers’ markets serving the city of Worcester, REC Mobile Farmers’ Market and Black Seed Market.

“We have the largest concentrations of small farms of anywhere in the state, Johnson said. “Scaling up is their biggest challenge. Farmers’ markets are a very common opportunity for farming. But farmers’ markets aren’t helping entire communities eat. Institutional buyers provide scales to those farms for them to sell.”

Professor Dr. Ramon Borges-Mendéz, who works at the Community Development and Planning at Clark University, originally teamed up with REC and the Central Massachusetts Regional Planning Commission to submit a grant to the USDA requesting funds to investigate feasibility of creating a food hub in Worcester. A subsequent \$524,485 grant from the health foundation is funding the one-year pilot program.

The pilot year goals seek to recruit incubator tenants, coordinate business assistance services for tenants, and offer co-packing services to assist farmers with enhanced sales.

From a culinary perspective, the kitchen also hopes to define a navigable process for new tenants regarding a bevy of regulatory hurdles they will face out in the real world by working closely with local and state health officials.

Applicants and inquiries should call Johnson at 508-799-9139.

Discover Central Massachusetts...

New regional tourism council announced to help promote Worcester and the region

With dozens of new restaurants and new cultural attractions — from theatre to art galleries to unique shopping experiences, Worcester and Central Massachusetts have become must-see destinations. That’s why the Chamber of Commerce and its affiliates were proud to partner with the new regional tourism agency, aptly named Discover Central Massachusetts, on its efforts to market Worcester and 35 cities and towns that make-up Central Massachusetts. The new agency, which was created in 2015, is housed at the Chamber’s Worcester office at 446 Main Street, in Worcester. Discover Central Massachusetts launched a new web site portal at www.discovercentralma.org earlier this month, complete with a calendar of events, business listings of restaurants, hotels, and attractions, as well as blogs on the best places to enjoy. You can follow Discover Central Massachusetts @visitcentralma on Facebook, Instagram, and Twitter.



Visit DiscoverCentralMA.org to find out more!



Manufacturing confronts growth

Workforce shortage a key concern

WORCESTER — Capping off a month-long discussion and tours of manufacturing prowess throughout Central Mass., three experts gathered at Saint-Gobain's historic North Hall Oct. 27 to examine ways to attract the next generation of workers.

In recent years, Massachusetts' manufacturing companies have seen a 67 percent increase in jobs created, 71 percent increase in the number of new hires, 63 percent increase in sales and 79 percent increase in cost savings. Manufacturing in Worcester was the strongest sector in comparison to Boston, as reported in the most recent census. Across Worcester County, 31,279 people were employed in manufacturing, and nearly 10,000 people had city-based manufacturing jobs. State-wide, 300,000 people work in manufacturing but much of that same workforce is also nearing retirement age.

Worcester and Central Mass. parallel a manufacturing workforce gap nationally with more than 2 million unfilled jobs projected within the next decade, with at least 100,000 of those expected here in Massachusetts by 2020. A 2014 UMass Dartmouth survey found that one in three Massachusetts manufacturers report having a difficult time hiring the production workers they need. That has led organizations such as the MassMEP to develop new methods and training to inspire today's youth to view manufacturing as a career option.

"Manufacturing is fourth among the top employers in this region," said Timothy P. Murray, president and CEO of the Worcester Regional Chamber of Commerce. "The average annual wage in Central Mass for manufacturing is \$60,000 and state-wide \$75,000. If we don't refill that workforce pipeline, companies have options where they can locate, grow and invest. So it's really in all of our best interests to make sure we are giving young people and those needing re-training those opportunities."

Ted Bauer, director of workforce development strategies at the state-wide Massachusetts Manufacturing Extension Partnership (MassMEP), said this severe workforce shortage needs the immediate and collective attention of employers, colleges and technical-vocational schools to re-brand manufacturing as a career pathway that is more advanced and technology-based today.

"There are multiple pathways for employees that might have very different interests," said Bauer. "Fifteen years ago, entry level positions may have been referred to as technicians. Today, the bar has been raised. There is more brain than brawn now."

A MassMEP-backed organization known as Manufacturing Advancement Center Workforce Innovation Collaborative (MACWIC) located on Grove Street in Worcester is now the statewide focal point for employer-led workforce training. "When our people retire, they leave with them a lot of knowledge," Bauer added. "Some of that knowledge can't be replaced. MACWIC has 235 company members that represent 19,000 employees and \$9 billion in sales. We tackled retraining incumbent workers, we communicated with vocational technical schools about what was important for recruiting new workers, and now we have a pathway and connected it to apprenticeships and college credentials. You can start on the shop floor and work your way to an associates' degree."

Nicole Zea, plant manager of superabrasives at Saint-Gobain, said her company tries to stress to new and future employees that it can be really fun and rewarding making cool things for a living. She added that there are a lot of different entry points today for

careers in manufacturing, including straight out of high school, trade or via internships.

"For us, you start at the shop floor level," Zea said. "A lot of what we do is on-the-job-training for those who want to do work with their hands in materials sciences like putting together a mold, filling that mold, and then making a solid from there. What are the physical properties that drive that?"

Zea added that "watching sheet steel be pressed at thousands of tons of pressure at 12 miles an hour through a factory and my wheel is grinding the side of that to make sure its surface is as shiny as possible for that kitchen countertop you're making is a really interesting connection to make. This all starts back at raw materials."

Not every manufacturing job has to be on the shop floor, either, according to Anna Robertson, human resources manager at Eaton Corp. Customer service, human resources and administrative roles are also in demand. She recommended that new applicants really think long and hard before and during a job interview about whether that potential role fits their own personality, acquired soft skills, and family

manufacturing. But she has also discovered that like many areas of Central Mass., there is a waiting list of students who want to enter vocational technical high schools.

"In meeting with superintendents, they have told me they don't quite know what to do because they are busy preparing kids for college preparatory education," Hebert said. "These kids are most at risk for dropping out of school."

Herbert said what the Valley is trying to do is get these students acquainted with local manufacturers and also bring guidance counselors along for tours. This year, four busloads of students journeyed to local businesses and a few for day-long apprenticeship programs. This year the chamber is looking to expand by bringing manufacturers into the classroom for presentations, and possibly customizing school curriculum for students poised to enter that industry.

Bill DiBenedetto, president of Lampin Corp. in Uxbridge who serves as chair on Hebert's chamber manufacturing committee, said he can't encourage his peers enough to get involved in local schools. "It really is an avenue of opportunity to reach out to middle and high schoolers in regular programs, not technical programs. We try to supplement that by giving kids an opportunity for an internship at Lampin," said DiBenedetto.

The state-wide Alliance for Vocational Technical Education (AVTE), which the Worcester Regional Chamber of Commerce helped establish recently under Murray's leadership, affects six different vocation schools in the region. Murray said there is a waiting list of about 3,500 students every year. As a result, AVTE commissioned a report lead by Secretary Jay Ash and Barry Bluestone (Staying Power 1&2 manufacturing study author) that inspired Gov. Baker's Administration to allocate a \$75 million budget to upgrade equipment and expand vocational technical

schools state-wide. Baker's proposal was later pared down to \$45 million in the state Legislature. In that funding allocation was a \$1 million planning grant, which Worcester was awarded to examine how to improve Worcester Vocational Technical High School.

The Chamber of Central Mass. South Executive Director Alexandra McNitt and her members are getting excited about a new development set for September 2017 opening called the Innovation Technology Center. As part of the Patrick-Murray Administration's original vision, QCC in collaboration with local manufacturers, MassMEP and Fitchburg State University, the center will address the need for skilled manufacturing professionals by expanding educational opportunities for area residents in the QCC Southbridge location expansion with a back lab and concentration in optics and photonics.

"What electronics were to the 20th century, optics and photonics will be to the 21st century. Our young people don't even know that job exists in manufacturing," said McNitt. "We need to make sure that people looking for those opportunities know where to go. Hopefully, over the next few years of successes with our programs we can help people understand that there are some great opportunities in manufacturing."

Targeting students and parents at the middle school level seems to be a growing target demographic as well as shifting manufacturing career tracks more under the auspices of STEM and pharmaceutical programming. Hebert said one of the more compelling programs she heard last year was offered by Wyman Gordon Corp. that came to talk in one of the schools. "If they followed the program and advanced from machine to machine, within 10 years with stock options they could be making six figures," said Hebert.



Ted Bauer, director of workforce development strategies at MassMEP, Anna Robertson, human resources manager at Eaton Corp., and Nicole Zea, plant manager of superabrasives at Saint-Gobain address questions during a panel discussion at Saint-Gobain's Norton Hall on Oct. 27.

TO LEARN MORE, VISIT WWW.MACWIC.ORG, WWW.MASSMEP.ORG AND WWW.QCC.EDU

needs. "I think people don't always realize that they have options. It's important that you align with the company. What can you offer the company and what sets you apart? My biggest question in job interviews is why would I pick you? The job has to be something you are truly passionate about and truly believe in," Zea said.

AFFILIATED CHAMBERS INVOLVED

At a separate panel discussion held earlier this fall at Quinsigamond Community College, QCC President Dr. Gail E. Carberry, Ed.D. said her college is trying to get employers to not shred employment applications but rather to share them.

"We hear all the time that employers get many applications - more than you can handle - but they are not all from skilled people," said Carberry.

QCC has forms that employers can hand out to applicants that they believe have promise, but not enough developed skillsets. Dr. Carberry added, "Refer them to us. We will school them, we will re-tool them, and we will work with you to make that individual who has the motivation and interest to work in your company to become viable."

With manufacturing occupying about 17 percent of the employment base in Central Massachusetts and an estimate that 100,000 employees will soon be aging out or retiring from those jobs, Carberry's words underscored the general consensus felt among roundtable participants.

The Blackstone Valley Chamber of Commerce President Jeannie Hebert said this is the third year her organization officially participated in National Manufacturing Day as a month-long celebration. She found early success in partnering with area schools to identify students who have a vocation for



TIF allows Imperial to relocate

WORCESTER - When city and business leaders gathered last summer to celebrate a ribbon cutting for the 610,000-square-foot 150 Blackstone River Road warehouse development in the Quinsigamond Village neighborhood, tax increment financing was the silent partner present.

Known as 150 Blackstone, leaders lauded the tax increment financing (TIF) agreement formed last year between the city and GFI Partners, an active real estate developer in Worcester since the mid-1980s, as the catalyst for the development's early success. After completion, a 15-year TIF propelling the \$26 million, 36-acre redevelopment will create about 300 new jobs over five years and generate \$1.4 million in property tax revenues annually.

Future tenants will include Imperial Distributors, Mid-States Packaging, a current tenant at the site for more than 30 years, and Gallo Wines. Imperial will occupy half of the total square footage and Mid-States' footprint will be 70,000 square feet, leaving the remaining space for Gallo. The Worcester Railroad that runs through the property and connects to the new building via rail spur makes it one of very few locations in the region with that connectivity.

Timothy P. Murray, Worcester Regional Chamber of Commerce president and CEO, credits GFI Partners President Steven Goodman for working diligently on the TIF deal with City Manager Edward Augustus, Mayor Joseph Petty, and the City Council. That teamwork allowed him to then work out an agreement with Imperial Distributors. Murray noted the need for more first class, commercial and industrial spaces in the city as the last major space developed here was back in the 1980s with the airport industrial park.

"Because of Worcester's high industrial tax rate, Steve Goodman would not have been able to offer a lease price to Imperial that was competitive for modern, commercialized spaces," Murray said. "Approval of this project and private sector investment is allowing his company to grow. With the iron up and construction underway, we are looking forward to a ribbon cutting."

