

Chapter 2: Economic Development

This chapter covers the following topics:

- Relationship of Economic Development to Planning Goals
- Inventory information on
 - Employment and unemployment
 - Labor force
 - Wages
 - Economic establishments
 - Retail sales
 - Location and character of commercial development
 - Property taxes raised from commercial development
 - Projections of employment.
- Opportunities and Challenges posed by Existing Economic Development Conditions

Why Acton's Economic Development is Important to the Comprehensive Plan

These topics are important because employment is essential for economic well being, and because commercial areas contribute to the character of Acton. Providing opportunities to shop in Town may be important so people do not have to travel long distances to obtain essential goods and services. Finally, commercial development is a major source of tax revenue for the Town.

Relation of Economic Development to Planning Goals

Economic development information is relevant to six of the seven Acton 2020 goals; (the exception is "Maintain and Enhance Town Assets," to which it does not have a direct relationship).

Goal: Preserve and Enhance Town Character

Some economic activities are housed in buildings that are not compatible with Acton's town character. This is both a question of architectural design and site planning. There will be opportunities to improve site planning and architectural design in future redevelopment and rehabilitation of some commercial and industrial properties, as well as in new commercial developments. On the other hand, some businesses are housed in historic buildings and in historic districts. Their business success supports the maintenance of these historic assets. Consumer choices and government laws, regulations and policies can significantly alter a businesses success and future outlook.

Goal: Increase Sustainability

Building construction (both new and rehabilitation) and maintenance practices that save energy, reduce carbon footprints and use renewable resources are ways to increase sustainability in economic development. In the survey done two years ago, a majority (53.5%) of Acton's business people indicated that they would use affordable "green" construction techniques for their businesses.

Goal: Improve Connections

Pedestrian pathways can be created and/or improved with better site planning in commercial and residential developments. Vehicle connections that do not require use of public roads

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(e. g., between parking and internal circulation spaces) can be made in some cases between adjacent commercial properties.

Goal: Create Community Gathering Places

Creating attractive and well functioning indoor and outdoor gathering places in commercial developments will aid in improving social interactions between people, and in increasing customer traffic and sales for local businesses.

Goal: Enable Diversity and Inclusion

Encouraging restaurants, shops, and businesses serving all segments of the town, will better enable diversity. Creating more jobs across the complete spectrum of skill and wage levels will encourage inclusion of more workers with more diverse backgrounds.

Goal: Maintain and Improve the Financial Well-being of the Town

Commercial and industrial development tends to require less in services than residential development, and these uses thus make a positive net contribution to the town's fiscal balance.

Summary of Key Points

Employment Based in Acton

- Acton is an important employment center in its nine town sub-region. Concord and Westford are the other important employment centers. Acton is expected to remain an important sub-regional employment center.
- In 2010, on average, 11,248 people were employed in jobs located in Acton.
- In 2000 (the most recent year for which data is available) only 20.5% of jobs in Acton were held by Acton residents and 79.5% by residents of other cities and towns.
- Major categories of employment in Acton are retail trade, public administration including public schools, health care and social assistance, computer systems design and related services, education services (not including public schools), and eating and drinking establishments.
- Health care and social assistance and computer systems design and related services are the fastest growing categories of employment located in Acton (147% and 112% respectively, between 2001 and 2009).
- The average weekly wage in Acton establishments was \$938 in 2009, but it ranged widely from \$226 for used merchandise stores to \$2,346 for scientific research and development services.
- Average weekly wages ranged from \$226 (used merchandise stores) to \$2,346 (scientific research and development services).

Acton's Labor Force

- In September, 2010 Acton had a labor force of 11,757 (Acton residents who hold jobs anywhere.)
- In September, 2010 5.6% of Acton's labor force was unemployed (compared to a statewide figure of 8.0%)

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- The largest number of Acton residents are employed in the high wage/high education categories of management, computer/mathematical, educational/training/library, sales related, and office/administrative support.

