

## ECONOMIC DEVELOPMENT

### East Brookfield's Labor Force:

The number of employed East Brookfield residents has steadily increased since the early 1980s (as has the Town's total population), hitting a high of 1,167 employed residents in 2000. East Brookfield's unemployment rate has historically been higher than the State's rate; however this trend has reversed recently with the Town's unemployment rate coming in lower than the State's rate for the last five years. This is indicative of a local economy that is slowly but steadily expanding. Still, it should be noted that the last twenty-five years has seen East Brookfield's residential sector expand at a much faster rate than its economic sector.

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

**Table ED-1  
Employment Status of East Brookfield Residents**

<b>Year</b>	<b>Total Residents in Labor Force</b>	<b>Employed</b>	<b>Unemployed</b>	<b>Rate of Unemployment</b>	<b>State Rate</b>
1995	1,027	968	59	5.7%	5.4%
1996	1,042	978	64	6.1%	4.3%
1997	1,049	1,001	48	4.6%	4.0%
1998	1,057	1,018	39	3.7%	3.3%
1999	1,055	1,015	40	3.8%	3.2%
2000	1,202	1,167	35	2.9%	2.6%
2001	1,200	1,163	37	3.1%	3.7%
2002	1,203	1,152	51	4.2%	5.3%
2003	1,209	1,145	64	5.3%	5.2%
2004	1,201	1,135	66	5.5%	5.8%
2005	1,183	1,135	48	4.1%	4.6%
2006	1,197	1,148	49	4.1%	4.7%

Source: Massachusetts Division of Unemployment Assistance.

### Where East Brookfield Residents Work:

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

In East Brookfield: 101 (8.8% of Town's employed labor force)  
 Worcester: 260 (22.6%)  
 Spencer: 136 (11.9%)  
 Sturbridge: 63 (5.5%)

Elsewhere in Worcester County: 411 (35.8%)  
 Elsewhere in the State: 114 (9.9%)  
 Out of State: 20 (1.7%)

The above numbers indicate that roughly 9% of East Brookfield's employed people worked in Town during 2000, while Worcester had the highest percentage of East Brookfield's workforce at 23.5%. The number of East Brookfield residents working in Worcester is not surprising as the City serves as the region's center of commerce. Conversely, only 45 Worcester residents worked in East Brookfield in 2000.

The Number and Types of Jobs in East Brookfield:

The Massachusetts Division of Unemployment Assistance (DUA) 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 East Brookfield's local economy during the last five years.

**Table ED-2  
 Employment and Wages in East Brookfield**

Year	Total Annual Payroll	Average Weekly Wage	# of Establishments	# of Workers	Business Services - # jobs	Construction jobs	Trade, Transpo. & Utilities jobs	Whole/Retail Trade jobs	Leisure and Hospitality jobs	Other Service jobs
2001	\$11 mill.	\$558	50	391	8	32	72	106	42	24
2002	\$12 mill.	\$579	48	398	9	36	76	112	47	25
2003	\$13 mill.	\$595	47	419	9	50	72	115	51	31
2004	\$12 mill.	\$553	49	421	8	34	76	122	54	19
2005	\$13 mill.	\$587	56	426	8	40	69	143	49	23

Source: Massachusetts Division of Unemployment Assistance.

The previous table indicates that while the number of business establishments operating in East Brookfield has remained fairly constant during the past five years, the number of in-town jobs has steadily increased. Historically speaking, the cyclical nature of the regional economy has resulted in East Brookfield gaining jobs during one decade, losing jobs the next, and so on. There were 678 jobs in East Brookfield in 1980 and this number fell to 299 jobs in 1990, then increased to 365 jobs in 2000 and has since increased to 426 jobs in 2005.

It is interesting to note that the DUA did not identify any manufacturing jobs in East Brookfield during the past five years. The region, the state and all of New England for that matter, have lost a significant amount of manufacturing job during the past 25 years. Historical data indicates that East Brookfield lost most of its manufacturing jobs during the early 1980s.

