

**COMMUNITY MASTER PLAN 2007
NORTH BROOKFIELD, MASSACHUSETTS
ECONOMIC DEVELOPMENT CHAPTER**



ECONOMIC DEVELOPMENT

North Brookfield's Labor Force:

The number of employed North Brookfield residents has remained relatively flat during the past decade (as has the Town's total population), with little variation from year to year. Since 1980, the Town's rate of unemployment has usually been slightly lower than the County and State rates of unemployment; however, the last four years has seen the Town's unemployment rate match or exceed the State's unemployment rate. This indicates that new job growth in North Brookfield has become stagnant and this will become apparent as other economic development data is evaluated in this chapter.

The table below presents the number of employed/unemployed North Brookfield residents dating back to 1995. The table also allows for a comparison of North Brookfield's unemployment rate with the State's overall unemployment rate.

Table ED-1
Employment Status of North Brookfield Residents

Year	Total Residents in Labor Force	Employed	Unemployed	Rate of Unemployment	State Rate
1995	2,473	2,372	101	4.1%	5.4%
1996	2,501	2,405	96	3.8%	4.3%
1997	2,541	2,459	82	3.2%	4.0%
1998	2,579	2,504	75	2.9%	3.3%
1999	2,569	2,492	77	3.0%	3.2%
2000	2,460	2,396	64	2.6%	2.6%
2001	2,488	2,400	88	3.5%	3.7%
2002	2,497	2,386	111	4.4%	5.3%
2003	2,517	2,382	135	5.4%	5.2%
2004	2,511	2,368	143	5.7%	5.8%
2005	2,482	2,366	116	4.7%	4.6%
2006	2,525	2,393	132	5.2%	4.7%

Source: Massachusetts Division of Unemployment Assistance.

Where North Brookfield Residents Work:

The US Census Bureau compiles workplace origin/destination statistics as part of the 2000 census. A breakdown of where North Brookfield residents work is presented on the following page.

In North Brookfield: 517 (22.7% of Town's labor force)
 Worcester: 527 (23.1%)
 Spencer: 169 (7.4%)
 Sturbridge: 78 (3.4%)
 Auburn: 59 (2.6%)
 Rutland: 54 (2.4%)

Elsewhere in Worcester County: 652
 Elsewhere in the State: 210
 Out of State: 13

The above numbers indicate that roughly 23% of North Brookfield's employed residents worked in Town during 2000, while roughly the same percentage traveled to the City of Worcester for employment. The number of North Brookfield residents working in Worcester is not surprising as the City serves as the region's center of commerce. Conversely, only 69 Worcester residents worked in North Brookfield in 2000.

Commuting Time:

According to the US Census Bureau, the mean travel time to work for North Brookfield's labor force has steadily increased during the last 25 years, going from 23.1 minutes in 1980 to 30.8 minutes in 2000, an increase of 33%. Increased travel times to work have been a trend across the State and the nation as a whole during the past 25 years. It should be noted that the 2000 US Census reported 134 North Brookfield residents walking to work and another 12 used public transportation to get to their jobs, presumably traveling to East Brookfield to pick up one of the WRTA buses going into the City.

The Number and Types of Jobs in North Brookfield:

The Massachusetts Division of Unemployment Assistance is the State entity in charge of tracking the changes taking place in the various sectors of the State's economy at both the state and local levels. The table below presents the changes that took place in North Brookfield's local economy during the past five years:

Table ED-2
Employment and Wages in North Brookfield

Year	Total Annual Payroll	Average Weekly Wage	# of Establishments	# of Workers	Business Services - # jobs	Education & Health Services	Construction jobs	Manufacture jobs	Whole/Retail Trade jobs	Leisure and Hospitality jobs	Other Service jobs
2001	\$38 mill.	\$625	82	1,171	9	37	19	548	130	16	34
2002	\$40 mill.	\$676	89	1,156	10	33	18	581	130	17	36
2003	\$42 mill.	\$682	96	1,182	9	29	28	614	131	22	40
2004	\$42 mill.	\$691	100	1,166	8	33	37	578	129	26	39
2005	\$40 mill.	\$694	100	1,109	11	31	61	506	129	34	31

Source: Massachusetts Division of Unemployment Assistance.

The previous table indicates that while the number of business establishments operating in North Brookfield has steadily increased during the past five years, the number of in-town jobs has been fairly stable, ranging between a high of 1,182 jobs in 2003 and a low of 1,109 jobs in 2005. Historically speaking, the cyclical nature of the regional economy has resulted in North Brookfield gaining jobs during one decade, losing jobs the next, and so on. There were 951 jobs in North Brookfield in 1980, and this number fell to 890 jobs in 1990, then increased to 1,179 jobs in 2000 and has since fallen back to 1,109 jobs by the end of 2005.

It is interesting to note that the largest number of in-town jobs has been and continues to be in the manufacturing sector, whereas most Central Massachusetts communities have seen a significant decline in its manufacturing sector. During the 1990s, the CMRPC Region as a whole lost close to 7,000 such jobs.

In-Town Job Projections:

CMRPC's Regional Traffic Demand Forecast Model allows for the projection of jobs per community based on modeled traffic patterns. CMRPC projected 1,250 in-town jobs for 2005; however, the Division of Unemployment Assistance only counted 1,109 in-town jobs in 2005. Thus, the actual number of jobs in North Brookfield is lagging behind the CMRPC projections. CMRPC is projecting an overall loss in in-town jobs for North Brookfield between now and 2030. CMRPC projects there will be 1,230 in-town jobs by 2010, 1,160 jobs by 2020 and 1,110 jobs by 2030. North Brookfield will need a coordinated economic development strategy to counteract the loss in jobs projected for the next 25 years.