Businesses

- There were 795 establishments in Acton in the second quarter of 2010, according to data from the Massachusetts Office of Workforce Development.
- The number of businesses has varied by about 10% in recent years although the number in 2009 is about the same as in 2001 (780).
- There are about 500 home based businesses in Acton, many of them not included in the 795 establishments listed by the Massachusetts Department of Workforce Development.
- Acton is a town of small businesses, with an average of employees per business in 2009; this includes only businesses recognized by the Department of Workforce Development.
- The value of retail sales in 2007 in Acton was \$644,864,000.
- Motor vehicle and parts dealers and food and beverage stores accounted for 58% of all retail sales in 2002 and 64% in 2007.
- Most of Acton's commercial development is located along its numbered highways (Routes 2, 2A and 27) and in village centers.

Taxes

- Acton collects 87.1% of its property taxes from residential property and 12.9% from commercial and industrial property.
- For the last eight years, Acton has had the highest residential tax rate of all towns around it, except for Stow, which had a higher rate from 2003 to 2005.
- The average residential tax bill in Acton has been closer to the middle of the nine towns, but it has been consistently slightly above the average for these towns.

Employment, Establishments and Wages

Employment

There are about 11,000 people employed in establishments located in Acton. It accounts for 18.5% of total employment in the nine community sub-region made up of Acton and its surrounding towns. There are additional people employed in Acton and surrounding towns that are self-employed and do not report through the Mass. Department of Workforce Development, which is the base source of employment statistics for the Metropolitan Area Planning Council (MAPC), the regional planning agency for 101 cities and towns around Boston in its estimating and forecasting work. MAPC then adds in estimates of employment not reported to the Mass. Department of Workforce Development. These are generally small numbers of people who do not pay into workman's compensation funds.

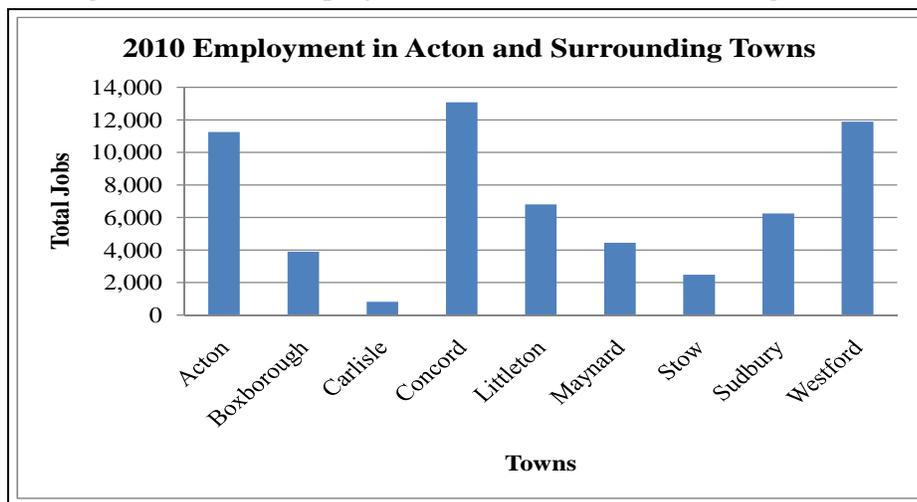
Table 2.1: Employment in Acton and Surrounding Towns: 1970 to 2030

	1970	1980	1990	2000	2010	2020	2030
Acton	2,046	5,365	9,395	10,304	11,248	11,989	12,600
Boxborough	39	558	2,286	2,153	3,904	2,526	2,663
Carlisle	161	405	649	826	818	805	793
Concord	4,183	9,827	11,643	12,399	13,077	13,576	13,976
Littleton	1,198	2,837	5,342	6,250	6,804	7,232	7,585
Maynard	5,237	15,926	7,403	4,541	4,455	4,372	4,291
Stow	312	805	2,260	2,231	2,485	2,671	2,825
Sudbury	3,208	7,186	9,706	5,890	6,246	6,428	6,571
Westford			5,565	11,056	11,888	12,546	13,084

Source: Metropolitan Area Planning Council (MAPC)

The table shows consistent employment growth in most of the sub-region towns with Acton, Concord and Westford retaining their places as major sub-regional employment centers.