### 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 450 in-town jobs for 2005, slightly above the 426 in-town jobs that the Division of Unemployment Assistance counted in 2005. Thus, the actual number of jobs in East Brookfield is currently lagging behind the CMRPC projections. CMRPC is projecting an overall gain in in-town jobs for East Brookfield between now and 2030. CMRPC projects there will be 480 in-town jobs by 2010, 510 jobs by 2020, and 540 jobs by 2030.

### East Brookfield's Largest Employers:

East Brookfield's largest employers include:

Auto Distribution Center: Located off of Podunk Pike (Route 49), straddling the East Brookfield/Spencer town line, the Center is comprised of several entities:

- Northeast Vehicle Services Inc.: Located in Spencer, this company unloads vehicles from incoming trains.
- Four hauling companies that transport vehicles to various auto dealerships. The hauling companies operate on the Spencer side of the Center.
- East Brookfield/Spencer Railroad: Located on the municipal boundary line, the railroad employs roughly 85 people to transport vehicles in and out of the distribution center. Roughly half of the 85 jobs (42) are located in East Brookfield.

Howe Lumber: Located on 555 Main Street (Route 9), this lumber company/home improvement center employs roughly 60 people.

Lamoureux Ford: This auto dealership located on 366 East Main Street (Route 9) employs roughly 55 people.

East Brookfield District Court: Located off of 544 East Main Street (Route 9), the district court employs roughly 35 people.

These employers account for approximately 45% of the jobs in East Brookfield. It should be noted that the Town employs roughly 80 people with the vast majority being part-time employees.



Economic Sector's Contribution to the Local Tax Base:

In fiscal year 2006, East Brookfield levied a total of \$2,293,798 in taxes, based on a local tax rate of \$9.42 per \$1,000 of assessed valuation. East Brookfield homeowners accounted for 91.4% of the total 2006 tax base (\$2,096,531), while the businesses and industries accounted for approximately 6.9% of the tax base (\$157,249). The remainder (1.7%) was derived from taxes on personal property (\$40,007). The next two tables look at how East 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>
<b>East Brookfield</b>	<b>\$9.42</b>	<b>\$136,492</b>	<b>\$14.5 mill.</b>	<b>6.0%</b>
Brookfield	\$13.50	\$136,510	\$10.1 mill.	3.9%
Charlton	\$9.19	\$579,502	\$63.0 mill.	4.7%
North Brookfield	\$10.16	\$137,736	\$13.2 mill.	4.3%
Spencer	\$8.49	\$575,513	\$67.8 mill.	6.4%
Sturbridge	\$16.48	\$2,588,160	\$157.0 mill.	13.3%

Source: Massachusetts Department of Revenue.

The previous table indicates that while East Brookfield's commercial sector raises the least amount of tax dollars when compared with adjacent communities, its commercial sector's contribution to the Town's tax base is comparable to that of its neighbors (with the exception of Sturbridge). While East Brookfield's commercial sector has been steadily growing over the past 25 years, the growth in the residential sector has grown at a much faster rate during this time period. Nearby Sturbridge has the largest commercial sector of the towns compared and Charlton and Spencer also have significantly large commercial sectors.



**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>
<b>East Brookfield</b>	<b>\$9.42</b>	<b>\$20,757</b>	<b>\$2.2 mill.</b>	<b>0.9%</b>
Brookfield	\$13.50	\$19,938	\$1.5 mill.	0.6%
Charlton	\$9.19	\$431,516	\$47.0 mill.	4.7%
North Brookfield	\$10.16	\$106,863	\$10.5 mill.	2.7%
Spencer	\$8.49	\$255,773	\$30.1 mill.	2.9%
Sturbridge	\$16.48	\$553,962	\$33.6 mill.	2.8%

Source: Massachusetts Department of Revenue.

The previous table indicates that only Brookfield raises less tax dollars from its industrial sector, with East Brookfield not too far behind. This is indicative of a town with a miniscule industrial sector (as noted previously, the State has not identified any manufacturing jobs in East Brookfield for the past five years). Sturbridge raises the most tax dollars from its industrial sector, yet Charlton's industrial sector accounts for the highest percentage of the overall tax base for the compared communities.