Imperial Distributors, a third generation family-owned business based in Auburn that employs more than 700 people, has been operating from several locations for far too many years, according to its CEO Michael Sleeper. Imperial's first three warehouses were all based in Worcester. Eventually, the company moved operations to the Auburn Industrial Park and built a 30,000-square-foot facility. The family then expanded that building three times and added another building in Worcester until it had no more room left to expand.

"We were landlocked," Sleeper said. "So clearly we have outgrown our distribution and office facilities and were searching for quite a few years to support our growth and we found it here at 150 Blackstone River Road. Securing the TIF and the investment tax credit from the state was a game changer."

Imperial Distributors has been providing non-food products to about 3,500 supermarkets and merchandising services for 77 years. Once moved in, Imperial will occupy 325,000-square-feet at 150 Blackstone and its 40-foot high roof will allow three levels of steel pickling and an abundance of palette positions for storage. "If you're in the distribution



GFI Partners President Steve Goodman, left, and Imperial Distributors, Inc. CEO Michael Sleeper.

business, doors mean a lot," Sleeper said. "The thing that gives me the most pleasure of all is to look at 45 doors for receiving and shipping and that this puts our entire family under one roof. We feel really blessed."

Goodman felt it was somewhat of a leap of faith by the city to agree to grant GFI Partners a TIF. However, as soon as that commitment was ironed out, his company was able to attract Imperial Distributors within 12 months. "We felt if we had a competitive position on the tax rate, we could encourage new businesses to come here and we would be successful," said Goodman. "Without the collaboration with the city of Worcester, we'd be sitting in the old U.S. Steel building (which closed in the mid-1970s)."

City Manager Ed Augustus noted that there's much discussion about ongoing downtown development, but that this is a prime example of leaders not forgetting about other city neighborhoods. Augustus worked closely with City Councilor George Russell and state Rep. Daniel Donahue as well as his Chief Development Officer Michael E. Traynor to help galvanize neighborhood support. "We are working downtown as well as with the rest of our city, whether it be the South Worcester Industrial Park, which is virtually filled, or numerous other projects," Augustus said. "We're focused on how to get it done, not why it won't happen."

The facility will open in January 2017.

Chamber, Greater Worcester Community Foundation announce Leadership Worcester Class of 2016

WORCESTER - The Worcester Regional Chamber of Commerce, the Greater Worcester Community Foundation, and the Leadership Worcester Advisory Committee have announced the selection of 27 talented professionals as the class of 2017.

Members of the Leadership Worcester Class of 2017 include Che Anderson, Sandra Brock, Liz Sheehan Castro, Peter Caruso, Jr., Alex Cruz, Micki Davis, Jared Fiore, Kwesi Foster, Laura Glaser, Andrea Gossage, Patrick Hare, Sam Kenary, Emily Kent, Jamie Leehy, Jessica Morris, David Murphy, Lauren Petit, Jake Poplaski, Jason Port, Sarah Potrikus, Stacey Price, Peter Rawinski, Giselle Rivera-Flores, Benjamin Rivest, Jeannette Roach, Cornelius Rogers, and Elizabeth Wambui.

Selected from more than 40 applicants, the class includes a diverse group of 14 women and 13 men from Central Massachusetts. The rigorous application process included an online application, a video, and recommendations. The selection committee sought motivated individuals who aspire to take an active leadership role in Worcester and the surrounding towns and who want to learn and hone new leadership skills.

The Leadership Worcester Class of 2017 represents a variety of industry sectors, cultural backgrounds, and diverse educational experiences. Participants are affiliated with the following organizations or employers: American Red Cross of Central Mass., Central Mass. Workforce Investment Board, Clark University, City of Worcester, Commerce Bank, Bowditch & Dewey, EcoTarium, The Hanover Insurance Group, The Hanover Theatre for the Performing Arts, Lamoureux, Pagano & Associates Architects, The Learning Hub, MCPHS University, Mirick O'Connell, Morgan Stanley, National Grid, Niche Hospitality Group, Nitsch Engineering, Reliant Medical Group, Inc., Saint-Gobain Abrasives, Sustainable Comfort, Unum, Webster Five, Worcester County Food Bank, and Worcester State University.

The class got underway in September with an overnight retreat at the Beechwood Hotel, offering participants an opportunity to get to know one another, determine individual leadership strengths, learn more about participants' experiences, and to understand more about the Worcester community and the diversity of our emerging leadership.

Monthly sessions explore topics that are critical to Central Mass. The first session, Community and Economic Development, familiarized participants with Worcester's efforts to develop its downtown and neighborhoods.

The daylong sessions will take place between 8:30 a.m. and 4:15 p.m. on the second Thursday of the month through April and culminate in graduation in May 2017. Additional session topics include: Urban Environment and Sustainability; Diversity, Inclusion and Equity; Education and Youth Development; Arts, Culture and Quality of Life; and Justice, Law, and Community Safety. Applications for the next class will be available online in February 2017. For more information, visit www.leadershipworcester.com

HIGHER EDUCATION - BUSINESS PARTNERSHIP

The Worcester region is home to 12 colleges and universities, with a combined 35,000 students.

Anna Maria College | Assumption College | Becker College | Clark University
College of the Holy Cross | Cummings School of Veterinary Medicine, Tufts University
MCPHS University | Nichols College | Quinsigamond Community College
UMass Medical School | Worcester Polytechnic University | Worcester State University

With more than 10,000 faculty and staff at our area colleges and universities, higher education is Worcester's second largest industry—creating a hub of expertise right in our city.

The total economic impact of Worcester area institutions on the Commonwealth is estimated to be more than \$2.5 billion.



Supplement your workforce and provide an opportunity

for a college student to gain experience through an internship program. Check out the Chamber's free and easy internship database for students and employers.

InternHub.com

Seltz pushes for controlling health care costs



David Seltz, executive director of the state's Health Policy Commission.

WORCESTER - The challenges of spiraling health care and prescription drug costs and their potential solutions were addressed recently by special guest David Seltz, executive director of the state's Health Policy Commission (HPC), during the Worcester Chamber's Healthcare Roundtable sponsored by Salmon Health.

Concerned with family health insurance premiums now among the highest rates in the country and outpacing wage increases, Seltz provided an overview of health care cost growth and cost containment efforts stemming from omnibus health care legislation that was passed in 2012.

Introducing Seltz, Timothy P. Murray, president and CEO of the Worcester Regional Chamber of Commerce, said an economic imperative exists for dealing with this issue, given the 110 community

hospitals scattered across the state.

Speaking before chamber members gathered at Saint Vincent Hospital, Seltz advocated for the HPC's three new innovation investment programs, which create an opportunity for Massachusetts providers, health plans, and their partners to receive funding to test and spread innovations that advance the Commonwealth's cost containment goals while improving access to high-quality care.

"We're worried about the wide variation of payments to hospitals for the same services that are not tied to quality outcomes," said Seltz. "Prescription drug costs are still growing by 13 percent year after year, which demand the need for more transparency."

One part of the challenge is that the state's Health Care Law - now a national model in its 10th year - has become a zero sum game for many employers. Compounding the problem is the growing escalation in costs to fund the state's Medicaid program serving the poor. Known in Massachusetts as MassHealth, that fund has grown exponentially in recent years, and when combined with other health reform spending amounted to \$14.7 billion last year. Gov. Charles Baker's proposed budget for the new fiscal year projects MassHealth spending at \$15.47 billion.

In 2015, a MassHealth administrators budget analysis estimated that approximately 211,000 people were newly eligible for MassHealth: approximately 103,000 people moved from Commonwealth Care, 2,000 moved from the Medical Security Program, and 106,000 moved into coverage for the first time. Most of these people enrolled in MassHealth over the course of FY 2014, and 20,000 of the 211,000 enrolled during FY 2015. By the end of FY 2015, close to 1.7 million residents of Massachusetts received MassHealth coverage, up from an average of 1.5 million in FY

2014, an increase of just under 10 percent.

More costly health care providers in Boston and other eastern Massachusetts cities coupled with rising drug prices are two other contributing factors working against the goal of long-term health care reform viability, Seltz said.

A puzzling new norm is medical care's shift to pricier Boston doctors and hospitals while lower prices are still offered by providers in other Massachusetts towns and cities such as Worcester. Controlling prescription drug spending in Massachusetts is another challenge altogether. Seltz cited spending for prescription drugs, which has risen 13 percent between 2013 and 2014.

Murray added that with the state's Health Care Finance Commission a relative newcomer, "all of our efforts to bring spending under control will be required to humanely navigate an often complicated industry with better care, better health and lower costs."

StartUp Worcester helps 12 companies take ideas to local marketplace

WORCESTER - StartUp Worcester has announced 12 new companies that will be a part of the next cohort of this initiative started last year aimed at helping entrepreneurial college graduates kick-start their business concepts with the intent of retaining them in the region.

StartUp Worcester is a partnership between the Worcester Regional Chamber of Commerce, Running Start Coworking - shared workspace on Prescott Street in Worcester, and The Venture Forum - a not-for-profit community for technology entrepreneurs at any stage. The 12 StartUp Worcester entrepreneurs receive full-year memberships to all three organizations providing them space in which to work, access to a community of peers, and business resources and connections to help their idea grow.

This year, StartUp Worcester had 24 applications from students and alumni from six area colleges and universities. That pool was narrowed down by two rounds of judging to 12 individuals with innovative business plans who were given the resources, space, and support to develop their ideas and take them from concept to marketplace. Winners included Dormboard, Fit, I'mPossible Workshop, Maximum Crash, Rookie, ShopRagHouse, Slydde, Solar for Our Superheroes (S4OS), The Learning Hub, Vimesys, Worcester Soccer House, and Zephyr Workshop who is a returning company from 2015.

Breeze Grigas, founder of Zephyr Workshop said, "Start-Up Worcester means a lot to [Zephyr Workshop] because as a company with a lot of remote team members around Central Mass., the office space awarded offers us a centralized place to meet and collaborate. We've been able to make real progress on many projects, grow our professional presence and be more active in the local game development community through this program's continued support."

"The goal is to retain these bright, young entrepreneurs and encourage them to grow their business here - in Worcester - where they will soon learn that they have access to everything they need to succeed, including a well-educated and trained workforce," said Timothy Murray, president and CEO of the Worcester Regional Chamber of Commerce. A great example of this is a company from the inaugural StartUp Worcester class, Petricore, a game, website and app development company who has grown the company over the past year and now has an office at 20 Franklin Street in downtown Worcester.

"Being a member of StartUp Worcester will consolidate our commitment to local manufacturing in Worcester. It would mean building relationships with local resources that could not only help us reach our target market, but also help us navigate the best course of action to keep expanding," said StartUp Worcester winner Julia Carrasquel, a Clark University 2016 graduate, who is the cofounder of Dormboard, a start-up that designs, manufactures and sells an attachable bedside desk for college dorm rooms.

StartUp Worcester is financially supported by Chamber members Commerce Bank, Grove Street Commercial Properties, and DarrowEverett LLP. Brian Thompson, president of Commerce Bank said, "Sponsoring StartUp Worcester which provides critical resources to new and emerging local businesses so they can thrive, pay taxes and create good paying local jobs is not only part of Commerce Bank's commitment to community giving, it is good business!"

This second cohort of StartUp Worcester entrepreneurs began in June 2016 and continues through May 2017.

Chamber touts WRA's urban revitalization plan

WORCESTER - The Worcester Regional Chamber of Commerce has announced it fully supports the Worcester Redevelopment Authority's (WRA) proposed 20-year, \$100 million Downtown Urban Revitalization Plan.

The plan strategically targets 24 properties that are neglected and/or underutilized and that have created barriers to fully leveraging the district's potential to draw new developers to the downtown. The plan indicates that the WRA will work with existing owners to improve their property - or sell it if they are unwilling to invest. Ongoing investment is critical to maintaining a property's safety, complying with regulations and code, and remaining viable as a location to established and relocating businesses. Without this investment, properties fall into disrepair affecting not only the tenants of those buildings, but also neighboring properties and their tenants.