Figure 2.1: 2010 Employment in Acton and Surrounding Towns



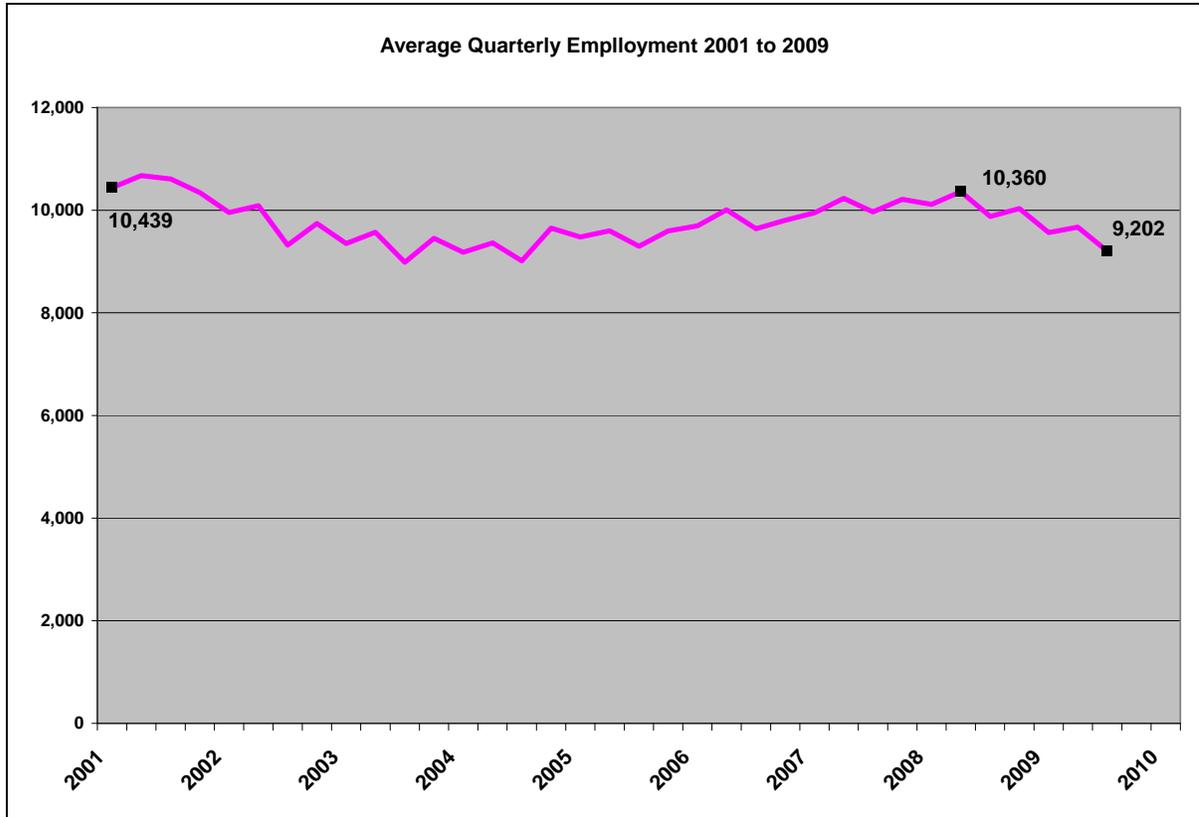
Source: MAPC.

The chart further illustrates the dominance of Acton, Concord and Westford as sub-regional employment centers.

It is estimated that there are about 500 self-employed people in Acton, many working in their homes. Data from the business registration list of the Town of Acton is used, along with Claritas (a widely used proprietary data estimating and forecasting service) data to make this estimate.

Employment has grown steadily when viewed at 10 year intervals. Employment is subject to business cycles which are captured by viewing the data by quarters (three month periods). Figure 2.2 shows average quarterly employment in Acton from 2001 to 2009. The data ends in 2009, at the end of an economic downturn. It also does not include public sector employment, which accounts for the figures being lower than those shown on Figure 2.1 and Table 2.1.