As mentioned previously, East Brookfield's economic sector has been growing steadily since the early 1980s, and yet this growth has been outpaced by growth in the Town's residential sector. This has resulted in a decline in the economic sector's overall contribution to the Town's tax base. In 1990, East Brookfield's economic sector accounted for 10.4% of the total tax base, while in 2006 the economic sector's contribution to the total tax base had declined to 6.9%. As long as East Brookfield's residential sector continues to grow at a much faster pace than its economic sector, residential property taxes will account for an ever-higher percentage of the Town's total tax base. To reverse this trend, East 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% of all unemployment claimants), 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 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 added nearly 500 jobs and the professional/technical service sector 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 East 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 format 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 (CMRPC) 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 East 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 2005 asked residents to rate the Town as a place to do business. This question saw only 41% of respondents rating the Town as an excellent or good place to do business, while 59% rated the Town as a fair to poor place to do business. This should raise a red flag that business environment in East Brookfield is weak and needs improvement.

When asked to rate the town center area (essentially the Town's commercial center), Only 33% of survey respondents rated this asset as excellent or good while 67% rated it as fair to poor. When asked about mixed-use zoning (a combination of commercial and residential uses) for the town center area, roughly 72% of survey respondents strongly agreed or somewhat agreed with this action item, while only 9% strongly disagreed or somewhat disagreed. This indicates strong support for mixed-use zoning and development in the town center.

The survey results indicate that residents believe the Town is not a great place to do business, are not happy with the current state of the town center area and would like to see a revitalization of this area. However, it will be very hard to enact a meaningful town center revitalization program without the presence of municipal sewer service and the residents of East Brookfield need to understand this.

While the Town has been working with neighboring North Brookfield to explore the option of extending North Brookfield's municipal sewer system to cover the shoreline of Lake Lashaway and the town center area, East Brookfield voters have yet to approve the funding necessary to begin a feasibility study, with the latest rejection occurring at the 2005 Spring Town Meeting.

### Opportunities for Economic Development:

As outlined in the Municipal Facilities and Services chapter, East Brookfield has a long list of financial matters (mostly facility and capital equipment needs) that will need to be addressed during the next decade. If East Brookfield's commercial and industrial sectors do not grow and increase their contribution to the local tax base, then 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 area combined with appropriate industrial development will help ease the tax burden on local homeowners. East Brookfield's town center area does have significant revitalization potential. East Brookfield's upcoming municipal needs are going to be there even if the Town Center remains unchanged. Thus the question becomes, what opportunities for appropriate economic development exist for East Brookfield?

There are several State-sponsored and regional economic development programs to which East 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 East Brookfield as well as the impediments to economic development facing the Town.



1. *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% Investment Tax Credit for qualifying investments and a 10% Abandoned Building Tax Deduction for costs associated with renovating an abandoned building. The entirety of East Brookfield was designated as its own ETA in 2003 through an act of the State Legislature. The Town currently has one Certified Project: The Lamoureux Ford auto dealership located on 366 East Main Street (Route 9).

2. *Tax Increment Financing (TIF) Program*: In an effort to lure new economic development and retain existing businesses, East 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 will hire people from East Brookfield and the immediate area and that it will 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.

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 TIF program in East 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, municipal sewer service and publicly controlled industrial land).

3. *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 does have a regional office in Worcester.

4. *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 East Brookfield, Belchertown, Brimfield, Brookfield, Hardwick, Holland, Monson, New Braintree, North 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 and
- 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. The CDC and the BAC are valuable resources that East Brookfield businesses and local entrepreneurs have yet to fully utilize.