North Brookfield's Largest Employers:

North Brookfield's largest employers include:

- *The Quabaug Corporation:* Located on 18 School Street, this manufacturing operation employs roughly 350 people, by far North Brookfield's largest employer.
- *The North Brookfield School District:* This single-town school district currently employs roughly 110 people (teachers/administrators/support staff).
- *Madix Inc:* Located on 60 Prospect Street, this manufacturer of wire baskets and displays currently employs roughly 100 people.
- *Hannaford Supermarket:* Located on North Main Street, the supermarket currently employs 88 people (33 full-time and 55 part-time).
- *Chase Pre-Cast:* A Division of Old Castle Pre-Cast, this company is located on 70 East Brookfield Road and currently employs 85 people.
- *The Town of North Brookfield:* There are currently 70 people on the Town's payroll (many of them part-time employees). This figure does not include seasonal help.

These six employers account for approximately 72% of the jobs in North Brookfield.



Economic Sector's Contribution to the Local Tax Base:

In fiscal year 2006, North Brookfield levied a total of \$3,904,349 in taxes, based on a local tax rate of \$10.16 per \$1,000 of assessed valuation. North Brookfield homeowners accounted for 91.9% of the total 2006 tax base (\$3,586,452), while the businesses and industries accounted for approximately 6.5% of the tax base (\$256,900). The remainder (1.6%) was derived from taxes on personal property (\$60,997). The next two tables examine how North Brookfield compares to its adjacent neighbors in terms of the commercial and industrial tax base.

Table ED-3
Commercial Tax Base Comparison

<u>Community</u>	<u>FY 2006 Tax Rate</u>	<u>Commercial Taxes Levied</u>	<u>Assessed Valuation</u>	<u>% of Total Tax Levy</u>
North Brookfield	\$10.16	\$150,037	\$14.8 mill.	3.8%
Brookfield	\$13.50	\$136,510	\$10.1 mill.	3.9%
East Brookfield	\$9.42	\$136,492	\$14.5 mill.	6.0%
New Braintree	\$12.96	\$49,710	\$3.8 mill.	3.9%
Oakham	\$8.82	\$47,891	\$5.4 mill.	2.9%
Spencer	\$8.49	\$575,513	\$67.8 mill.	6.4%
West Brookfield	\$10.55	\$148,337	\$14.0 mill.	3.8%

Source: Massachusetts Department of Revenue.

The previous table indicates that North Brookfield raises the highest amount of taxes from its commercial sector and has the highest commercial assessed valuation when compared to the other Brookfield communities. The Town's commercial base is dwarfed by Spencer's commercial base, which is very modest when compared to other nearby communities with healthy commercial sectors such as Auburn and Sturbridge.

Table ED-4
Industrial Tax Base Comparison

<u>Community</u>	<u>FY 2006 Tax Rate</u>	<u>Industrial Taxes Levied</u>	<u>Assessed Valuation</u>	<u>% of Total Tax Levy</u>
North Brookfield	\$10.16	\$106,863	\$10.5 mill.	2.7%
Brookfield	\$13.50	\$19,938	\$1.5 mill.	0.6%
East Brookfield	\$9.42	\$20,757	\$2.2 mill.	0.9%
New Braintree	\$12.96	\$2,943	\$227,062	0.2%
Oakham	\$8.82	\$8,626	\$978,000	0.5%
Spencer	\$8.49	\$255,773	\$30.1 mill.	2.9%
West Brookfield	\$10.55	\$69,779	\$6.6 mill.	1.8%

Source: Massachusetts Department of Revenue.

The table above indicates that North Brookfield's healthy manufacturing sector helps the Town raise the highest amount of taxes from its industrial sector and it has the highest industrial assessed valuation when compared to its neighbors, but still lags behind Spencer, which has FLEXcon as its largest industry (roughly 1,100 employees).

It was previously noted that while the number of business establishments in North Brookfield has been steadily increasing over the past 25 years, the number of in-town jobs has remained fairly stable. This has resulted in a decline in the economic sector's overall contribution to the Town's tax base. In 1990, North Brookfield's economic sector accounted for 15.4% of the total tax base, while in 2006 the economic sector's contribution to the total tax base had declined to 6.5%. The amount of tax dollars generated by North Brookfield's economic sector has actually declined over the past fifteen years, dropping from \$277,476 in 1990 to \$255,900 in 2006. This is indicative of a stagnant local economy.

As long as North Brookfield's economic sector and the tax dollars it generates continues to decline, residential property taxes will need to account for an ever-higher percentage of the Town's total tax base. To reverse this trend, North Brookfield will need a comprehensive economic development strategy.

Regional Economic Trends:

There have been two recent economic development profiles prepared for Central Massachusetts. The first was prepared in 2004 by the Center for Economic Development, UMass – Amherst, which evaluated the employment characteristics of 2,486 companies in Central Massachusetts. The second was prepared in March 2006 by the Massachusetts Department of Workforce Development, which evaluated 14,930 companies in Central Massachusetts; a much larger sample than the UMass study. The key findings of both studies are outlined below.

UMass 2004 Study:

- Approximately 77% of all companies in the Central Massachusetts region employ less than 50 people. At the opposite end of the spectrum, only 4% of the companies employ more than 500 people.
- Just over half (51%) of the companies surveyed reported sales volumes between \$1 million and \$5 million, with another 17% reporting sales volumes between \$5 million and \$10 million.
- Of the companies surveyed, 46% were service-oriented, 15% were manufacturing operations and 10% were of the finance/insurance/real estate category.
- Almost half (47%) of the new companies established during the last five years fall within the service sector.