Figure 2.2: Acton Employment by Calendar Quarter

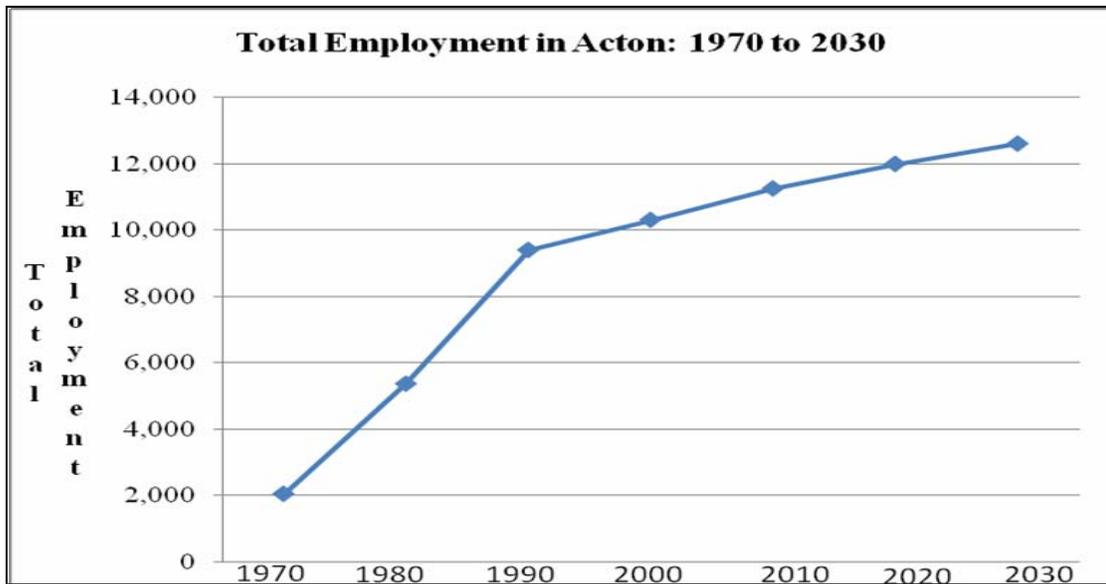


Source: Mass. Department of Workforce Development data for Acton.

Note: The vertical axis begins at 8,000 in order better to show the variations in employment from one calendar quarter to the next. Figure 2.3 shows Acton's historical development of jobs going back to 1970 and projected by MAPC to 2030.

The chart shows that employment based in Acton fluctuates but has not trended substantially higher or lower in the past decade.

Figure 2.3: Total Employment in Acton, 1970 to 2030



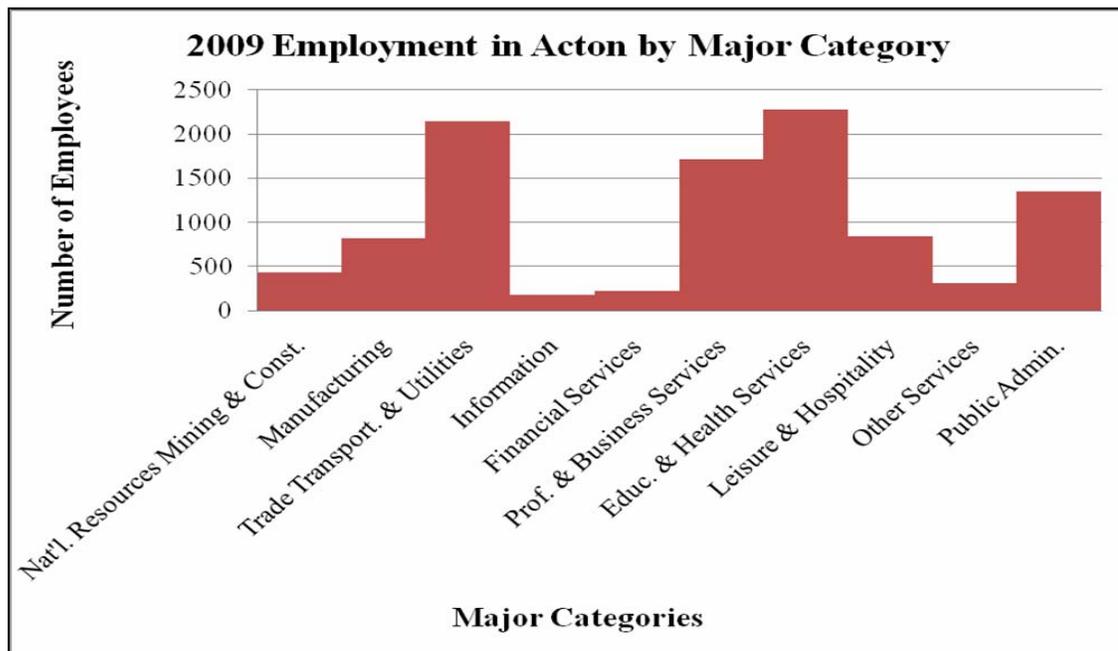
Source: MAPC.