5. *The Quinebaug and Shetucket Rivers Valley National Heritage Corridor Commission*: Covering communities in both Massachusetts Connecticut, The Corridor Commission was established under the National Park Services' National Heritage Corridor Program. The Program's purposes are to preserve and restore significant historic and natural assets within the Corridor, foster compatible economic development (including tourism) and enhance recreational opportunities. The Program is administered at the local level by an Advisory Council comprised of local officials and residents, councils of governments, tourism districts and several agencies from both Massachusetts and Connecticut. The Council has prepared a Management Plan to guide their efforts. It is anticipated that approximately \$800,000 in annual federal funds will be provided to the Council during the current decade. The Corridor's various programs represent a significant economic development opportunity for the Massachusetts communities included in the project area (East Brookfield, Southbridge, Dudley, Webster, Oxford, Charlton, Sturbridge, Holland and Brimfield). These communities can work with the Corridor's Advisory Council to obtain significant funds to develop recreation opportunities along its riverways, preserve historic buildings, create tourism attractions around old mill buildings and other sites of historical significance, and develop other history-related tourism projects.

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 throughout 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. *The Municipal Water System*: East Brookfield is a water-rich community. The municipal water system can deliver as much as 864,000 gallons per day but the actual daily usage is far below the system's capacity. The current connections use roughly 80,000 gallons of water per day and this daily usage can increase to as much as 160,000 gallons per day during the summer months; thus, the system is well under capacity even during the peak summer months. However, to be able to actually utilize the capacity of its water wells, East Brookfield would need to improve its infrastructure (pipes and pumping station) from the area in either direction along Route 9. Even so, providing municipal water service to new businesses and industries is not a problem for East Brookfield. In fact, the Town might want to consider selling some of its excess water system capacity to a community/communities in the region that are water-poor.

11. *Vacant, Developable Commercially Zoned Land*: CMRPC completed a buildout analysis for the Town of East 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 East Brookfield, roughly 692 acres of vacant, developable land were identified within the Town's seven Commercial zoning districts; however, this figure is misleading as the vast majority of the Town's vacant developable land (510 acres) falls within the commercial district bounded by Route 49 to the west and the Spencer town line to the east. At present, this district has minimal potential for new commercial development because of a lack of infrastructure (water & sewer) and poor access. There are only two local roads in this district that have available frontage: Adams Road and Flagg Road. Both roads are very rural and unsuitable for heavy truck traffic. These roads would need substantial improvement to accommodate a high volume of commercial vehicles. Route 49 is considered a limited access highway, which means the State intends to limit the number of curb cuts along this road. However, the State did set a precedent by allowing a curb cut for the Auto Distribution Center, and thus may be willing to entertain another point of access for an appropriate project. Route 49 provides convenient access to Route 20 and the Mass Pike and there is enough vacant developable land in this district (510 acres) to allow for the development of a well-planned industrial/business park if the

infrastructure and access issues are resolved. Another factor that could jeopardize the use of this district for new economic development is that the Zoning Bylaw allows residential development as a By Right use in all of its Commercial zoning districts. As this particular district contains the bulk of the Town's vacant developable commercial land, the Town should ensure that this land is reserved for economic development and not consumed by residential development. Further, the Town may want to consider removing a portion of this district that the State has identified as a Core Habitat area. This is the lower third of the Route 49 commercial district, from Flagg Road south to the Charlton town line.

In July 2006, CMRPC took a closer look at the development potential of the six remaining commercial districts in order to gain a more accurate assessment of how much they will be able to contribute to the Town's future economic base. Each of the six commercial districts was assigned a number (see attached Future Economic Development Suitability Map) and the buildout numbers were run again for each district. The table and map on the following page present the following information for the six commercial 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>
C-1	643.2 acres	123.8 acres	596,972 sq. ft.	2,388	\$253,056
C-2	12.7 acres	3.2 acres	22,702 sq. ft.	91	\$9,828
C-3	10.2 acres	2.4 acres	17,027 sq. ft.	68	\$7,218
C-4	9.3 acres	1.6 acres	11,351 sq. ft.	45	\$4,812
C-5	15.1 acres	6.0 acres	35,774 sq. ft.	143	\$15,165
C-6	60.9 acres	45.0 acres	321,188 sq. ft.	1,285	\$136,152
<b>Totals:</b>	<b>751.4 acres</b>	<b>182.0 acres</b>	<b>1,005,014 sq. ft.</b>	<b>4,020</b>	<b>\$426,231</b>

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

\* The new jobs figure is based on four employees per 1,000 square feet of floor space (multiplier supplied as part of the EOEI buildout methodology).