Department of Workforce Development 2006 Study:

- Just under half (46%) of all Central Massachusetts unemployment claimants in 2005 came from the four largest economic sectors: manufacturing (13%), construction (12%), administrative support services (11%) and retail trade (10%).
- Slow labor force growth continues to characterize both Massachusetts and the Central Massachusetts region. During 2005 the State's labor force increased by less than 1% and the Central Massachusetts labor force actually declined by 18 potential workers.
- Small employers dominate the Central Massachusetts workforce. Among the 14,930 establishments surveyed, approximately 86% had fewer than 20 employees (remember: this is based on a much larger sample size than the 2004 UMass study). These firms, however, accounted for just 23% (55,000) of the total number of jobs (238,648) in Central Massachusetts.
- By contrast, there were 407 establishments (or roughly 3% of all establishments) that reported having at least 100 employees. These firms were responsible for almost half (117,953) of all jobs in Central Massachusetts.
- For 2005, the major industry groups suffering the most serious job losses were manufacturing (-399), information services (-320), educational services (-291), and leisure and hospitality (-239).
- The major source of industry growth was in the health care and social science sector, which gained 715 jobs in 2005. More than half of the growth in this sector occurred in hospitals. The retail trade sector also added nearly 500 jobs. The professional and technical service sector also added 200 jobs.
- In Central Massachusetts, the three largest employment sectors in 2005 were health and social services (roughly 35,000 jobs), retail establishments (roughly 28,000 jobs) and manufacturing (roughly 27,500 jobs).
- Between 2003 and 2004 the annual average wage in Central Massachusetts increased by \$1,286 or 3.2%, while the State annual average increased by \$2,601 or 5.6%. The 2004 annual average wage for Central Massachusetts was \$41,548, well below the State's annual average wage of \$48,934.

- In Massachusetts, the professions earning the highest annual average wage for 2004 included management (\$96,880), legal services (\$89,280) and computer and mathematics (\$76,550). Conversely, the professions earning the lowest annual wage in 2004 included food preparation/serving (\$21,420), farming/fishing/forestry (\$24,930), and personal care services (\$26,020).

The Massachusetts Division of Unemployment Assistance periodically prepares long-term employment forecasts for the State. The Division has divided the State into 16 Service Delivery Areas (SDAs), and North Brookfield falls within the Southern Worcester SDA, which covers 47 communities. The Division's latest long-term employment forecast for the Southern Worcester SDA was prepared in 1998 and looks ahead to 2008. The key findings of this latest forecast are as follows:

- The Southern Worcester SDA had 254,910 jobs in 1998 and this will increase to 276,050 jobs by 2008, an increase of 21,140 jobs or 8.3%. This growth rate is less than the State's growth rate (10.1%) due largely to the Southern Worcester SDA's smaller share of the fastest growing industries.
- In addition to the 21,140 new jobs to be created by 2008, there will be 60,000 replacement openings among existing jobs.
- Of the 21,140 new jobs to be created by 2008, 90% of these new jobs will be in the service sector. Within the service sector, 45% of the newly created jobs will be of the health and social services variety and 37% will be business services.
- Manufacturing jobs will continue to decline in each of the State's SDAs, with the Southern Worcester SDA projected to lose roughly 4,000 manufacturing jobs between 1998 and 2008.
- The rise in construction job growth will moderate in all of the State's SDAs. Factors slowing growth in this sector include a slowing of the population growth and household formation that will reduce the demand for single-family homes, and technological changes (e-commerce, telecommuting, etc.) that will moderate the demand for new office space.
- Within the various economic sectors, professional and technical workers will gain the most new jobs (53% of the new jobs) in the Southern Worcester SDA.
- The fastest growing occupations in the Southern Worcester SDA will be computer support specialists, computer engineers, biological scientists, home health aides, systems analysts, paralegals and legal assistants, medical assistants, social/human service assistants, electrical technicians, special education teachers and medical records technicians.

The Greater Worcester Area Comprehensive Economic Development Strategy (CEDS) Committee is the regional entity charged with forging an economic strategy for Central Massachusetts. The Committee is comprised of members from the Greater Worcester Regional Chamber of Commerce, the Central Massachusetts Regional Planning Commission and the Worcester City Manager's Office of Economic Development. Every year the Committee prepares an annual report that outlines its regional economic development strategy, notes trends in the regional economy and highlights successful projects. Having a regional CEDS Committee is a prerequisite for obtaining grants from the US Department of Commerce's Economic

Development Administration. While North Brookfield and several other communities located in Western Worcester County are technically considered part of the CEDS planning area, the CEDS Committee has never engaged in any meaningful interaction with the Western Worcester County communities and they are all but ignored in the CEDS planning strategy. The CEDS planning effort has a long history of being very Worcester-centric at the expense of outlying communities. It may be that the Western Worcester County communities need to join together to make their voices heard in the regional economic development process.

Community Preferences for Economic Development:

The Master Plan citizen survey conducted in early 2006 asked a variety of economic development-related questions. When asked what residents *did not like* about living in North Brookfield, the lack of retail shopping opportunities garnered the most votes (288), followed by the lack of employment opportunities (174), and the downtown received the fourth highest number of votes (121). Thus, residents have a negative view of the Town's economic condition.