The chart shows that Acton’s percentage employment growth has lessened since 1990, but still remains, and is expected to remain, consistently positive.

Employment in Acton grew very rapidly between 1970 and 1990, and has grown more modestly since then, and is expected to continue to grow modestly.

Figure 2.4 shows the major types of employment in Acton.

Figure 2.4: Employment in Acton by Major Category (2009)



Source: Mass. Department of Workforce Development.

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Figure 2.4 shows the dominance of 4 categories of employment in Acton: Trade, Transport and Utilities, Professional and Business Services, Education and Health Services, and Public Administration.

Table 2.2, below, shows these figures with a further breakdown of some categories important for planning, like retail trade, manufacturing and services.

Table 2.2: Employment by Detailed Category Reported to the Massachusetts Department of Workforce Development in 2009

Category	Employment in 2009
Agriculture, Forestry, Fishing and Hunting	14
Construction	434
Fabricated Metals Products Manufacturing	146
Computer and Electronic Products Manufacturing	174
Electronic Instruments Manufacturing	173
Other Durable Goods Manufacturing	325
Utilities	20
Wholesale Trade	317
Retail Trade	1,677
Transportation and Warehousing	135
Information	177
Financial Activities including Banking and Insurance	155
Real Estate and Rental and Leasing	66
Legal Services	69
Accounting and Bookkeeping Services	43
Architectural and Engineering Services	166
Computer Systems Design and Related Services	820
Management and Technical Services	157
Scientific Research and Development Services	46
Other Professional and Technical Services	116
Management of Companies and Enterprises	68
Administrative and Waste Services	245
Educational Services (not Including Public Schools)	877
Offices of Physicians	280
Offices of Dentists	122
Other Health Care and Social Assistance	1,001
Arts, Entertainment and Recreation	223
Food Services and Drinking Places	621
Other Services except Public Administration	307
Public Administration including Public Schools	1,301
Total	10,276

Source: Mass. Department of Workforce Development

Note: The discrepancy between this lower total figure and the MAPC figure results from the fact that MAPC figures are estimates and they include employment not reported to the Mass. Department of Workforce Development. The table shows a disaggregation of employment, but still illustrates the dominance of retail trade, other health care and social assistance, and public administration (including public schools).

The top five categories are retail trade, health care and social assistance, educational services and computer systems design and related services and food services and drinking places. Of these, only health care and social assistance, and computer systems design and related services are growth industries, as revealed in time series data in Table 2.3. These two sectors have more than doubled since 2001. Retail has stayed about the same, while food services and drinking places declined somewhat and educational services declined more substantially.

Table 2.3: Growth in Employment in the Largest Sectors of Acton’s Economy

Sector	2001	2003	2005	2007	2009	% Growth 2001-2009
Retail	1680	1868	1898	1866	1677	< -1%
Educational Services	1080	1230	1097	1157	877	-18.8%
Health Care and Social Assistance	568	762	1121	1286	1403	+147%
Public Admin. including Public Schools	1178	1281	1197	1374	1301	+10.4%
Food Services and Drinking Places	688	548	585	674	621	-9.7%
Computer Systems Design and Related Services	387	322	459	828	820	+112%

Source: Series ES-202 Employment Data from the Mass. Department of Workforce Development.