Importantly, the plan indicates that the WRA will utilize the eminent domain option only as a last resort. The city's leadership is invested in the success of Worcester business owners and will work with them to create a climate in which all businesses can thrive and grow.

"This plan is one tool in the city's toolbox to fully leverage public/private investments that have been made to date," said Chamber President and CEO Timothy P. Murray. "It will also allow for the better utilization of prime space within the designated downtown redevelopment area."

The Chamber supports the process by which the plan was established. A Citizen Advisory Committee, composed of 15 representatives of the community, helped to shape the plan over the course of 10

public meetings. Considerable thought and deliberation went into establishing the plan that seeks to capitalize on this important business district.

Robert Johnson, chair of the Chamber's board of directors and president of Becker College said, "A city's downtown business district affects all parts of the community from those adjacent to it to the farthest away. It sets the tone for residents and visitors by creating an environment that offers a variety of retail businesses, destinations, residential space, and office environments. Worcester is poised to enhance all of those elements in the downtown, and we will work with all those who want to achieve this important goal."

Important stipulations are made in the plan to protect those owners who are reinvesting in their properties. Only those that have been categorized as blighted and substandard, because of a chronic lack of investment; are brownfield sites that have been vacant for 20 years; are obsolete and lack up-to-date infrastructure; or have accessibility concerns are included in the inventory of targeted properties.

Chamber Calendar Events

Friday, December 16, 2016

Connect for Success

7:15 am - 9 am

Chamber - 446 Main Street, Worcester

Thursday, December 15, 2016

Business After Hours

5 - 7:30 pm

The Hanover Theatre

2 Southbridge Street, Worcester

Tuesday, December 20, 2016

Women's Information Network (WIN)

12 - 1:30 pm

Chamber Conference Room 446 Main Street, Worc.

Leaders celebrate AC Marriott beam signing

WORCESTER - On Nov. 2, state and local officials, business leaders and partners joined with XSS Hotels of Manchester, NH to celebrate the construction of the AC Hotel by Marriott to be located at 125 Front St. in Worcester.

XSS Hotels collaborated with the Manchester based PROCON, who is the designer and construction manager for the 117,000-square-foot upscale hotel. Colwen Hotel Management of Portsmouth, NH will provide comprehensive management services for the new hotel.

Attendees added their names and best wishes to the steel beam in celebration of the construction project that will be part of Worcester's master plan for urban revitalization. The six-story AC hotel is situated in the heart of the downtown Worcester with access to local shops, restaurants, and entertainment. It is a short walk from Union Station offering train and bus service and is just two blocks from the DCU Convention Center.

Mayor Joseph M. Petty was unable to attend, but shared his sentiments about the new hotel in a prepared statement. "The CitySquare development and this hotel are at the heart of our plan for revitalizing our city's core," Petty said. "Even before the construction began we started seeing the positive impact with new restaurants and businesses opening around our downtown. I want to thank XSS hotels, and all of the partners for being part of our vibrant new vision for downtown and for Worcester as a whole."

Plans call for 170 king suites and double-queen guest rooms to be located on floors two through six of the building. The European-inspired hotel will offer a robust package of guest-friendly amenities. The design concept includes a fitness center, a yoga room, a 24/7 market, conference center and meeting rooms and a business center. Expansive public space designs feature a bar/lounge area that flows to an outdoor terrace. In addition, the 7,100-square-foot function room will include an in-house full-service restaurant with an outdoor patio seating area.

Worcester is undergoing a renaissance, and the new AC Hotel is part of a series of four high-profile projects that will comprise the CitySquare area, including the Grid District, a 365-apartment mixed-use development already under construction, and numerous street-level retailers and upscale restaurants are expected to set up shop within the next two years. Together, a section of downtown Worcester will be transformed into a live-work-play hub, designed to attract young professionals.

City Manager Edward M. Augustus, Jr. was one of the morning's speakers. He said, "This hotel is another fantastic sign of the vitality and momentum we are seeing downtown and throughout Worcester. This project brings us one step closer to fulfilling the vision of CitySquare. It's another piece of the puzzle



Celebrating steel construction of the new AC Marriott Hotel, from left to right, Donald Birch, executive VP/COO at Leggat McCall, Tony Economou, Worcester city councilor District One, Tim Murray, president and CEO of the Worcester Regional Chamber of Commerce, Mark Stebbins, chairman and CEO at PROCON and Partner XSS Hotels, Ann Tripp of Opus Investments, City Manager Edward Augustus, Jr., Candy Mero-Carlson, District Two city councilor, Leo Xarras, partner at XSS hotels, Christine Thomas, development partner at XSS Hotels.

that will fit into place alongside new restaurants, apartments, and high-class office space to help create the 18-hour downtown we've all been working towards."

The Worcester AC Hotel is rising from the ashes of the demolished Galleria mall and sits atop the city's recently opened 586-car underground parking garage; that will service the hotel and surrounding buildings. AC Hotel guests will have ample venues for shopping, dining, and entertainment at their fingertips.

The momentous beam signing can be summed up in the words of Worcester District 2 City Councilor Candy Mero-Carlson who said, "This is a great day for everyone and we are certainly a city on the move."

Work began on the site in early October, and structural steel installations are currently in progress. The building is expected to be weathertight by February 2017. The signed beam will be installed towards the end of the structural steel erection, with an expected project completion in late 2017.

"This hotel is the continued implementation of the CitySquare vision when we proposed tearing down the old Galleria Mall," said Timothy P. Murray, president and CEO of the Worcester Regional Chamber of Commerce. "We are creating density by having people living and working downtown."



City Jobs Fund targets workforce development

WORCESTER - The Worcester Jobs Fund is now providing three training programs that prepare residents for employment in a long-term career path in fields where there is an immediate workforce need

"The Worcester Jobs Fund is an important new tool that offers Worcester residents the opportunity to get the skills necessary to fill open positions in our workforce," said Worcester City Manager Edward M. Augustus, Jr. "This benefits us all, providing a workforce that has the skills to meet the needs of employers."

This year, the Worcester Redevelopment Authority gifted \$100,000 of the proceeds of its sale of a parcel of land in Washington Square to the Fund. Worcester Jobs Fund proceeds are only available to Worcester residents. In addition to these funds, the committee successfully obtained a grant from the Massachusetts Department of Transportation and an allocation from the state legislature, collectively in excess of \$187,000, for use in job training. These funds are not restricted to Worcester residents.

The Worcester Jobs Fund was created to bring a direct benefit to Worcester residents in the form of jobs, job training, and related services. The Worcester Jobs Fund is monitored by an oversight committee that includes representatives from The Worcester Regional Chamber of Commerce, Central Mass Workforce Investment Board, Workforce Central Career Center, Worcester Community Labor Coalition and Worcester Public Schools. The Fund consists of a \$100,000 annual city tax levy appropriation for the first three years.

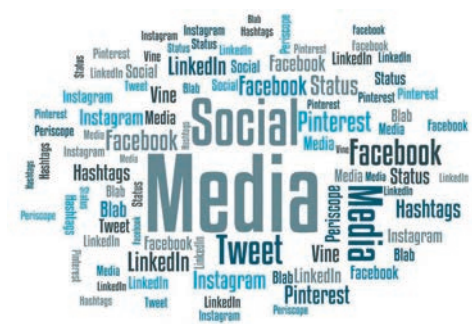
New staffer joins Worcester Chamber

WORCESTER - Kristen Luna joined the Chamber as a membership services and development representative responsible for recruiting new Chamber members and assisting them with member benefits. Ms. Luna comes to the Chamber with a background in business development and event planning and had previously been a Chamber volunteer.



Kristen Luna





Using social media to reach new customers

WORCESTER - At the Worcester Regional Chamber forum known as Woostapreneurs, Laura DiBenedetto from the city-based Vision Marketing explained how social media could be used to generate more customers and more sales beyond just their local neighborhoods. Below are a few highlights from that discussion.

The four primary social networks that apply to you for commercial use are Facebook, Twitter, LinkedIn and Instagram.

If you are doing B2B, don't bother with Instagram. If you are doing B2C and you're not on Facebook, you're nuts. If you are trying to sell a commercial product, you need to be on LinkedIn.... Period. Twitter is the weird one. It can be useful for all sorts of things.

Tips to avoid human resource problems in a growing business

WORCESTER - At the Woostapreneurs Forum, D. Moschos, Esq., of Counsel at Mirick O'Connell discussed a number of potential human resource problems that businesses can encounter if they do not have proper systems in place as a company grows and hires more employees. Below are a few highlights from that discussion.



D. Moschos, Esq.

"To be eligible for the Family Leave Act, an employee must work at a location where the company employs 50 or more employees within 75 miles."

"You have to have a summary plan description for life, disability and health insurance and you have to have that available and give employees notice."

"A brand new law that applies to everyone whether you have one employee or 3,000 says you have to provide sick leave to employees. They earn sick leave on the basis of accruing one hour for every 30 hours of actual work. If you have below 11 employees, that sick leave can be unpaid. The Attorney General's Office has a lot of material that can help you relative to this law."

"If you have seasonal help, you can say that they have to be employed for 90 calendar days to use the sick leave they have earned. There is a very good poster explaining this law that you can post."

PLEASE RECYCLE
THIS NEWSPAPER

Woostapreneurs celebrate

Some of the best and brightest involved in operating small businesses participated in the Worcester Regional Chamber of Commerce's Woostapreneurs Forum during National Small Business Week at Worcester State University.

Sponsored in concert with the U.S. Small Business Administration, the event attracted almost 200 small business owners, budding entrepreneurs and students as well as 12 expert panelists and breakout workshop leaders. Forum supporters from local banking and lending institutions including Commerce Bank, Fidelity Bank, UniBank, Spencer Bank, Hometown Bank, Southbridge Savings Bank, TD Bank, United Bank, Webster Five, Rollstone Bank & Trust and Bank of America added information sharing kiosks as an attractive backdrop to this first-of-its-kind event.

In opening the forum, Worcester State University President Barry M. Maloney called the city's recently developed entrepreneur incubation labs and co-working shared spaces to help support start-ups a critical component to future economic development. These labs provide flexible spaces, shared equipment access, and health and safety services to lower the initial costs of running a new business. Maloney said that "86 percent of WSU graduates go on to stay and work in Massachusetts," which only further underscores the growing footprint of entrepreneur ecosystems across the city.

SBA Massachusetts District Director Robert H. Nelson told listeners to "think big and start small. That's how many businesses start with us." He went on to highlight the rise of minority-owned businesses, which comprise 28 percent of all Main Street businesses in the US. "We want to try to reach new Americans and immigrant entrepreneurs," Nelson said.

Citing a recent Seven Hills report regarding the immigrant cornerstone upon which Worcester's recent economy and community has been built, Worcester Regional Chamber of Commerce President and CEO Timothy P. Murray said 21 percent or 37,790 immigrants from 85 countries now live and work in Worcester among a total population of 183,000, which is considerably higher than the state-wide average of 15 percent.

The majority of that immigrant population came here after 1990, Murray added, with the largest populations coming from



A Woostapreneurs audience listens to a panel discussion.

Ghana, Dominican Republic, Vietnam, Brazil, and Albania. Foreign-born entrepreneurs in the city now account for 37 percent of all business owners, which is double the state average. Collectively, that immigrant population generates \$947 million annually in earnings.

"That's buying power; that's economic impact," Murray said, "but we need more options. Anyone coming here or graduating from our colleges needs to be supported and mentored and encouraged to not only work here, but also start their own company. We are seeing spaces emerge in the city that give students and entrepreneurs a place to go to collaborate. They allow cross-pollination of ideas, energy and creativity that encourage entrepreneurship."