When asked what types of businesses residents would like in town and where they should be located, restaurants received the highest number of votes with 568. In terms of preferred locations, the Main Street/Downtown area received the most votes with 218, followed by Route 67 with 105 votes.

Professional services received the second highest number of votes with 563. In terms of preferred locations, the Main Street/Downtown area received the most votes with 204.

Hardware/Home Improvement stores received the third highest number of votes with 476. In terms of preferred locations, the Main Street/Downtown area received the most votes with 274 (or 58% of the total votes).

Businesses that didn't receive a lot of support include large-scale retail stores, clothing stores, and fast food establishments.

When asked what types of industries residents would like in town where they should be located, light manufacturing received the highest number of votes with 490. In terms of preferred locations, East Brookfield Road/Gilbert Street received the most votes with 156, followed by Route 67 with 109 votes and Route 67/148-North with 97 votes.

Research and development received the second highest number of votes with 371. In terms of preferred locations, East Brookfield Road/Gilbert Street received the most votes with 105, followed by Route 67 with 83 votes and Route 67/148-North with 80 votes.

Industries that didn't receive a lot of support include freight shipping, heavy manufacturing, defense industries and warehouse and storage.

When asked if North Brookfield has enough land zoned for business purposes, the result was fairly evenly split with 289 "yes" votes and 271 "no" votes.

When asked if North Brookfield has enough land zoned for industrial purposes, 205 said “no” while 350 said “yes”.

When asked what they thought would be the major benefits of encouraging business/industrial development, the top three responses were more tax revenues to help ease residential tax burden (390 votes), more in-town jobs (384 votes) and more tax revenues to help improve Town services (320 votes).

When asked what they thought would be the major disadvantages of encouraging economic development, the top three responses were more truck traffic (318 votes), more auto traffic (315 votes) and loss of open space (288 votes).

The survey results are indicative of a population that is dissatisfied with its current economic situation, knows it needs improvement, but wants to make sure that any expansion of the economic sector does not detract from the community’s valued rural character and small-town feel.



Opportunities for Economic Development:

As outlined in the Municipal Facilities and Services Chapter, North Brookfield has a long list of financial matters (mostly capital equipment and facility needs) that must be addressed during the next decade. If North Brookfield’s commercial and industrial sectors do not grow and increase their contribution to the local tax base, it will be up to the homeowners to cover an ever-larger percentage of the Town’s annual budget. Simply put, a revitalized town center combined with appropriate industrial development will help ease the tax burden on local homeowners. While North Brookfield’s town center does have significant revitalization potential, there is little vacant commercially zoned land elsewhere in Town and while there is a modest amount of industrially zoned land, not all of this land is usable or accessible. North Brookfield’s upcoming municipal needs are going to be there even if the town center remains unchanged and the Town’s vacant industrial land lies dormant. Thus the question becomes, what opportunities for appropriate economic development exist for North Brookfield?

There are several State-sponsored and regional economic development programs to which North Brookfield has access, however, the Town has yet to fully utilize any of them and an overall economic development plan is lacking. The ensuing discussion outlines the economic development opportunities available to North Brookfield as well as the impediments to economic development facing the Town.

1. *The Aztec Property*: Located at 55 School Street in the center of town, North Brookfield owns the former Aztec building and property, now known as the North Brookfield Downtown Development Project (NBDDP). This is the only significant industrial site under the Town's control. The property is roughly 5.9 acres in size, and is located in an Industrial zoning district. Aztec Industries used the property manufacture asbestos-based products from 1919 until 1988. The Town took control of the property in 2000 and the nine buildings that had been part of the complex were removed in 2002. The former manufacturing operation left behind reportable amounts of asbestos in the soil and this will need to be dealt with as part of any remediation effort for this site. The Town will pay for the site's remediation through a \$200,000 grant from the US Environmental Protection Agency. The money came from the federal Brownfields Program. The new developer will implement the remediation effort and the Town will cover the cost through the EPA grant. The Town has recently issued a request for proposals (an RFP) for the sale and redevelopment of this property. As there is very little vacant land left in the town center area, the bulk of new economic activity will be in the form of redeveloping existing properties, whether through renovating existing structures (such as the Duncan Building project) or teardowns of existing structures for the construction of new buildings. The Town has created an NBDDP Commission to foster development of this site. The Town has prepared a Fact Sheet for potential buyers of the Aztec Property, which can be found in Appendix D of this document.

2. *The Massachusetts Economic Development Incentive Program (EDIP)*: Created by the Legislature in 1993, the EDIP is designed to stimulate job creation in distressed areas, attract new businesses, encourage existing businesses to expand and increase overall economic readiness among Massachusetts towns and cities. The Massachusetts Office of Business Development administers the EDIP. The Economic Assistance Coordinating Council (EACC) oversees the EDIP and is charged with three responsibilities:

- Designating Economic Target Areas (ETAs)
- Designating Economic Opportunity Areas (EOAs) within an ETA
- Designating Certified Projects within an EOA

There are two benefits that the State confers on Certified Projects within designated EOAs: a 5% State Investment Tax Credit for qualifying tangible, depreciable investments and a 10% Abandoned Building Tax Deduction for costs associated with renovating an abandoned building.

North Brookfield is a member of the Ware River Valley Economic Target Area (ETA) established in 1996, with North Brookfield joining in November 2000. Other communities in this ETA include Belchertown, Hardwick, Munson, Palmer, Ware and Warren. The entirety of North Brookfield has been designated as an Economic Opportunity Area (EOA), however, there are no Certified Projects in Town at present and there are none on the horizon.