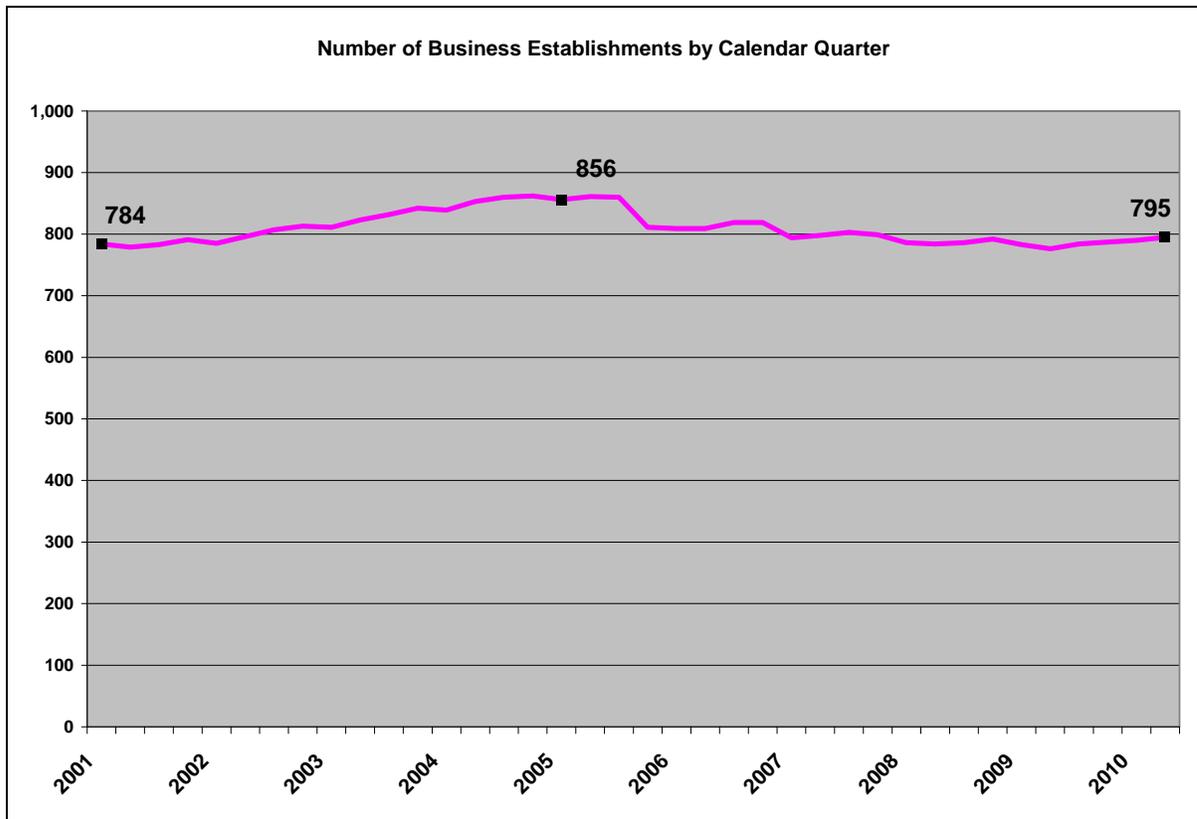
Two of the largest categories (retail and public administration including public schools) remained relatively constant, while the exceptional growth categories were health care and social assistance, and computer systems design and related services.

Establishments

The latest data available from the Massachusetts Department of Workforce Development, for the second quarter of 2010, indicates that there were 795 business establishments in Acton. The number of private sector businesses (establishments) has varied by about 10% in recent years as shown on Figure 2.5, although the number in 2009 (795) is about the same as in 2001 (784). In 2004 and 2005 the number increased to around 860 and fell sharply in 2006. The number of businesses reflects overall economic conditions with the deep recession causing significant business shutdowns beginning in 2006.

The average number of employees per business has remained very constant, ranging only between 10 and 14 from 2001 to 2009. In 2009 it was 12. Acton is a town of small businesses, as measured by employees per business.

Figure 2.5: Number of Establishments by Quarter, 2001 to 2009



Source: Massachusetts Department of Workforce Development data for Acton.

Note: The vertical axis begins at 720 in order better to show the variations in the number of establishments from one calendar quarter to the next.

The chart illustrates the gradual growth in the numbers of establishments up to 2005, and the decline in that number since then, owing mainly to the national economic downturn.

Wages

The highest wage is over ten times the lowest wage. Many of the lower paying jobs are taken by young people seeking to obtain some money for education, trips, entertainment or consumer goods. They often live with their parents and cannot support a household on the money they earn. Some of the lower paying jobs are taken by older people seeking to supplement their household's income. The lower wage categories also contain a relatively higher proportion of part-time jobs, lowering individual household income even further. The highest paying jobs all require substantial education and experience. Most are in the high-tech sector.