\*\* The estimated tax revenue is based on the year 2006 tax rate (\$9.42 per \$1,000 of assessed valuation) and the assessed value of the newly created floor space is based on the Assessor's Base Rate Table for commercial uses (an average of \$45 per 1,000 square feet).

The previous table indicates that East Brookfield has enough vacant developable land in its Commercial districts to potentially build roughly one million square feet of new commercial floor space. However, again this figure is misleading. What follows is a closer examination of East Brookfield's six remaining Commercial zoning districts:

- Commercial District #1: While the C-1 district has enough vacant land to accommodate close to 600,000 square feet of new commercial floor space, the vast majority of this land is bound to the north by existing development having frontage on Main Street (Route 9) and to the south by the railroad. There are only a few points of access from Route 9 that would allow access to this backland. Unless access is improved to this area, it is highly unlikely that the buildout numbers for this district will ever be fully achieved.
- Commercial Districts #2 through #5: Each of these districts contains a very small amount of vacant land for new development. The C-3 and C-4 districts are essential components of East Brookfield's Town Center area and development within this vicinity is most likely to occur in the form of rehabilitating existing structures or teardowns of existing structures for replacement with new structures.
- Commercial District #6: This district has frontage on only one local road – Cove Street, which has a house at the end of it. Much of the land in this district is owned by the Auto Distribution Center and reserved for expansion.

East Brookfield has a minimal amount of vacant commercially zoned land and what land there is has poor access. 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.

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 current town center area has some land along Route 9 zoned Commercial and other portions zoned Residential. The Town would benefit from having more people and businesses in what is now a moribund town center. Promoting a more compact 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 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.

#### Impediments to Economic Development:

1. *Lack of Municipal Sewer System:* The single biggest impediment to future economic development in East Brookfield is the lack of a municipal sewer system. Meaningful revitalization of the town center area is unlikely to occur without the presence of municipal sewer service. 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). Continuing to rely on on-site septic systems to serve development in the town center will result in a low-density dispersed land use pattern where few people live and only a few businesses can be found (essentially the current status of East Brookfield's town center). The Master Plan survey of 2005 indicated that residents would prefer the traditional New England Town Center pattern of development where buildings are located close to each other and contain a mixture of high-density residential and commercial development. This will not occur in East Brookfield's town center area without municipal sewer

service. The practical implications of the State's Title V septic regulations is that 10,000 square feet of land is required for each bedroom of a residential dwelling, hardly conducive to creating a compact town center.

2. *Lack of Town-Controlled Commercially-Zoned Land:* East Brookfield does not have much in the way of Town-controlled land (commercially-zoned or otherwise) to offer new businesses wishing to locate in Central Massachusetts. Many Massachusetts communities create industrial parks on town-owned land so that it may attract the types of businesses/industries it wants and offer them a coordinated delivery of municipal services. In East Brookfield, it is up to the 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. *Lack of Access for Commercial Districts C-1 and C-6:* As mentioned in the buildout analysis discussion, both of these districts have land with poor access that hinders their development. The C-1 district is all but landlocked with very little frontage on Route 9. The end of Connie Mack Road does touch the edge of this district, but it is highly unlikely this road will ever provide meaningful frontage to this commercial district. The C-6 district also has minimal frontage that hinders its development for commercial purposes.

4. *Lack of Infrastructure and Access for the Commercial District Abutting Route 49:* This particular zoning district is bounded on the west by Route 49 and on the east by the Spencer town line. The district does not have access to municipal water or sewer. As mentioned previously, new businesses and industries often have the presence of municipal water and sewer at the top of their list when looking for land to develop, although municipal water service is not so much of an issue for East Brookfield as the Town is water-rich and on-site wells can provide the necessary water. In fact, the lack of infrastructure did not deter the auto distribution center for locating in this area. While it may be possible to have this district fully utilized by new industries without the presence of municipal sewer and water, the district becomes that much more attractive to new industries if such infrastructure were in place. North Brookfield has sewer lines in close proximity and East Brookfield would need to work with its neighbor to extend sewer service to this area. Access to this district is another problem as Route 49 is a limited access highway and it may be hard to convince the State to allow any more curb cuts along this route. However, the State might be receptive to allowing a single point of access for a well-planned industrial/business park.