3. *Tax Increment Financing (TIF) Program:* In an effort to lure new economic development and retain existing businesses, North Brookfield has the option of establishing a local Tax Increment Financing (TIF) program. A local TIF program usually operates in the following manner: a new business or existing business wishing to expand would need to demonstrate that it would hire people from North Brookfield and the immediate area and that it would utilize local businesses and construction firms for its new/expanded building. In return, the Town would forgive a percentage of the taxes assessed on the new/expanded building over a period of several years. The percentage of forgiven assessed taxes would get smaller over a designated period of time. The establishment of a TIF project would require Town Meeting approval. The Town coordinates with the MA Office of Business Development to create TIF packages as needed.

Local TIF programs have been the subjects of criticism lately due to concerns over lost tax revenue. However, citizens need to realize that local TIF programs help to keep jobs in their community (most of which are held by local residents), promote the use of local businesses for the building/expansion effort and help to attract new businesses that otherwise may not come to their community. A local TIF program in North Brookfield would be a valuable tool for attracting new businesses and industries, especially when one considers that the Town cannot offer much in the way of infrastructure (namely, publicly controlled industrial land). It is quite possible that a TIF program for the Aztec property could induce a developer to buy the site, implement the soil remediation program, and put this property back on the Town's tax rolls.

4. *MassDevelopment:* MassDevelopment acts as the State's industrial financing authority. It works primarily with industries and non-profit organizations; however, it does offer several programs that provide technical assistance to municipalities. MassDevelopment administers the Predevelopment Assistance Program that can help municipalities fund projects that will result in economic benefits to the community and the region. MassDevelopment can help with site-specific projects and can assist with appraisals, financing, site planning and architectural services. Under its Economic Development Lending program, MassDevelopment can also assist with the planning and financing of industrial parks. It should be noted that MassDevelopment has a regional office in Worcester.

5. *The Quaboag Valley Community Development Corporation (QVCDC):* The Quaboag Valley CDC is a private non-profit corporation that promotes economic development and workforce training within its 15-community service area, which includes North Brookfield, Belchertown, Brimfield, Brookfield, Hardwick, Holland, Monson, New Braintree, East Brookfield, Palmer, Spencer, Wales, Ware, Warren and West Brookfield. Managed by a board of directors, the CDC's objectives include:

- Redevelopment of blighted commercial areas.
- Coordination of public & private resources on regional economic development projects.
- Job creation for unemployed/underemployed persons through specialized training programs.

The CDC offers training programs for job hunting, computer skills, workforce training, business planning as well as a financial literacy. Many of these programs have been offered at East Brookfield locations. A subset of the agency is the Quaboag Valley Business Assistance Corporation (BAC) that serves as the CDC's lending agency. The BAC offers small business loans of up to \$100,000, micro-enterprise loans of up to \$25,000. The BAC's revolving loan fund has been capitalized by grants from the DHCD and the federal Department of Agriculture. Several area banks provide a line of credit to the BAC, including the nearby Spencer Savings Bank. As of 2005, the BAC has issued 2.5 million dollars in loans and has provided business-planning assistance over 200 companies.

6. *The Service Corps of Retired Executives (SCORE)*: SCORE is a division of the Small Business Administration and they maintain an office with the Greater Worcester Area Chamber of Commerce. Consisting of retired business executives that volunteer their time, SCORE councilors are available for free consultations on any business-related problem.

7. *The Industrial Services Program (ISP)*: Operating out of Boston, the ISP provides financial and management assistance to companies and re-employment training to workers with the goal of ensuring the competitiveness of Massachusetts manufacturing companies.

8. *The Massachusetts Business Development Corporation (MBDC)*: Located in Boston, this private, for-profit entity provides supplemental financing to promising small and medium-sized companies in Massachusetts. The MBDC also serves as a contractor to the State in the administration of its recycling, Brownfields redevelopment and capital access programs.

9. *The Massachusetts Capital Resource Company (MCRC)*: The MCRC is a limited partnership, privately owned by seven Massachusetts-based life insurance companies. The MCRC is a source of risk capital for Massachusetts businesses.

10. *Vacant, Developable Industrially Zoned Land*: CMRPC completed a buildout analysis for the Town of North Brookfield in the spring of 2001. A build-out analysis is a planning tool that determines the amount of vacant, developable land in town and assesses the potential impacts if this land were fully developed under the town's existing zoning standards. A buildout analysis does not attempt to determine *when* a community will reach full buildout; rather, it simply attempts to determine what the community would look like if it were fully built out according to the town's current zoning policies.

In the case of North Brookfield, several of the zoning districts located in the town center were determined to be fully built out with no vacant land available for new development. The built-out districts include six Central Business districts, one General Business district and two Industrial zoning districts. The vast majority of the new commercial/industrial development in the town center area is likely to be in the form of rehabilitated existing structures or teardowns for replacement with new structures. The town center contains numerous underutilized properties and buildings that could be redeveloped/rehabilitated to create new retail/service enterprises that would contribute substantially more to the local tax base than do the current businesses on site.

Two other zoning districts located outside of the town center area were also determined to be fully built-out: a very small General Business district located West Brookfield Road just south of its intersection with Walker Road, and a small Industrial district located in back of a Residential-30 district with frontage on Oakham Road (Route 148). It should be noted that many of North Brookfield's non-residential zoning districts are quite small in size and appear to be the result of spot-zoning: the zoning of individual properties for commercial or industrial purposes.