The expert panel discussion was moderated by Clark

Marketing plans increase sales opportunities for small businesses

WORCESTER - At the Woostapreneurs Forum, Fern Nissim from the Round Pond Group presented options to advertise, market, and promote a small business. Most small businesses have very limited resources for marketing. She explained why it is important to develop a marketing plan to maximize the impact on limited resources. Below are a few highlights from that discussion.



Fern Nissim

"You should put a live Facebook newsfeed on your website so that conversations going on there can also be seen on your website. It's not an icon; it's actually alive and helps your ratings on search engines."

"Make sure you put a blog on your website that is actively changed on a regular basis."

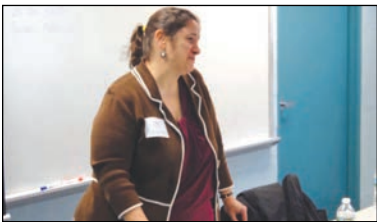
"Email marketing is one of the most inexpensive ways to reach your customers these days through Constant Contact, Salesforce or Mailchimp by designing your own newsletter."

But how do you build that email list? Go to tons of chamber events, and use a smartphone app [like the Camcard app] that lets you take pictures of business cards that can then go direct through a CSV file direct to Mailchimp."

"Instant and text messaging mobile marketing is becoming the new frontier in terms of reaching clients via their cell phones."

"Print and web advertising can be very pricy. But if you decide to do print advertising, make sure you don't do brand advertising because you can't afford that."

"If you are doing direct mail, maybe you are doing a postcard with a magnet on the back teasing a free give-away."



Pam Stevens, Esq.

Avoiding legal pitfalls in start-up businesses

Fundamentals of financing a

WORCESTER - At the Woostapreneurs Forum, Patrick Royce, vice president and small business banking manager at UniBank, and Ili Spahiu from SBA lender relations teamed up to explain the types of financing available to new or very young businesses. Below are a few highlights from that discussion.

"The SBA program is a guarantee program, which means we can not directly loan to an individual."

"Mass Tax Connect found at <http://www.mass.gov/dor/e-services/masstaxconnect/mtc-go-paperless.html>" makes it so much easier to file your taxes and to pay for

"You want to think this through before you get started with a business plan and having everything in writing."

"If you have high personal debt, your debt-service ratio is a big scale. You could hit it really big or have zero [for money]. Sacrifices are decisions you will have to make."

"The preference of the business plan is getting on the ground and considering what the target market is, what the competition is."

"In terms of what the bank is ultimately concerned with is cash flow. That hour-long meeting, the banker is going to know if it's real. And that comes out of the personal interaction and interaction. A big factor is the financial projections showing you put together on a basis."

"Anyone who is looking to start-up [a business] should go to the Business Development Center regional office located at <http://www.mass.gov/bdc/> first."

"At the SBA, we do have resource partners that can help you. You have to be paid staff."



WORCESTER - At the Woostapreneurs Forum, Pam Stevens, Esq., of Chandler, LLP tackled legal pitfalls that can cause significant problems for businesses. Her session highlighted ways for businesses to avoid legal pitfalls. Below are a few highlights from that discussion.

"You need to have

e diversity, collaboration



“We need more options. Anyone coming here or graduating from our colleges needs to be supported and mentored and encouraged to not only work here, but also start their own company. We are seeing spaces emerge in the city that give students and entrepreneurs a place to go to collaborate.”

*- Timothy P. Murray,
President & CEO
Worcester Regional Chamber of Commerce*

Entrepreneuring in the 21st century



Kyla Pacheco and Joe Bush

WORCESTER - At the Woostapreneurs Forum, Joe Bush, from Worcester Clean Tech Incubator and Kyla Pacheco, from Worcester Idea Lab, combined forces to discuss strategies for starting a business in the 21st century, which is being approached in quite a different manner than previous generations. Below are some highlights captured live during the session.

Bush: “Instead of spending \$1,100 on rent each month, you can use an incubator space much cheaper for events, private offices and 11,000 square feet of space located in the Printers Building downtown - a hidden gem of Worcester.”

Pacheco: “The Worcester Idea Lab is an initiative that came out of Action Worcester Development. Located at 20 Franklin Street, it’s an idea space focused on innovation, and it’s open for private rentals. We also host free public community days for free where a lot of independent business owners and entrepreneurs come to the space, network with each other and use it for Internet, coffee, and programming.”

Bush: “An incubator provides a suitable network for entrepreneurs facing similar challenges.”

Deciphering federal government contracts

WORCESTER - At the Chamber’s Woostapreneurs Forum, David Polatin, SBA assistant district director, discussed



David Polatin

how your business can tap into a federal and state government market that purchases billions of dollars of products and services from the private sector.

Below are a few highlights from that

discussion.

“Federal government is the largest purchaser of goods and services in the world. It has a goal that 22 percent of all buying goes to small businesses.”

“If you want to do business with the federal government, there is a database that you should signup for called Systems Award Management (SAM), which is free to register for at sam.gov.”

“Businesses who want to do business with the federal government independently can do so without getting certified.”

“If you want to do business with Veterans Affairs, however, there are certain certifications you have to do found at certify.sba.gov, which is brand new.”

“HUBZone programs involve the federal government spending money in areas of economic development need. You should check at sba.gov to see if your business is located in such a zone. Also, 35 percent of your employees have to live within it. Parts of Worcester are in a HUBZone.”

University Program Director Amy A. Whitney, broached several diverse topics, including why certain entrepreneurial paths are chosen, best practices for running a successful business, and how to stay ahead of challenges.

Standing out with a personal story, panelist Loreta Gjonca, owner and operator of Nuovo Restaurant, shared her own husband’s battle with cancer and how her restaurant had to change some of its business model to adjust to that evolving situation. “There are no vacation days in owning restaurants. We were open seven days a week. We changed the hours and just served dinner. We went through this terrible, hard experience, but we surrounded ourselves with caring, talented people. You’d be surprised how good people are when you are in need.”

As a 16-year-old Dominican who migrated here in 1987, Libis

Bueno, Founder/CTO of Domitek, said he started down the path of small business ownership with the dream of being able to provide a different future for his family. He found much success dipping into the giant employment pool of college students that exist in and around Worcester. “You have to look at other businesses to see what you’re doing right and wrong,” Bueno said. “Being able to delegate was the hardest thing to learn. You must shift your business from being reactive to proactive.”

Other panelists, including Amy Chase, Founder/CEO of Crompton Collective, and Raphael Bibiu, Co-Founder & COO of Ace Medical Services, shared similarities in their thoughts on building strategic partnerships and accessing networking opportunities through chamber membership and other means as critical tools.

start-up business



David Polatin and Ili Spahiu talk about financing.

old admissions of debt.”

started, which is why you want to have a

ratio is going to be a lot lower on a global [scale] in the first month. Living on less and

the disparate parts moving together: you’ve got to have a vision, and overall marketing strategy.”

With, I’ve seen dozens of beautiful businesses that have about the flash in the business plan. In the end, this is something they want to get behind. The most influential component. The most influential component. The most influential component. The most influential component.

should look at the Massachusetts Small Business Development Center at Clark University [http://www2.clarku.edu/].

be part of your personnel, but they don’t

Finding financing to expand your existing business

WORCESTER - At the Woostapreneurs Forum, Nadine Boone, SBA Lead Lender Relations, and Thomas L. Rose, Managing Director of the Worcester Commercial Banking Group, Commerce Bank & Trust Company, lead a workshop explaining the various direct loan and loan guarantees that can be provided by a bank and the SBA to help a small business grow and expand. Below are a few highlights from that discussion.

“Here’s how the SBA loan works. A small business applicant goes to the bank and the bank approves it subject to the SBA guarantee. Then the bank submits it to SBA. Just because the bank says you are SBA eligible, the SBA may disagree. There are no shortcuts.”

“Do you have some historical data and are your financials apparent and ready for the bank to see them? Are they endorsed by your CPA? Just because you produce tax forms does not mean the IRS ever saw them. We are going to need to contact the IRS and ask for transcripts. This is a requirement by law.”

“The SBA has preferred and certified lender programs such as through the Commerce Bank & Trust Company, which means Tom has a certain amount of authority and expertise to do the SBA guarantee program without coming to us first to ask us to underwrite every decision he makes. That’s a blessing and a curse because to whom authority is given there’s greater risk. So Tom’s decisions have to be on point with the guidelines. If your business went belly up, he would have to eat it.”

“The terms and interest rates are negotiable between you and the bank. The relationship is between the borrower and the bank. The SBA is relatively transparent unless if the bank sees that there is risk.”

“There is a cost to borrow money. The SBA charges the lender a fee and those fees are usually passed on to the borrower.”

“Right now we have 2 percent fee waiver program to encourage our lenders and other lenders to make small loans to your businesses.”



Nadine Boone

At the Woostapreneurs Forum, Esq. Attorney, Seder & Associates, led the many legal issues and significant problems for start-up businesses. The session provided tips for new entrepreneurs, legal pitfalls, a few of which were discussed. Some money set aside when

starting a business. For the privilege of having a corporate entity - even if you don’t make any money - the Department of Revenue still takes \$456 annually.”

“Should you file a ‘doing business as’ certificate? If you plan to name your business other than something with your legal name in it [as a sole proprietor], such a certificate is needed

from the City Clerk’s Office in Worcester. The certificate is good for five years and costs about \$50.”

“Go to the Secretary of State’s corporations division. There’s a database in there that will tell you if there is another entity that has your business name already. Do a Google search as well.”

OPINION

Tax rate ratio must change

As the calendar moves from fall to winter and another year begins to draw to a close, the conversation about tax rates gears up. Worcester, like Auburn and Webster, is a dual tax-rate community, where a portion of the tax levy burden is shifted from residents to businesses through a higher business tax rate.

Each year as this topic is debated among businesses, residents and city officials, the degree to which the tax rate influences a business's decision making is also debated. Some try and argue that the tax rate means very little to businesses as they determine where to locate or spend their capital. While we do not wish to give the impression that the tax rate is the end-all and be-all in the decision making process for businesses, it is an important part of a formula that each business uses to influence decisions.

As part of that equation, the Worcester City Council has complete discretion over and the ultimate say in determining what the tax rate will be. Other parts of that calculation, such as health insurance premiums, minimum wage, cost of materials, and transportation costs – to name a few – are not dictated by the City Council. So while some may debate where the current tax rate falls in the priority list of a business owner in making his or her decisions it is the one part of that decision that is directly affected by the vote of the City Council.

Worcester had been on a trend of reducing the gap between the residential and commercial tax rates, by continually lowering the CIP Factor. The CIP Factor represents the shift that takes place from the residential taxpayer to the commercial taxpayers – e.g. a 1.00 CIP Factor is a single rate. The Worcester City Council had reduced that factor to 1.353 by FY 2015. However, last year the Council erased that hard work and effort by voting for a factor of 1.389. This was a step in the wrong direction and an indicator to businesses that a majority of the Worcester City Council believes they should fund city services by asking business owners to pay more and residents to pay less than their fair share.

For many of our small businesses, this is compounded by the fact that this same commercial/industrial tax rate is also applied to personal property values. This turns into a double-hit for businesses as not only is their real estate property taxed at a higher rate but they are also taxed on the value of equipment, inventory and other property located within their business. While depreciation is taken into account, the values on personal property are not reduced to \$0; the equipment carries a value if it is still in use. Personal property tax is not something that is levied against residents for the furniture and other items in their primary residence. This is, again, another way in which businesses pay more than their fair share in taxes for city services.

The higher the tax rate that is set for businesses, the higher the taxes they pay and the higher their cost of doing business becomes. That certainly factors heavily into the decisions businesses make about where to locate, jobs and making investments.