One option for extending municipal water and sewer to this particular industrial district is the Community Development Action Grant (CDAG) offered by the Massachusetts Department of Housing and Community Development (DHCD). Eligible CDAG projects are those that help attract and leverage private investment, create/retain jobs for low and moderate-income persons and address the needs of blighted neighborhoods. East Brookfield could make a decent case that extending its infrastructure to this industrial district will meet the CDAG program's first two objectives.

## **Economic Development - Goal**

In an effort to expand the economic sector's contribution to the local tax base without jeopardizing East Brookfield's quality of life, the Town should leverage its strengths (good highway access, low tax rate, good schools, open spaces, natural beauty) to encourage economic development in targeted locations and in a manner that is appropriate for a rural community.

## **Economic Development – Objectives**

- Educate residents on the importance of economic development for its contribution to the local tax base and the creation of in-town jobs.
- Have town planners learn about available economic development resources and pursue grant and funding opportunities when appropriate.
- Develop the infrastructure necessary to encourage new economic development within the Town Center area.
- Encourage the reuse of existing structures and vacant properties within the Town Center area for the purpose of new economic development.
- Revise zoning standards for the Town's Commercial zoning districts to foster new economic development that is compatible with East Brookfield's small town rural New England character.
- Rezone targeted areas of Town for new economic development where appropriate and where the necessary infrastructure exists to service such development.

**The following set of recommendations should be investigated so that bylaws may later be considered for enactment or revision by Town vote:**

## **Economic Development – Recommendations**

1. Establish a Local Economic Development Committee: The Town should establish a local economic development committee to coordinate all the various elements of an economic development strategy for East 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 committee will be a challenge, as it usually is for local boards in small communities. The committee 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 attract new businesses. The committee would then work with the various municipal boards and departments to develop an economic development strategy for East Brookfield. As part of an economic development strategy, the Town should designate a single point of contact at the Town Hall to handle economic development issues. One contact person is essential, as businesses want straight answers fast. Responsible Municipal Entity: The Board of Selectmen.

2. Limit the Amount of Commercial Floor Space Per Business: The results of the public forums and the citizen survey conducted for the master planning process clearly indicate that East Brookfield residents are not in favor of allowing large-scale retail operations, i.e., the “big box” retailers in its Commercial zoning districts. In an effort to address this concern, the Zoning Bylaw should be amended to place a floor space limitation on new businesses. East Brookfield citizens have a preference for small-scale retail operations that fit within the village character of its town center. Responsible Municipal Entity: The Planning Board.

3. Quinebaug-Shetucket Rivers Valley National Heritage Corridor: East Brookfield should take advantage of the economic development opportunity offered by the Quinebaug-Shetucket Rivers Valley National Heritage Corridor, whether on its own or in conjunction with the other eight Massachusetts communities within the Corridor. These communities can work with the Corridor’s Advisory Council to obtain funds for preserving historic buildings, creating tourism attractions around old mill buildings and other sites of historical significance, and developing other history-related tourism projects. As the Corridor is expected to receive close to one million dollars a year in federal funds over the next five years, East Brookfield should take full advantage of this economic development opportunity to promote its historic buildings and sites, and become a player in the region’s significant historic tourism market. The Town could start the process by compiling a list and description of its historic resources and share this information with the Corridor’s Executive Director. The Director has an office in Putnam, Connecticut and can be reached at: 860-963-7226. Responsible Municipal Entities: the Board of Selectmen and potentially a local Economic Development Committee.

4. Increase Economic Development in the Town Center Area: The Town should consider consolidating 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 has some land along Route 9 that is zoned Commercial and other portions that are zoned Residential. Promoting a dense mixture of commercial enterprises and new housing will undoubtedly require the extension of municipal sewer through this area. East Brookfield has considered tying into the North Brookfield sewer system in the past but has not been willing to allocate the funds necessary to seriously evaluate this possibility. It is recommended that the Town take another look at this issue.