In July 2006, CMRPC took a closer look at the development potential of four non-residential zoning districts that still have remaining development potential: two Industrial districts and one General Business district located on East Brookfield Road south of the town center, and one Industrial district located on Prospect Street. Each district was assigned a number (see Future Economic Development Suitability Map on the following page) and the buildout numbers were run again. The table below and the map present the following information for these four districts:

- Total land within the district.
- Amount of vacant developable land within the district.
- The amount of new floor space that could potentially be created on the vacant land.
- The number of jobs likely to be created within each district.
- Estimated tax revenue generated by the new commercial floor space.

Table ED-5: Commercial Buildout Analysis

<u>District</u>	<u>Size of District</u>	<u>Developable Land</u>	<u>Potential Floor Space</u>	<u>Potential New Jobs*</u>	<u>Estimated Tax Revenue**</u>
IND-1	10.3 acres	2.4 acres	22,957 sq. ft.	46	\$8,164
IND-2	28.9 acres	9.2 acres	61,391 sq. ft.	123	\$21,831
IND-3	117.7 acres	38.8 acres	312,000 sq. ft.	624	\$110,947
BG-1	16.4 acres	2.9 acres	11,838 sq. ft.	47	\$6,018
Totals:	173.3 acres	53.3 acres	408,196 sq. ft.	840	\$146,960

Source: CMRPC Buildout Analysis for the Town of North Brookfield, revised July 2006.

* The new jobs figure is based on 4 employees per 1,000 square feet of commercial floor space and 2 employees per 1,000 square feet of industrial floor space (multiplier supplied as part of the EOEA buildout methodology).

** The estimated tax revenue is based on the 2006 tax rate (\$10.16 per \$1,000 of assessed valuation) and the assessed value of new floor space is based on the Assessor's Cost Table Report for commercial uses (an average of \$50 per 1,000 square feet of floor space) and industrial uses (an average of \$35 per 1,000 square feet of floor space).



The previous table indicates that North Brookfield has enough vacant developable land in these four districts to potentially build just over 400,000 square feet of new floor space, yielding a modest amount of new jobs and tax revenues. However, these figures are misleading. What follows is a closer examination of North Brookfield's four non-residential zoning districts that still have development potential.

- *Industrial District #1:* This district has very little vacant land left in it – just 2.4 acres, barely enough to accommodate 22,957 square feet of floor space. Most industries would want to build more floor space than this district can accommodate.
- *Industrial District #2:* While the district has enough vacant land to accommodate roughly 60,000 square feet of new floor space, the majority of this land lies in back of Forget-Me-Not Brook and has no access to frontage on East Brookfield Road.
- *Industrial District #3:* Of the Town's various industrial zoning districts, this district has the most potential to accommodate new industrial development. The District still has close to 40 acres of vacant developable land, enough to accommodate roughly 312,000 square feet of new floor space.
- *General Business District #1:* This district has a minimal amount of vacant land and almost all of the land on the western side of East Brookfield Road is unusable due to the presence of a stream and the Rivers Protection Act buffer zone of 200 feet.

The above analysis indicates that North Brookfield presently has a minimal amount of vacant developable land zoned for commercial and industrial purposes, with the exception of the 5.9-acre NBDDP site located in the town center. Thus, it is highly unlikely the Town will ever achieve the buildout numbers for new commercial floor space, jobs and tax revenues presented in Table ED-5. Outside of redevelopment in the town center area, North Brookfield has all but run out of vacant commercially zoned land. Further, only one of the Town's industrial districts has any significant new development potential.

Impediments to Economic Development:

1. *Lack of Sewer System Capacity:* As Noted in the Town Government chapter, North Brookfield's municipal wastewater treatment plant is designed to handle up to 757,000 gallons per day and has been running at 70% to 85% capacity over the last three years, leaving an excess

capacity in the range of 15% to 30%. The sewer system has had a longstanding inflow/infiltration problem. Inflow is caused by direct connections to the sewer system from roof drains, sump pumps and any other water source directly discharging into a sewer line without the Department's knowledge. Infiltration is essentially groundwater infiltrating into the sewer pipes. Roughly 70% of the system's pipes are over 100 years old and are either broken, have tree roots growing through them, or have some other type of flow restriction. Excessive inflow/infiltration eats up the treatment plant's capacity and endangers the system's ability to service new connections, including new businesses and industries. North Brookfield's inflow/infiltration problems are extremely serious. According to the 2005 report from S.E.A. Engineers, roughly 57% of the wastewater treated at the plant on a daily basis comes from inflow/infiltration, with the Little Canada section of Town comprising more than half of the inflow/infiltration problems.

The ability to tie into a municipal sewer system is one of the key elements that new businesses and industries look for when deciding where to locate (in addition to municipal water, easy highway access and a skilled labor force). The Sewer Department is replacing pipes within the Little Canada area and this should free up some additional system capacity once this upgrade is complete, but there are still other areas of Town that are in need of a similar pipe replacement effort. The Department obtained funding assistance from the US Department of Agriculture's Rural Development Program for the Little Canada pipe replacement effort, and this funding source could potentially help the Department address its inflow/infiltration problem in other parts of Town. Another option for covering the cost of an infiltration/inflow remediation effort is the State's Clean Water Revolving Loan Fund. Funded by the Massachusetts Water Pollution Abatement Trust (MWPAT) and administered by the Massachusetts Department of Environmental Protection (DEP), the revolving loan fund offers municipalities no-interest loans for planning, designing and implementing improvements to their water and sewer systems.