OPED COLUMNS

State loses important local economic driver

The Worcester Regional Chamber of Commerce understands the state budget is challenged this year just like it was in a recession-plagued 2009, the last time the tax-free holiday weekend was not adopted by the Massachusetts legislature. Even though it was cancelled by the state Legislature this year, there are compelling reasons to preserve this vital economic tool for years to come.

The tax-free holiday weekend offers significant, positive financial impacts for countless small businesses, as customers are more prone to shopping when they don't have to pay the 6.25-percent sales tax on purchases up to \$2,500. Last year, the Retailers Association of Massachusetts published survey results estimating the economic benefit of having a tax-free weekend to be roughly \$168 million. For many retailers, the sudden rush of consumer spending, during traditionally their slowest sales season, makes a substantial contribution to their economic survival.

Consider the multiplier effect carried over to restaurants, and other retailers of non-consumer goods, who also realize increased sales and activity. The tax-free holiday weekend allows our members – like Rotmans Furniture and Flooring Center or Percy's TV & Appliance – to compete on a more level playing field with states like tax-free New Hampshire and big box stores from out of state who, thanks to a loophole, process transactions via the internet allowing them to forego charging sales tax.

A tax-free holiday weekend is a win-win for businesses and residents as it keeps money in local communities. It encourages residents to shop locally

with retailers in their community who are known and respected.

Local businesses, both big and small, are the backbone of the community. Many local organizations and worthy causes count on their support year-round, and time and again, those local businesses are there to lend their support. Drive by a little league field or attend a charity event, and you will find the names and logos of many local businesses – like Rotmans and Percy's, among others – adorning the outfield wall or program booklet. While the lack of a tax-free weekend will not likely cause local businesses to stop giving their support, without the economic boon and the activity associated with a tax-free weekend, that support might be a challenge to come by.

While we are mindful of the financial constraints facing the commonwealth, we strongly contend that the loss in tax revenues during the tax-free weekend is largely outweighed by the economic activity generated. We respectfully ask lawmakers to keep local retailers in mind, should the financial picture brighten. The chamber, and our retail members, look forward to the inclusion of a tax-free weekend during next year's fiscal debate and review.

The tax-free holiday is a proven economic stimulus. A healthy retail economy helps to mitigate the hit to the state budget in lost sales tax revenue, while its benefits are long-term and wide-reaching. In an era when more financial and regulatory hurdles are placed in front of small businesses, the tax-free weekend not only provides a financial benefit but also shows these companies that the state values and appreciates their contributions to the community.

City renaissance underway

I am pleased to present the Worcester Regional Chamber of Commerce's Chamber Exchange Newspaper. Many thanks to my fellow trustees, members of the chamber, and everyone who has helped inspire the Worcester economy. I especially want to thank our President and CEO Tim Murray for his leadership in transforming the Chamber during an unprecedented era of change in the global economy.

I write this letter with a renewed sense of confidence that economic development within the region is reaching new heights of vibrancy and resiliency. Young entrepreneurs, current business owners, students, and organizers are emerging throughout the community to launch and incubate new businesses. There is a palpable sense of opportunity and excitement streaming through the region that is evidence of an economic revolution. At our recent Game Changers Conference, we were proud to announce that more than \$2.6 billion of development funds have come into central Massachusetts. I know you join in my elation at all the wonderful initiatives that will come out these funding opportunities.

Already you can drive around the Worcester area and view improvement in action. Whether it is the ongoing development of CitySquare, the Burns Bridge, or the newly renovated WRTA Center, we are seeing practical examples of building a contemporary infrastructure. This infrastructure has already helped draw new industries like

biotechnology, and a revitalized manufacturing sector back into the area. In addition, our higher education and medical institutions are flourishing which are vital to a burgeoning economic district.

By equipping the region with the necessary components of a thriving industrial center, we can attract, retain, and cultivate the next wave of business success. The future of the area is promising, but not without challenges.

To that end, we must focus on the future of work and think about the unknowns. As a business community, we must anticipate the winds of change including training people for jobs that do not currently exist and solving problems that we have not even identified. While this might seem a

tall task, we are laying the foundation across the region for a sustained period of growth that will be driven by innovation and determination. Working collaborations between our colleges and universities, businesses, nonprofits, and civic leaders is critical to bringing about this futureproof economy.

At the Chamber, we are enthusiastic about shepherding a new generation of agile leaders and workers that will help our region become a shining example of modernization and a 21st-century economic powerhouse. I hope you will contribute to our collective efforts on this journey.

- Robert E. Johnson Ph.D. is the board chair for the Worcester Regional Chamber of Commerce, and president of Becker College.



DR. ROBERT JOHNSON

OPINION

FROM THE PRESIDENT & CEO

Vocational, technical education the key to filling our workforce pipeline



TIM MURRAY

As the president and CEO of the Worcester Regional Chamber of Commerce, I am often asked what is the biggest issue that we hear about from our 2,300 members. While concerns like health care and energy costs, taxes, and burdensome regulations are often raised, by far the single biggest issue presented is the need for a trained, motivated and educated workforce. The need for a robust workforce pipeline comes from businesses of all sizes and sectors of the economy.

To meet the needs of our members and the business community, the Chamber has undertaken a multi-pronged approach to expand the workforce pipeline in Central Mass. One of those initiatives has centered around the vocational technical (Voke/Tech) schools, established under Massachusetts Chapter 74, that serve our Chamber's region of 35 cities and towns.

In 2014, the Chamber convened the statewide Voke/Tech and Agricultural Schools Summit at the DCU Center with the Mass Association of Vocational School Administrators (MAVA). Massachusetts House Speaker Robert DeLeo, a long time supporter of Voke/Tech education was our keynote speaker. Through panels and employer and student presentations, we helped make the case to legislators as well as municipal and school officials as to why continued investment in Voke/Tech education is critical to providing young people with meaningful career pathways and meeting the needs of the employer community.

In 2015, the Chamber was the lead business organization that helped to form the statewide Alliance for Vocational Technical Education (AVTE) in partnership with MAVA and the Massachusetts Communities Action Network (MCAN). As the co-chair of this effort, I am encouraged that the coalition has grown to more than 23 organizations. The AVTE's primary mission is to ensure that every child has access to high-quality career, vocational, technical education.

A particular focus is to eliminate the annual waiting list of students seeking to attend Voke/Tech schools. This statewide waiting list is conservatively estimated at 3,500 students annually.

Also in 2015, AVTE hired respected researcher and economist Barry Bluestone of Northeastern University's Dukakis Center to conduct an in-depth study of Massachusetts' Voke/Tech education system. This study included a comprehensive survey of employers across the state. Of the responding employers, 90 percent indicated a need to increase the number of Voke/Tech graduates. The AVTE briefed the Baker/Polito administration on these results and the report.

Subsequently, Gov. Baker joined the AVTE for the roll out of the Bluestone/AVTE study and announced that his administration was proposing a five-year, \$75 million capital program for workforce development equipment to ensure Voke/Tech students are trained on state of the art equipment. Additionally, AVTE recently conducted a Statehouse advocacy day to meet with legislators to enlist their support for adequate funding for Voke/Tech education in the Fiscal Year 2017 budget that is currently in deliberation on Beacon Hill.

AVTE also believes that, with proper resources, our Voke/Tech and agricultural schools could eliminate waiting lists by operating 18-hours a day and during summers. They also could play a more significant role in worker retraining efforts in coordination with regional employment boards and our statewide community college system. Our students want meaningful careers and Massachusetts employers need more employees to fill good paying jobs. AVTE knows that we can meet both of these objectives by expanding access to our Voke/Tech and Chapter 74 programs and we will continue to work towards these goals to make Massachusetts a more desirable place for employers to grow good jobs.

- Timothy P. Murray is president and CEO of the Worcester Regional Chamber of Commerce, and former city mayor and lieutenant governor of Massachusetts.

Start-ups define our next steps for city and region

By Timothy P. Murray

In the aftermath of a successful Woostapreneurs Forum held at Worcester State University, a shared belief emerged that we should continue to enhance opportunities for our immigrant minority population to pursue starting their own businesses.

We have taken great strides to improve upon this goal, which is underscored in a report that the Seven Hills Foundation recently produced, titled "Foreign Born Populations of Worcester - Assessing the Challenges and Contributions of a Diverse Community", with additional research done by the UMass-Dartmouth Public Policy Center.

That study found that 21 percent or 37,790 immigrants from 85 countries now live and work in Worcester among a total population of 183,000, which is considerably higher than the state-wide average of 15 percent. The majority of that immigrant population came here after 1990, with the largest populations coming from Ghana, Dominican Republic, Vietnam, Brazil, and Albania. Foreign-born entrepreneurs in the city now account for 37 percent of all business owners, which is double the state average. That immigrant population generates \$947 million annually in earnings.

When I started at the Chamber back in 2013, we decided to do a benchmark of the Central Mass. economy. So we studied this issue extensively in 2014 and identified nine sectors of the Central Mass. economy. The four largest sectors were health care with not only UMass Memorial and St. Vincent's but also community hospitals and small medical service start-ups; higher education with 38,000 college students here spread across nine institutions who all are major employers and employee recruitment hubs; countless financial services and high quality banks; and manufacturing that continues to develop jobs with 100,000 vacancies expected between now and 2020.

Not surprisingly, the fastest growing in the Central Mass. economy is the innovation sector with scientific and technology industries that are expected to grow by 38 percent by 2020 - many being small start-ups incubated right here in Worcester. This is computer design, video digital gaming, and robotics firms to name a few.

That's buying power meets real community impact, but we need to continue to invest in this great renaissance our entire region is powering with both existing and emerging economic ecosystems.

Canada is Massachusetts' #1 customer

By Timothy P. Murray

During the 2016 Presidential campaign, there was considerable talk about the equity of international trade deals and whether they help or hinder the U.S. economy. During those conversations, it was critical for all Americans, and the people of Massachusetts, to fully understand the incredibly important economic and trade relationship between the U.S. and Canada.

Speaking before a large audience gathered for the Chamber's Business & Government Forum sponsored by Ventry Associates on April 5, David Nathan Alward, Canada's Consul General to New England, offered a fascinating overview of this successful relationship. Prior to David Alward's role as Consul General, he served as the 32nd premier of New Brunswick, a position comparable to that of governor in the U.S.

French Canadians are one of our region's largest demographic and played a crucial role in Worcester's early development. By 1870, nearly 40,000 French Canadians had settled across Central Massachusetts. What many may not know is that even today, our Canadian ties continue to be a core contributor to successful trade and commerce in Massachusetts, not to mention travel and tourism.

There are 219 Canadian-owned companies operating in the Commonwealth providing 26,000 jobs in nearly every economic sector with average salaries of \$57,610. This amounts to \$1.5 billion that contributes to paying for housing, taxes, goods and services, and more in Worcester

and beyond.

These jobs require continued investment in our trade relations with Canada — our number one customer. Annually, \$3.1 billion in goods are exported from Massachusetts and \$7.6 billion are imported from Canada. In 2015, Massachusetts exported more than \$2.2 billion of product to Canada.

Travel and tourism between Massachusetts and Canada is part of the positive two-way economic impact as well. In 2015, approximately 886,300 Canadians visited Massachusetts and spent \$365 million, and Massachusetts' residents spent \$721 million traveling to Canada.

Canada and their business partners have collaborated with the Commonwealth and other states on energy trade projects with a determined focus toward environmental protection and preservation while continuing to reduce its own carbon footprint.