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. East Brookfield could avail itself to the following entities for help with this effort:



- There are two institutions of higher education that can assist East Brookfield with preparing the standards for a new Town Center mixed-use district: 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 Quinebaug-Shetucket Rivers Valley National Heritage Corridor can provide funding for a Town Center design workshop. The Corridor does not prepare such studies itself; rather, it provides funding for a planning professional of the town's choosing.

Responsible Municipal Entities: The Planning Board, Board of Selectmen and potentially a local Economic Development Committee.

5. Conduct a Feasibility Study for a Business/Industrial Park Within a Portion of the Route 49 Commercial District: Town Planners recognize that the long term health of East Brookfield's economic sector is dependant on the future development of two areas: the first is the Town Center area along Route 9 (as discussed previously) and the second is the large commercial zoning district that abuts the east side of Route 49. Town Planners also recognize that the Route 49 commercial district as currently constituted is not satisfactory for two reasons: the district is unnecessarily large and the uses permitted are too wide ranging. The district currently allows residential development, institutional uses, agriculture, service establishments, wholesale and retail businesses, warehouse and distribution facilities and public utilities. Town Planners believe that reducing the size of this district to its best usable portion and limiting the permitted uses to those that could be housed within a well-planned business/industrial park would better serve East Brookfield than the current zoning arrangement. It is therefore recommended that East Brookfield initiate a business/industrial park feasibility study for the Route 49 commercial district. As this district contains East Brookfield's largest contiguous area of vacant developable land zoned for economic development, the Town needs to plan for this area very wisely. A park feasibility study would be a first step in the process.

A business/industrial park feasibility study would typically involve an environmental survey of the land in question, traffic analysis and infrastructure assessment. The feasibility study would conclude with a design layout of the park aimed at minimizing the disturbance of sensitive environmental areas, identify the best locations for ingress/egress to the park and develop strategies (including cost estimates) for extending the necessary infrastructure to the park.

The feasibility study would need to take into account the two primary limiting factors for developing this area, namely the lack of infrastructure and limited access. While the Town could potentially extend its water lines to service this area, the lack of municipal sewer makes this area less than ideal for a business/industrial park. It is unlikely that neighboring Spencer would be willing to extend its sewer lines to service this area because its wastewater treatment plant is nearing full capacity and what capacity is left is reserved for development in Spencer. Thus, the Town may need to allow the park developer to construct a package treatment plant to handle the park's wastewater disposal needs. Poor access to the district's land is another issue to resolve. The two local roads with available frontage are not suitable for commercial vehicular traffic and the State has designated Route 49 as a limited access highway. While the State intends to limit

the number of curb cuts along this road, it did set a precedent by allowing a curb cut for the Auto Distribution Center. Thus, the State may be willing to entertain another point of access to allow for the development of a well-planned business/industrial park if the infrastructure and access issues are resolved.

For this particular area, East Brookfield would want the feasibility study to answer three fundamental questions:

- Within the current boundaries of the Route 49 commercial district, what would be the best location for a business/industrial park?
- How much land would be needed to accommodate a business/industrial park?
- What portions of this district are absolutely unsuitable for locating a business/industrial park?

In terms of design criteria, Town Planners would look for guidance on the following items:

- How to best buffer the park location from adjacent residential areas.
- How to best buffer the park from sightlines along Route 49.
- How to minimize the park's impact on local traffic patterns.
- How to best protect wetlands and other environmentally sensitive areas.