2. *Lack of Town-Controlled Industrial Land:* Other than the previously discussed NBDDP property, North Brookfield does not have much in the way of Town-controlled land (industrially zoned or otherwise) to offer new businesses and industries. Many Massachusetts communities create industrial parks on town-owned land to attract the types of businesses/industries they want and offer them a coordinated delivery of municipal services. In North Brookfield, it is up to a new business to identify a suitable property and work with the various Town departments to obtain the necessary municipal services as best as it can.

3. *Minimal Amount of Vacant Commercial/Industrial Land:* With the exception of the NBDDP site, North Brookfield has a minimal amount of vacant land zoned for commercial and industrial purposes, and what land there is has poor access. The Town does have the option of consolidating the various zoning districts that comprise the current town center area into a single mixed-use district with development standards that would encourage a more traditional New England village center development pattern. The Town would benefit from having more people and businesses in what is now a stagnant town center. Promoting a dense mixture of new housing and commercial enterprises will undoubtedly require the extension of municipal sewer through this area. As stated previously, most of the new commercial development in this area is likely to be in the form of rehabilitated existing structures or teardowns of existing structures for replacement with new structures. The town center area contains numerous underutilized properties and buildings that could be redeveloped/rehabilitated to create new retail/service

enterprises that would contribute substantially more to the local tax base than do the current businesses on site. Above and beyond revitalizing the town center area to accommodate new businesses, North Brookfield has all but run out of available commercially zoned land. In addition, only one of its industrial districts has any significant development potential (the I-3 District). While North Brookfield's main roads do not have large enough traffic volumes to ensure the success of a large shopping plaza, the Town may want to consider rezoning some land along its main roads for more small-scale commercial development that could be integrated into the landscape without unduly disrupting the area's rural character. In regards to industrial development, the Town could either expand the boundaries of some its existing industrial districts or investigate the possibility of creating an industrial park.

Economic Development - Goal

Establish an economic development growth plan for North Brookfield based businesses, agriculture and home based business that will balance resident's preferences for selective commercial/business growth with the need to expand the tax base beyond a 92% dependence on residential property taxes.

Economic Development - Objectives

1. Develop plans and methods to grow North Brookfield's business and commercial sectors with an ultimate aim of increasing the economic sector's contribution to the Town's tax base by 5% over the course of the next decade.
2. Create an Economic Development Commission that will serve as an advocate for economic development in North Brookfield. The charge for this entity will be to prepare, coordinate and implement an overall comprehensive economic development program on behalf of the Town, including assisting existing businesses and encouraging new businesses.
3. Review the provisions of the Zoning Bylaw that regulate economic development and revise as necessary, including the adoption of site plan design standards that will ensure that new economic development is in keeping with North Brookfield's small town New England character.
4. Expand those commercial and industrial zoning district having potential for expansion (adjacent vacant land free of environmental constraints, good highway access, and access to the water and sewer infrastructure).
5. Identify an area of Town that is suitable for new business development according to the desires expressed by citizens in the Master Plan citizen survey.
6. Plan for new economic development in a comprehensive manner that discourages the use of spot zoning for individual businesses.

Economic Development – Recommendations

1. Establish a Local Economic Development Commission: The Town must establish a local Economic Development Commission to coordinate all the various elements of an economic development strategy for North Brookfield. Currently, there is no municipal entity whose sole purpose is to plan for and act as an advocate of new economic development. Finding volunteers for an economic development commission will be a challenge, as it usually is for local boards in small communities. The Town could include local business owners as part of the commission's makeup. The commission would start by reviewing the Town's zoning scheme, tax policies, road improvement plans and water expansion plans as they relate to the Town's ability to retain existing businesses and attract new businesses. The commission would then work with the various municipal boards and departments to develop an economic development strategy for North Brookfield. These entities include but are not limited to the Board of Health, Finance Committee, the Sewer, Water, Fire and Police departments, emergency services and the School Board. Although the Town has lost many of its active farms during the past few decades, agriculture has been an historic element of North Brookfield's local economy and needs to be factored into any comprehensive economic development strategy developed on the Town's behalf. Towards that end, the newly established Economic Development Commission should coordinate its activities with the local Agricultural Commission that is in the process of being formed. Lastly, the Town should designate a single point of contact to handle economic development issues. One contact person is essential, as businesses want straight answers fast. Responsible Municipal Entity: The Board of Selectmen.

2. Identify New Areas of Town Suitable for Commercial Development: The 2001 buildout analysis indicates that North Brookfield has very little vacant developable land zoned commercially. While the primary focus of the Town's economic development strategy will be to revitalize the town center through rehabilitating/replacing existing structures, this does not address the need for new commercially zoned land. This need remains because many new businesses would require larger lot sizes than are available in the town center. Thus, the Town needs to identify new areas that may be suitable for rezoning commercially. The results of the Master Plan Citizen Survey indicate that residents prefer new businesses (especially restaurants and professional services) along Routes 67 and 148 both north and south of the town center. When evaluating locations for new commercial zoning districts, the Town should consider the following factors: neighborhood character, volume of traffic (both existing and anticipated), soil conditions and environmental constraints, and the proximity to municipal water and sewer. This recommendation will be explored in greater detail in the Land Use and Zoning Chapter of this document. Responsible Municipal Entity: The Planning Board, Board of Selectmen, Water and Sewer Departments, and the new Economic Development Commission once it is formed.