Here in New England and throughout the U.S., Canada is a strategic partner in energy production to the tune of \$11 billion annually, helping to lower this region's high energy costs both for consumers and businesses. Hydroelectric power accounts for more than 60 percent of Canada's electricity generation, making Canada the world's third largest producer of hydropower. A recent study by the Massachusetts Clean Electricity Partnership found hydropower reduced wholesale electricity, natural gas, and emissions by \$603 million annually in Massachusetts. Along with low operating costs, hydropower is also renewable and offers storage capacity that complements other renewables, such as wind and solar.

Early internship pays dividends for Bartholomew

WORCESTER - As an Assumption College junior back in 1977, Thomas Bartholomew was fortunate enough through his own accord to be hired as an intern at the former New England Mutual Life Insurance Co. (now under Metropolitan), planting the seeds for what has become a successful career in financial services.

Bartholomew interned as a sales associate for the last two years of his schooling and then went to work there full-time, leaving in 1981 for a new opportunity at the Worcester County National Bank. In 1994, he founded and currently serves as president of the Worcester-based Bartholomew & Company, Inc. Today, his company sports a team of 23 employees, including registered representatives, registered assistants, and support staff that manages in excess of \$1.4 billion annually. His firm was honored in 2016 as Barron's "Top 1,200 Financial Advisors for 2016" and as the Financial Times' "Top 400 Financial Advisers."

"Instead of coming out of school starting from scratch when I graduated, I already had a couple years of experience and was able to get a head start on a lot of other folks," said Bartholomew. "At the tail end of the recession in the late 1970s, there was not a lot of employment around. So I was fortunate to have had that opportunity."

Back then, internships were not nearly as prevalent and organized as many of today's formal agreements are crafted between colleges and employers. "Colleges did not generally place interns back then," Bartholomew said. "And the failure rate in the insurance business is still quite high. When that company hired me as an intern, it was something quite new and not done to any great level of success."

Bartholomew's early experiences inspired his own commitment to providing internship opportunities at his company today coupled with the growing trend toward younger people becoming more interested in the financial services field. His company hosts high school and college students for semester-long formal programs. The firm's last intern this past spring was a junior at West Boylston High School, which hosts a formal internship program. Over the years, at least 10 students have benefited from the company's paid and unpaid tutorials. One of those former interns from two years ago, Kathleen Glowacki, is now back on his team as a full-time analyst who just started in that role this month.

As an intern, Glowacki was also involved in client services and analytical work. "She was such a talent that we were right on getting her to come back here," Bartholomew said. "She went to school as an economics major and this is something she always has wanted to do. This was clearly right in her wheelhouse."

Glowacki stuck with financial services studies in college because she knew it would be a field that constantly changes and allows for new learning daily. "After interning with the Bartholomew team, I experienced a real-life example of my dream to keep monotony as far away from my working life as possible along with maintaining those topics that I was interested in," Glowacki said.

She later became a research intern, which not only encapsulated the big-picture of economics, but also a new world of investigation to understand the complex details of finance for the betterment of real people and institutions. "The internship was really the best of every world, and it led me



to a full-time job where I knew I would not only love the work, but also the team that I work with," Glowacki said.

Bartholomew feels the most difficult aspect for his new and younger employees to learn involves knowing the differences and relationships between product and process. "The product is textbook and reasonably straightforward," he said. "But learning the product application, or process by which you measure results will take years to master."

The largest challenges his interns and the company face today is managing growth, understanding regulatory hurdles and delivering on client expectations, given Bartholomew & Company, Inc. has grown assets for all 22 years minus one dip in 2009 when it still managed to break even.

"We've had over a billion dollars in assets for the past three years," he says, which makes it one of the largest financial services institutions in Central Mass., and a very attractive one for interns to place at.

1 - Barron's Top 1,200 listing is based on assets under management, revenues generated by advisors for their firms, quality of their practices (which includes examination of regulatory records), and philanthropic work.

2 - Financial Times Top 400 is based on each advisor's performance in several primary areas, including assets under management, asset growth, compliance record, experience, credentials, and accessibility. For the full methodology, please visit ft.com.

(Thomas J. Bartholomew, AIF® is a financial advisor located at Bartholomew & Company, Inc., 370 Main Street, Suite 1000, Worcester, MA 01608. He offers securities and advisory services as an Investment Adviser Representative of Commonwealth Financial Network®, Member FINRA/SIPC, a Registered Investment Adviser. Fixed insurance products and services offered through CES Insurance Agency. He can be reached at 800-440-8807 or attom@bartandco.com.)

Entrepreneurs assess hospitality's future

WORCESTER - Three entrepreneurs who have positively disrupted Worcester's rapid growth in the food and hospitality industries explained their approach to finding success during a Game Changers business conference panel discussion on Oct. 14.

Moderator Roberta Brien, vice president of projects at Worcester Business Development Corporation, was joined by Ed Russo, owner of Lock 50 at 50 Water St.; Troy Siebels, president & CEO of The Hanover Theater; and Alina Eisenhauer, executive chef and owner at Sweet Kitchen & Bar on Shrewsbury Street.

Russo, who hails from a previous career leading equipment and lab design for large pharmaceutical companies, decided to open a restaurant recently with Lock 50 located in a historic building in the Canal District offering a café during the day and a sleek, contemporary restaurant in the evening. He opened the restaurant with several apartments above because the district and city is making a big comeback as well as a new ice arena set to open adjacent to his business.

"We tried to bring our building back to what it would have looked like in 1910," said Russo, adding that the renovation earned his business the Chamber's Silver Hammer Award. "It's everything that is going on around me that is making it successful."

With performances exceeding 140 playing to audiences of 180,000 annually, the 2,300-seat Hanover Theater is now anchor and catalyst to a vibrant and growing theater district with an active master plan. A new performing arts conservatory will also soon open there. It took \$30 million to renovate the 1926 historic theater. "We created Worcester's Lincoln



Panelists Ed Russo, owner of Lock 50 at 50 Water St.; Troy Siebels, president & CEO of The Hanover Theater; and Alina Eisenhauer, executive chef and owner at Sweet Kitchen & Bar on Shrewsbury Street.

Center," Siebels said. "We added depth to the stage to host Broadway shows on tour. It's about going all in and laying out a vision and to position yourself to be successful. Perception is reality."

Eisenhauer has made a name for herself not only through Sweet Kitchen & Bar that opened in 2008 in a smaller space on Shrewsbury Street and moved five years later to its present location. She has also enjoyed several national television appearances including Chopped, Cup Cake Wars, Re-Wrapped, and overall victor on Sweet Genius.

Moderator Brien asked panelists what is missing or now here in the city that would make new businesses sustainable? Siebels said his theater is not trying reinvent what is being put on stage, his team is putting "great entertainment" on stage. "What is it

in what we are presenting that people want to buy?"

Eisenhauer added that growing competition for the restaurant industry "is the best thing that can happen to us" because Worcester is becoming a dining destination. She feels Worcester's booming restaurant hub should now be thought of as highly as Providence's, if not more.

"There is no reason we should not be on the same level as Boston," Eisenhauer added. "That can't happen without a lot of diversity in restaurants. I think the next step is for our districts to become connected. The one piece that is missing is sustainability and connecting all those pieces so people don't see all these different districts."

Russo said Worcester is not the "ugly step sister to Boston." He welcomes competition, adding that there's a large group of restaurateurs who meet regularly and talk about how to better brand Worcester. All panelists agreed that with all the new apartment units being added to the city, more retail is sorely needed. "I think we have identified the black eye of Worcester," Russo said. Siebels added that it is all about connectivity and changing perceptions that Worcester really is a walkable city.

"Every restaurant owner I know, the one thing that always comes up is more retail," Eisenhauer said. "In each district, there is an opportunity for that happen."

Railers bring pro hockey back to Worcester

WORCESTER - The city will begin its new chapter of hosting professional hockey in October 2017 when the Premier “AA” ECHL Hockey League opens its 30th season, making it the third-longest tenured professional hockey league behind only the National Hockey League and the American Hockey League.

The Worcester Railers will play its home games at the DCU Center, a 12,239-seat building located in downtown Worcester. The DCU Center opened in 1982 and underwent a multi-million-dollar renovation that was completed in 2013.

As keynote speaker, team owner Cliff Rucker told attendants at the Worcester Regional Chamber of Commerce’s recent Game Changers business conference that “if you believe so strongly in something, then you actually have the capacity to make others believe it as well. You have the capacity to create your own reality, which in turn brings everyone you connect with into that same reality.”

When Rucker came to Worcester a few years ago to look into replacing the outgoing Worcester Sharks hockey team, almost everyone in the minor



Cliff Rucker, president and owner of the Worcester Railers, was keynote speaker at the recent Game Changers business conference.

league hockey world said it could not happen as a successful venture.

“Worcester is too close to Boston, I was told; there’s no network tv station; there are too many choices for hockey and entertainment dollars; it could not be done without a Boston Bruins affiliation; and Providence Bruins would never let that happen,” Rucker said he was told. “I did not listen to

any of that. I wanted to create my own reality.”

While Rucker said the Sharks were successful from a sport play and management standpoint, they failed at the business aspect. Rucker said the Sharks were 27th out of 30 teams in the AHL for ticket sales, and 25th out of 30 teams for corporate sponsorships and advertising. “Those combined make

up about 90 percent of a minor league hockey team’s revenue,” Rucker said.

With one year to go before the Railers’ first puck drops, the team is currently 14th out of 29 ECHL teams in corporate sponsorship and advertising, and 16th in season ticket sales. Rucker added that he expects to be within the Top 5 in both these financial areas by the time the team begins playing in a market much smaller than the other top four ECHL teams.

“This is a city primed for explosive growth,” Rucker said, “with a downtown offering an 18-hour lifestyle. This will be a city where you can shop at eclectic, independently owned retail stores all up and down Main Street and apartment density above all those stores. I look forward to the Canal District’s growth fed by a new sports center that will bring up to 500,000 turns of the door annually. I see people milling about after sporting events at new restaurants at the Mercantile Center and The Grid. I see young entrepreneurs staying in the city.”

Learn more about the future of pro hockey in Worcester and join the Founder’s Circle today by visiting www.worcesterprohockey.com.

2016 Chamber Award winners heralded



Shi-Shi’s Lounge – Small Business of the Year

Located on Chandler Street, it’s a neighborhood business in the true sense -- Shi Shi’s hosts events that bring the community together including ladies’ night and other opportunities for social gatherings.

...

Emerald Meats – Joe Cohen Retailer of the Year Award

Located on Chandler Street, the bustling deli and butcher shop was founded a dozen years ago – in 2004 – by Robert and Joan Culbert.



J. Culbert

...

GFI Partners – Richard B. Kennedy Business of the Year Award



Steve Goodman

This 610,000 square foot industrial behemoth was on a 36-acre blighted and vacated property in desperate need of redevelopment.

GFI Partners’ \$26 million redevelopment plan to renovate this property is creating a multi-use industrial building with a modern, first class, commercial industrial facility -- the type of space that was lacking in the city’s inventory.

...

Maureen Raillo (Airport Limousine) – Ambassador of the Year



M. Raillo

The Chamber of Commerce ambassadors are an important team of professionals who assist us with a variety of duties. In

many cases, we view these volunteers as an extension of the Chamber staff. Maureen certainly falls into that category.

Maureen puts in many hours of service for many different ambassador assignments including welcoming new members to the Chamber, greeting them at events, inviting businesses to join the Chamber, and supporting staff with various volunteer activities.

...

Marvin Silver - Christopher, Hays, Wojcik, & Mavricos, LLP – Chamber Achievement Award

Marvin Silver’s years of service as an ambassador have witnessed many changes at the Chamber – 4 CEOs, 2 moves, dozens of new staffers, hundreds of initiatives, and thousands of events. He has been a constant through it all. Not only is longevity his strong suit – he also does double duty. Marvin has been a member of the Chamber’s board of directors for the past 6 years.



Marvin Silver

...