There are four entities that can assist East Brookfield with preparing a feasibility study for a business/industrial park, either in part or in whole:

- MassDevelopment (Worcester Office: 508-363-2799) has helped with industrial park feasibility studies through its Predevelopment Assistance Program for several communities in the CMRPC region, including Shrewsbury, Sutton, Uxbridge and Westborough. MassDevelopment typically is not willing to buy the industrial land in question or act as developer and/or landlord; however, they are quite willing to work with communities and private economic development corporations on industrial park feasibility studies.
- The Worcester Business Development Corporation (Worcester Office: 508-755-5734) has, on occasion, helped with industrial park feasibility studies for communities in the CMRPC region (Cen Tech Park in Shrewsbury and Grafton is a regional example); however, their primary involvement has been working with communities and private economic development corporations on actual industrial park development (as opposed to their planning). The WBDC usually buys industrially zoned land, develops the site and acts as developer.
- The Central Massachusetts Regional Planning Commission (CMRPC) is in the process of establishing a local technical assistance grant program as authorized under the State's newly enacted expedited permitting law, MGL Chapter 43D. While the grant program is currently under development, its main emphasis will be on furthering economic development projects. Approximately \$150,000 will be available for the first year of the grant program.

- The Executive Office of Environmental Affairs (EOEA) Smart Growth Technical Assistance Program. This annual grant program offers up to \$30,000 per project. The program's main priority is to fund those implementation projects identified within a community's long-range development plan that are consistent with the Governor's sustainable development principles.

Upon completing a business/industrial park feasibility study, East Brookfield Planners can rezone the best suitable portion of the Route 49 commercial district for a business/industrial park and rezone the remaining land for residential, agricultural or conservation purposes. One use that should *not* be allowed in a new business/industrial park district is residential development. East Brookfield should not continue the current zoning practice that allows its vacant developable land zoned for economic development to be eaten up by residential development.

In terms of site development standards for a new business/industrial park district, Town Planners can provide guidance to individual property owners within the new district by establishing park-specific site design standards and incorporating them into the Town's Zoning Bylaw. The business/industrial park bylaw could cover such site design items as: permitted uses, accessory uses, dimensional requirements, utilities, drainage, noise, odor, emissions, motor vehicle ingress/egress, parking and loading, building location, architectural standards, pedestrian circulation, lighting, landscaping, screening, signage, snow removal, etc.

Once the feasibility study is finished and the Town has revised the zoning for this area, East Brookfield can begin moving forward on the development of a business/industrial park. Generally, there are three ways to establish such a park:

- The Town can buy the land, design the park, seek grants for infrastructure, and lease or sell the land to industrial firms (thus acting as developer). A regional example of this approach is the Town of Oxford, which developed its own industrial park on Forest Drive.
- The Town can work with a private economic development entity (such as the Worcester Business Development Corporation), or set up its own independent economic development entity (such as suggested in Recommendation #1) to serve as a stand-alone industrial development corporation that would act as the developer and landlord on the Town's behalf. The independent economic development entity would buy the land, design the park and act as developer. An example of this approach is the Town of Rutland, which established the Rutland Development and Industrial Commission as an entity of town government to oversee development of the former Rutland Heights Hospital Property.

- The Town can leave the land in the hands of private property owners, but control how the land gets developed by conducting some pre-planning work, such as would be entailed in a business/industrial park feasibility study. The Town can further control how such a park gets developed by establishing park-specific site design standards and incorporating them into the Zoning Bylaw. This approach would entail the least cost to the Town, but leaves it totally in the hands of the private sector to develop the park.

Responsible Municipal Entities: The Planning Board, Board of Selectmen and potentially a local Economic Development Committee.

6. Develop a Computerized Database of Available Commercial Properties: The Town should develop a computerized database of its available commercially zoned properties as a service for new industries investigating East Brookfield as a potential location. The database should be searchable by parcel size, availability of water, proximity to major highway, easements in place 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 East Brookfield is business-friendly and willing to provide resources in support of new economic development. Responsible Municipal Entities: Master Plan Committee (until an Economic Development Committee is formed) and the Board of Assessors.

7. Tax Increment Financing: East Brookfield should investigate the possibility of establishing 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 East 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 East Brookfield could reap the tax benefits from any TIF-created projects, the benefits to the local economy would be felt immediately. If East 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 cannot offer new businesses much in the way of infrastructure (read municipal sewer), a local TIF program would be a significant draw for new economic development. Responsible Municipal Entity: The Board of Selectmen.