3. Mixed Use Village Zoning in the Town Center Area: The Town needs to consolidate the various zoning districts that comprise the current town center into a single mixed-use district with development standards that would encourage a more traditional New England village center development pattern. The current town center area is divided into numerous zoning districts (including some districts that would qualify as "spot zoning"), each with its own set of dimensional standards and allowable uses. The Town would benefit from having more people

and businesses in what is now a moribund town center. Such zoning would promote small-scale commercial development on the bottom floor of buildings and affordable residential units on the second and third floors (as is happening with the Duncan Building).

Development standards to consider for this district include: zero front yard setbacks, minimum side setbacks, allowing more than four residential units per multi-family housing project, discouraging stand-alone commercial operations that require large amounts of parking, locating buildings in front of the lot with parking in the rear, façade design standards, signage and lighting standards, shared parking, mixed use buildings (shops on first floor, apartments above). When considering what design standards to adopt for a newly created mixed-use district, the Town would benefit from having a design workshop that would utilize the talents of landscape architects to help citizens visualize their preferred aesthetics for the town center area. North Brookfield could avail itself to the following entities for help with this effort:

- There are two institutions of higher education that can assist North Brookfield with preparing the standards for a new town center mixed-use district: a town: the Department of Landscape Architecture and Planning at the University of Massachusetts (Amherst), and the Department of Urban Studies and Planning at the Massachusetts Institute of Technology (Boston).
- The National Trust for Historic Preservation's National Main Street Center offers technical assistance to member communities for the preparation of comprehensive town center revitalization plans. The Center offers the following types of assistance: town center market analysis, publicity and promotion, targeted business development strategies, design standards for new development, parking and traffic management assistance, and site plan review assistance. The Center operates a regional office in Boston (617-523-0885).

Responsible Municipal Entity: The Planning Board.

4. Tax Increment Financing: North Brookfield needs to establish a Tax Increment Financing (TIF) program to create and retain jobs in Town and stimulate the local economy. A local TIF program should insist that new businesses reserve a certain percentage of jobs for North Brookfield residents, local contractors are used for building construction/rehabilitation and that local businesses are used as service providers. Although it would take a few years before North Brookfield could reap the tax benefits from any TIF-created projects, the benefits to the local economy would be felt immediately. If North Brookfield wants to maintain a low tax rate while still providing quality municipal services, then it has to grow its non-residential tax base, even if the tax benefits get pushed ten years into the future. Since the Town does not have easy access to the region's major highways, a local TIF program would be a significant draw for new economic development. Responsible Municipal Entity: The Board of Selectmen.

5. Review and Revise the Zoning Bylaw's Commercial and Industrial Development Provisions: The Planning Board needs to review the Zoning Bylaw's provisions for new commercial and industrial zoning and revise as necessary. The provisions to review include dimensional standards (frontage, lot size, setbacks, etc.) and the list of permitted uses. New categories of businesses have been created since the Zoning Bylaw was adopted and they should be considered for inclusion in the list of permitted uses if appropriate. This review and revision effort could also include amending the site plan review process to establish design standards for new economic development. These design standards could cover a number of site planning issues such as: access/egress, lighting, landscaping, signage, building and parking location, building facade appearance, snow removal, fencing and screening. Responsible Municipal Entity: The Planning Board.

6. Coordinate Development Activity With the Owners of Industrial Land: As noted previously, the vast majority of North Brookfield's industrially zoned land is under private ownership. Since the Town is highly unlikely to purchase such land, it is paramount that North Brookfield planners work in partnership with the owners of industrial land to make sure this land is developed in accordance with the Town's objectives and render assistance when possible. Such assistance could be in the form of extending municipal infrastructure, or simply helping the landowners access the technical assistance made available by the myriad of private/public entities that promote economic development. Responsible Municipal Entity: The Board of Selectmen, the Planning Board, Zoning Board of Appeals and the North Brookfield Downtown Development Commission (until an Economic Development Commission is formed).

7. Develop a Computerized Database of Available Commercial Properties: The Town needs to develop a computerized database of its available commercially zoned properties as a service for new industries investigating North Brookfield as a potential location. The database should be searchable by parcel size, availability of water and sewer, proximity to major roadways, easements on the property and any other information that a potential developer may find useful. Not only would such a database be very useful to potential developers, it would show that North Brookfield is business-friendly and willing to provide resources in support of new economic development. Responsible Municipal Entity: The North Brookfield Downtown Development Commission and the Board of Assessors.

8. Secure the Resources Necessary to Redevelop the Aztec Property: As mentioned previously, the Aztec property (now known as the North Brookfield Downtown Development Project) is the only significant industrial site under the Town's control. Contamination remediation efforts will be funded through a \$200,000 grant from the US Environmental Protection Agency's Brownfields Program. The Town has made contact with the MA Office of Business Development to coordinate TIF programs for future developers. Mass Development has given North Brookfield a Notice of Funding Authority (NOFA) for up to two million dollars to use in support of a prospective developer's project. The Town, through CMRPC, has applied for a \$50,000 grant from the Department of Housing and Community Development (DHCD) to develop a marketing strategy that will determine which businesses are best suited to expand North Brookfield's economic sector. The Town is also in the process of applying for an additional \$200,000 of EPA remediation funding. Two RFPs have been issued for the sale and development of this property with negative results. The Town must be patient and persistent in

its effort to get this property back on the tax rolls. In order to secure the resources necessary for redeveloping this site, the Town must continue to establish partnerships with governmental entities at the Federal, State and Regional level and be willing to work with any developer that is interested in putting this property back into productive use. The strategy is in place and the Town needs to maintain its commitment and determination to follow through with it. Responsible Municipal Entity: Board of Selectmen, Planning Board, North Brookfield Downtown Development Commission and the yet to be formed Economic Development Commission.