Ryan Canuel – Entrepreneur of the Year



Ryan Canuel

Ryan Canuel, a graduate of one of the top digital gaming schools in the world, Becker College is part of the region’s growing mobile gaming industry.

...

Thomas Glynn, CEO, Massport – Chamber Advocate of the Year award

When ownership and operations of the Worcester Regional Airport were turned over to Massport in



T. Glynn

2010, it set the stage for an important partnership between Massport, the City of Worcester, and Chamber of Commerce’s business community. Two years later, when Thomas Glynn became CEO of the Massachusetts Port Authority, that partnership grew exponentially with his support of the Chamber.

...

Euro-American Logistics – Family Owned Business of the Year

Located at the Worcester Regional Airport, Euro-American Logistics has been helping our local business community to ship their Made in Central Mass products all over the world. For their generations of first-class service, they are the 2016 recipient of the Chamber’s Family-Owned Business of the Year.



Eric Busenburg

...

SILVER HAMMER AWARDS

Edge at Union Station



Rick and Mary Shaffer

Located at 6 Grafton on the edge of Route 290 but in the heart of the city, The Edge at Union Station has a rich history that has been brought back to life with the restoration of this historic building. Vision Development invested \$33 million into this large property known as the Osgood Bradley building creating 82 units of university housing for the city’s large college population and young professionals. Just steps away from the train station, The Edge at Union Station is centrally located near some of the city’s best restaurants, museums, parks, bike paths, shopping and more.

Junction Shop Lofts

Purchased by Brady Sullivan Properties and the Starr Development Partners in 2012, the Junction Shop Lofts is our second Silver Hammer recipient. Spanning nearly a city block on Beacon Street, the building was constructed in 1851 near three railroads, and served as a major center of manufacturing in Worcester.

These renovated lofts feature stainless steel appliances, original reclaimed hardwood or bamboo floors, granite countertops, and sophisticated colors, all in combination with the mill’s characteristic soaring ceilings and large windows.

...

Lock 50



Ed Russo

Our final recipient of the 2016 Silver Hammer Award is the perfect Chamber story. A successful chef dreams of opening his own restaurant, finds a building in need of a new life, invests both money and and hard work to open a dining establishment in an area of the city that is on the rise with other entrepreneurs who are just as motivated to bring the canal district to life.

That’s just what Tim and Ed Russo and Sean Struder did. This trio of family members brought together culinary skills, business savvy and a lot of sweat equity to launch Lock 50 – a unique dining experience with atmosphere.

Located at 50 Water Street, the restaurant aims to bring back the heart and vitality of the Canal District with a creative landmark featuring unique storefront designs, a beautiful mural and an upscale modern restaurant.



Chris Starr

Retail revolution next step for Worcester

WORCESTER – If there was one common theme born from the Oct. 14 Worcester Regional Chamber of Commerce Game Changers business conference, it would be the golden opportunity that now exists for retail developments in Worcester.

In a breakout morning discussion titled “Retail Revolution” sponsored by Country Bank, panelists agreed that retail is the one component of Worcester’s unfolding redevelopment renaissance that has yet to fully get traction. The table is certainly set for a retail resurgence with three new hotels, a forthcoming new ice arena, the redevelopment of CitySquare project (Mercantile Center), more than 1,000 new apartments spread across 10 different developments, and tens of millions of dollars being invested in both city infrastructure and streetscapes.

Other developments are also playing key roles, including commuter rail and airport expansion, Hanover Theater’s blossoming footprint, and at least seven new downtown eateries opening within the next year at Mercantile Center and across the common at The Grid District in addition to Shrewsbury Street’s well established restaurant corridor. Space and access are also being created with many larger, older commercial buildings being redeveloped into retail destinations as well as the planned 70,000-square-foot bus station on Grove Street with mixed used office and retail.

“We’re witnessing \$2.6 billion being invested into our city,” said panel moderator Michael Jacobs, a partner at NAI Glickman, Kovago and Jacobs, a full service commercial real estate firm based in Worcester. “There are more new developments underway in the city than in any other time during the past seven generations. There are more national and regional retailers analyzing and touring our market than we’ve ever seen.”

For Robert Branca, principal in several family enterprises including Branded Management Group that owns and operates a large chain of Dunkin’ Donuts franchises as well as commercial and residential real estate, one key to his success is seeking out iconic properties to redevelop. As an example, Branca used the 1930s Edward Buick Building and Harrington Corner developments to illustrate how historical properties can find new life – even ones like Harrington that had tenants residing in it during President Lincoln’s Administration.

“They were largely abandoned when we took them over and we knew that we could make something special in them,” Branca said, adding that doing away with the city’s dual tax rate would attract more retail. “We were able to attract Class A tenants because of that. Worcester has a good stock of historic buildings that retail can occupy.”

One prime example of that is found in Branca’s first major tenant at Harrington - Harvard Pilgrim Health Care – which was looking to establish itself here as an outsider new to this market. “That [building] allowed them to put themselves on the map day 1 because they were in such a highly visible location.”

LABOR SHORTAGE FACTOR

If the city is going to attract major



Panelists, from left, included Robert Branca, principal at Branded Management Group, Amy Chase, owner of the Crompton Collective, Eurayshia Williams, owner of Shi Shi’s Lounge, and Charles Norton, president of Franklin Realty Advisors. Below, panel Moderator Roberta Brien, vice president of projects at WBDC.

new retail developments, panelists agreed that it will also need to solve a major challenge in labor and workforce shortages affecting almost all industries right now. “As labor cost increase, it really is going to be a confluence of events because real estate is getting more expensive,” Branca said. “Commodities, fuel and interest rates are historically low. When those things change, I think you are going to see some carnage because all businesses have loans and all loans have financial commitments.”

Branca said that the city needs to learn from its mistakes, such as the isolated North Cinemas theater being built in an old industrial park far outside the downtown area where there’s no interest in spin-off retail. On the other hand, the former Public Works buildings just off Shrewsbury Street have become a potential Triple A redevelopment site with thousands of commuters passing by daily. “That’s a good opportunity for retail,” Branca added.

LOCATION, LOCATION, LOCATION... AND TIMING

Amy Chase, owner of the Crompton Collective, said she grew up in places like the Fashion Outlets and Greendale Mall, but found nirvana when she visited other cities as a young fashion designer fresh out of college. “There were farmers’ markets, craft breweries and cool coffee shops where you could just sit outside, go get a cool gift and just spend a day,” she said.

Chase brought that inspiration back to Worcester with her 2012 business launch on Green Street. “I felt the area where I needed to be had to be walkable and had to be able to grow. I needed space for other businesses to join me and wanted to be in that neighborhood. The Canal District was the perfect base for that,” Chase added.

The fear of increased competition from an influx of additional retail businesses is simply overstated, according to Eurayshia Williams, owner of Shi Shi’s Lounge hair styling. “Competition is a way for me to grow,” she told about 100 gathered audience members. “I look at other business owners as a friend, as an ally.”

Charles “Chip” Norton, president of Franklin Realty Advisors – an active firm in Worcester for more than 20



years that is developing Mercantile Center’s sprawling downtown complex to replace most of the former Galleria Mall with new mix-used office, retail, hotel and restaurant space - said timing is everything.

Norton originally shied away from the remnants of the Worcester Fashion Outlets mall when it was first put on the market in summer 2014 because it was too fat at 200,000 square feet of two story retail. “I knew that second story retail was challenging in any market,” Norton said.

What unlocked this potential barrier was the need by UMass Memorial Health Care to expand its footprint and find 80,000-square-feet of prime downtown space. Norton had that vacant space and delivered the deal, leaving an additional 50,000 square feet of space on the first floor to lease to future retail businesses, not including the old Foothills Theater space.

“That smaller size of retail felt better to us,” Norton said. “This enticed us to move forward to do the project.”

With three locations, two opposite city common and a third two-story building attached to the new parking garage, Norton said the unfolding tenant mix at Mercantile Center looks very promising with two local operators lined up so far and currently being in negotiations with a third national firm.

In the near future, Mercantile Center will unveil an additional 30,000 square feet of space on the Commercial/ Front Street side that will entertain a variety of retail options, including three restaurants. Norton said he wants to complete phase 1 of retail development before deciding possible future uses for

the Foothills Theater site.

As to attracting more retailers to the city and reasons why national retail is historically so light here, Moderator Jacobs concluded, “If a space is not prototypical, they won’t do it no matter how much logic it seems to have or opportunity there is.”

Norton added that his first floor, leaner square footage approach to building more retail downtown is primarily due to the 1,000 new apartment units spanning 10 developments that exist or are now being added downtown. Retail traditionally follows residential developments, he said.

\$2.6 billion in private and public Investment

- 1,000 new downtown luxury and loft-style apartments
- 3 new hotels – 380 new hotel rooms
- 1,500 new jobs, dozens of business opportunities, office space
- New Worcester Sports Center, retail, restaurants, entertainment
- \$18+ million in Main Street improvements including streetscape & infrastructure such as paving, bike lanes, and lighting
- WRTA Hub
- Updated Wayfinding System

UNPRECEDENTED
MOMENTUM

Game Changers gather at Mechanics Hall

EXPO, FROM PAGE 1

Realty Advisors and the CitySquare project; impressing the importance of Worcester Regional Airport upon MassPort board members; advocating for the new Heart to Hub Express Train from Worcester to Boston; and resolving environmental issues to facilitate a first class renovation of the 100-year-old WRTA site on Quinsigamond Avenue.

The lieutenant governor added that a recent \$5 million grant for UMass Medical Center is another true breakthrough. There are only a handful of devices in New England that assist researchers in better understanding the inner workings of the atom that could lead to more individualized medicines.

“We need to utilize our assets better. We’re one of the largest property owners in the Commonwealth,” Polito said. “Why not put parcels that are not being utilized to better use? That turns into tax revenue and brings in more jobs.”

One unfolding example of that vision, Polito added, now exists at the site of the Worcester State Hospital recovery center near UMass Medical School where an 80-acre site will be re-utilized as 500,000 square feet of future bio-manufacturing firms, estimated at generating 400-500 good paying jobs.

“Our biggest asset is people and our biggest opportunity,” Polito said. “If we’re not matching through our education system what’s happening in the workplace, then we are not being as competitive as we should be and we’re losing market share. Our commitment [in Massachusetts] is building the nation’s highest skilled workforce.”

GAME CHANGERS IN MANUFACTURING

This educational component, Polito said, is evident in Worcester with the growing demand for more skilled manufacturing workers, driving innovation between vocational schools and two-year colleges. With manufacturing employment losses of more than 112,000 between 1996 and 2006 alone, a straight line projection would suggest that the remaining 300,000 manufacturing jobs in Massachusetts will completely disappear by 2025 unless new workers are identified and an aging workforce retrained.

To combat that glaring statistic, the state is helping to expand Worcester Tech’s veterinarian medicine training capacity as well developing manufacturing workforce pipelines at Quinsigamond Community College and WPI. In addition, the state recently kicked in \$200,000 in urban agenda grants to help low income families obtain manufacturing training and jobs as part of larger \$9.3 million in workforce training capital funds as well as another \$12 million to help re-train the aging manufacturing workforce in Massachusetts.

Jack Healy, who helped found Mass Manufacturing Extension Partnership in 1999 and retired just this past year, received an award at Game Changers for his decades of vision in that industry. In accepting the honor, Healy said the recent workforce development partnership between area vocational schools and colleges have helped retrain 300 long-term unemployed people with new skills and now placed in high paying manufacturing careers with good wages.

“The average manufacturer for every \$1 invested with us gets \$28 in return,” Healy said. “Worcester has 20 percent of its gross domestic product in manufacturing private industry.”



From left to right, Worcester Railers owner Cliff Rucker, Lt. Gov. Karyn Polito, and Game Changers co-sponsor Fallon Health led by President & CEO Richard P. Burke spoke about the many developments completed or underway in the city.



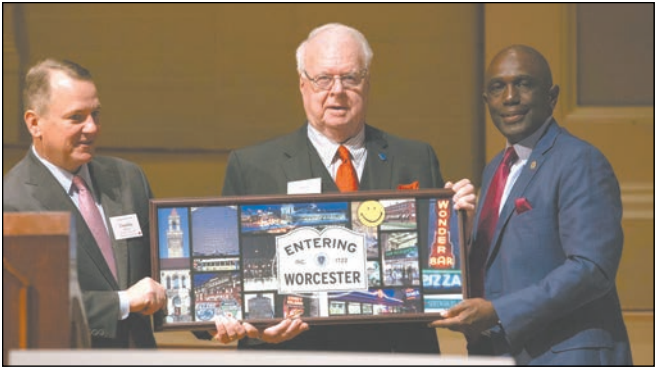
From left to right, Chris Starr, Brady Sullivan; Rick Shaffer, The Edge; Gilbert Winn, Winn Companies; Joe Donovan, The Grid; Robert Cox, Bowditch & Dewey; Glenn Gaudette, Ph.D., WPI; David Crouch, ten24; Laurie Leshin, Ph.D., WPI.



From left to right, Steve Rothschild, Access Fixtures; John Killam, MassMEP; Craig Blais, WBDC; Christina Andreoli, Discover Central Massachusetts; Steve Goodman, GFI Partners



Clockwise from top left, Service awards were given to Charles Monahan of MCPHS U., Jack Healy, retired MassMEP founder, Lisa Mancini of CSX, and Ann Tripp of Hanover Insurance. Awards were presented by Chamber President Tim Murray and Chair Dr. Robert Johnson.



Tax rate disparity hits small businesses hard

TAXES, FROM PAGE 1

in 2016. The city also retains the lowest actual home price regionally at \$190,500 with at least 500 more square feet than surrounding towns.

“Even in some years where Worcester’s commercial rate was being lowered, you were still getting better quality and value for homes in a dollar per square foot than people in neighboring communities with lower rates were,” said Stuart Loosemore, Esq, the Worcester Chamber’s General Counsel & Director of Government Affairs and Public Policy. “You get a better home here for a lower number. We’ve tried to move away from it’s just the rate as that is only part of the equation.”

TIFs A CATALYST BUT NOT PANCEA

To partially combat higher business taxes, the city of Worcester has provided Tax Increment Financing (TIF) plans to increase commercial property values, retain existing Worcester businesses interested in expanding operations, attract new business and private development, and reduce the financial risk to ensure development projects move forward and are successful. However, when Worcester’s residential tax rate is applied to the overall tax levy in comparison to commercial/ industrial properties, TIFs account for only a small fraction of the equation. There is also ceiling on how many TIFs any municipality can afford to negotiate.

The widening disparity that exists between Worcester’s residential and commercial split tax rate is most profound in the recent decision by Curtis Industries, LLC to leave Worcester where it has existed for almost 50 years. The company is taking advantage of West Boylston’s much lower single tax rate of \$18.45 per \$1,000 of assessed valuation - almost half that of Worcester’s commercial rate - padded by a \$803,000 TIF deal approved by that town’s voters last August.

The deal gives the maker of vehicle cabs and accessories a two-year, 100 percent tax elimination period on a

“We must create a more competitive tax rate. A majority of small and medium-sized businesses don’t have the ability to access a TIF and afford attorneys and accountants to navigate that process...”

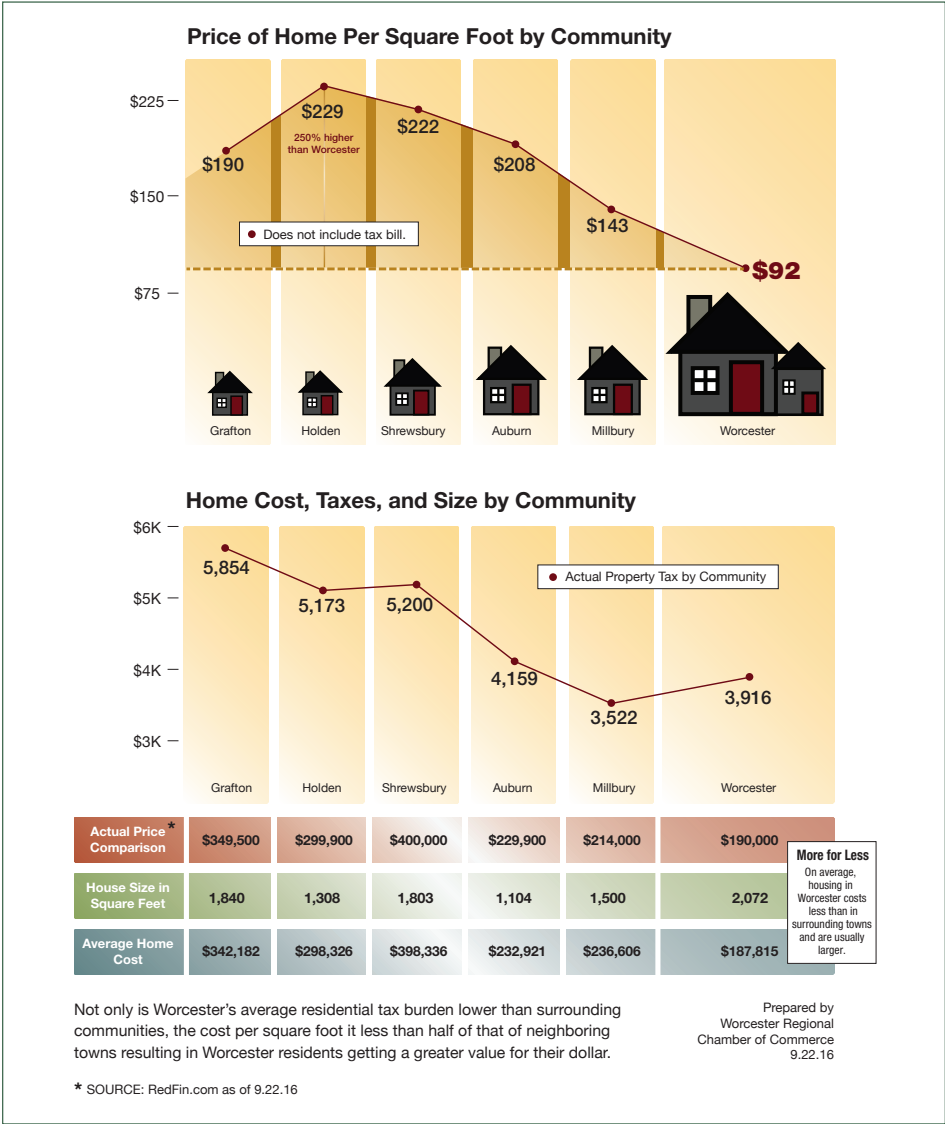
*- Timothy P. Murray,
President & CEO
Worcester Regional
Chamber of Commerce*

new \$8 million, 110,000-square-foot addition at 70 Hartwell St. in West Boylston, occupying a 163,000-square-foot lease. It is unclear what property tax liability will exist, or if future tenants will immediately occupy Curtis Industries’ existing 150,000-square-foot Worcester headquarters at 111 Higgins St. and three other city locations. The company plans to move to West Boylston in July 2017 when construction is completed.

In contrast, a TIF agreement formed last year between the city and GFI Partners was the primary catalyst for a newly constructed 610,000-square-foot 150 Blackstone River Road warehouse development in the Quinsigamond Village neighborhood.

After completion, a 15-year TIF propelling the \$26 million, 36-acre redevelopment will create about 300 new jobs over five years and generate \$1.4 million in property tax revenues annually. Future tenants will include Auburn-based Imperial Distributors, existing tenant Mid-States Packaging, and Gallo Wines.

“Because of Worcester’s high industrial tax rate, Steve Goodman (Founding Partner at GFI) would not have been able to offer a lease price to Imperial that was competitive for modern, commercialized spaces,” said Timothy P. Murray, president & CEO of the Worcester Regional Chamber of Commerce. “This only happened here because we artificially reduced the commercial/industrial tax rate via a TIF. We feel more businesses would strongly consider Worcester as a prime development location if the tax rate was lowered as not all businesses can



utilize the TIF as a tool.”

Juxtaposed between the city’s Curtis Industries and GFI Partners experiences sits one of its newest TIF applicants, Chacharone Properties, which is seeking tax relief in order to allow Table Talk Pies to expand from its existing Worcester and Shrewsbury locations to construct a new \$4.6 million, 50,000-square-foot building in the South Worcester Industrial Park. The TIF, which was approved by the City Council in September, would make the city’s tax rate more comparable to those available in surrounding communities.

The company began construction this fall following state review of the TIF, and the company plans to move 30 employees here and add 50 new jobs over five years. Without the TIF, the expansion would never have happened under the city’s high commercial tax rate. Table Talk moved some of its operations to Shrewsbury a few years ago because of a similar TIF deal struck there and that town’s much lower single tax rate of \$10.67 per \$1,000 of assessed valuation.

“We must create a more competitive tax rate,” said Murray. “A majority of small and medium-sized businesses don’t have the ability to access a TIF and afford attorneys and accountants to navigate that process. A more equitable rate makes it competitive, allowing for job creation and reinvestment.”

SMALL BUSINESSES FEEL THE PINCH

One further downside to TIFs is most small businesses lack the financial resources and staff to pursue them.

Alex Trenta, owner of Prime-Air Blower, Inc., chose to start his business in Worcester because

“everything is nearby or right around the corner,” including the rail port authority, which he uses to export his products from Main South to overseas. When the opportunity arose to purchase the building he was renting space in at 118 Cambridge St., Trenta decided it would be a good investment and would provide security to the tenants. Since 2012, Trenta’s tax bills have increased to well over \$8,000. Hesitant to pass too much of the burden on to his tenants, Prime-Air continues to shoulder more of the burden. Couple these high taxes with the rising cost of health care as well as increasing sewer and water rates, and Trenta is finding it hard to operate.

Likewise, the Maykels opened the popular EVO restaurant in Worcester in 2008, which recently was relaunched as Bootleggers Prohibition Pub, provider of a fun, eclectic dining experience. Like many successful business owners, the Maykels have considered expanding beyond their Chandler Street location and growing their workforce.

However, the rising minimum wages, the high cost of food and inventory, the constant volatility of energy costs, and the city’s high tax rate have left the family-owned business discouraged. Since 2012, the Maykel’s have seen a 13 percent jump in taxes.

“Small businesses struggle to make ends meet and it is important to our family to continue to provide our customers with a place to purchase natural and organic foods; that becomes harder and harder with ever increasing costs,” said Albert Maykel, Jr.

Since 1973, the Stultz family has owned and operated Standard Auto Wrecking on Granite Street in Worcester. Worcester made sense because “it has everything” and their loyal customer base knows where they are located.

The auto parts dealer has done everything to keep costs low by modernizing processes but running a company in Worcester has been difficult. In 2012, Standard Auto saw its valuations for three parcels increase by 74 percent, with a 44 percent increase in their taxes.

TOP 10 REASONS

TO JOIN THE CHAMBER

Be a part of the largest chamber in New England with 2,300 members from all industries and of all sizes across 36 cities and towns in Central Mass.

Recruit, Retain, Incubate

FIND OUT MORE, contact Kristen Luna: 508.753.2924, kluna@worcesterchamber.org

- Chamber Advocacy: Working for You
- Business Assistance
- Economic Development
- Free Advertising
- Education & Professional Development
- Networking
- Industry Roundtables
- Leadership and Volunteer Opportunities
- Discounted Services and Offers
- Access to a Skilled Workforce