Table 2.4: Average Weekly Wages Paid in Selected Acton Businesses in 2009

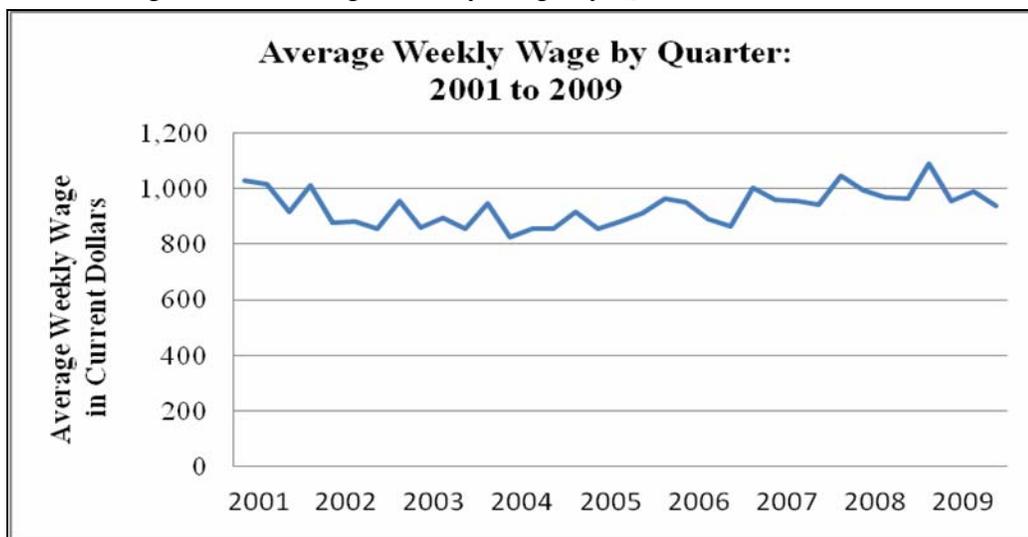
Employment/Business Category	Establishments	Quarterly Wages	Employees	Ave. Weekly Wages
<i>5 Highest Wage Categories</i>				
Scientific Research and Development Services	8	\$1,402,682	46	\$2,346
Computer Systems Design and Related Services	51	\$22,229,235	820	\$2,085
Wired Telecommunications Carriers	6	\$1,204,671	49	\$1,891
Electronic Markets and Agents/Brokers	24	\$2,124,714	94	\$1,739
Management & Technical Consulting Services	45	\$3,216,657	147	\$1,983
<i>5 Lowest Wage Categories</i>				
Private Households	38	\$175,040	41	\$328
Clothing Stores	12	\$754,915	182	\$319
Sporting Goods/Musical Instrument Stores	9	\$190,567	50	\$293
Limited-Service Eating Places (Fast-Food)	21	\$1,125,648	323	\$268
Used Merchandise Stores	3	\$41,077	14	\$226

Source: Massachusetts Department of Workforce Development.

The table shows the wide variability in wage scales by employment category.

Average weekly wages in Acton businesses varied by 32% during the period 2001 to 2009. As shown in Figure 2.6 they ranged from \$825 in 2004 to \$1,087 in 2008. Table 2.4 above shows the range of wages by business types. Only the highs and lows are shown.

Figure 2.6: Average Weekly Wage by Quarter, 2001 to 2009



Source: Massachusetts Department of Workforce Development data for Acton.

The chart shows that the average weekly wages have been rather constant since 2001.

Labor Force and Unemployment

According to the Massachusetts Department of Workforce Development there were 11,757 people in the Acton Labor Force in September, 2010. In that month 11,079 of those people were employed and 678 were unemployed, resulting in an unemployment rate of 5.8%.

Labor force is defined as Acton residents who are employed or are unemployed and registered with the Mass. Department of Workforce Development as looking for a job. These employment figures, shown on Table 5, are not the same as the employment data listed above, which are for people employed in jobs located in Acton. Labor force employment refers to Acton residents who have a job located anywhere, or who are unemployed and registered as looking for a job. Unemployment data are subject to the fact that some people “drop out” of the labor force because they are discouraged about finding a job. If they are not registered as being unemployed they are not counted as unemployed. Therefore unemployment is often underestimated, especially in economic downturns when jobs are hard to find, while unemployment benefits are running out.

Table 2.5: Labor Force and Unemployment in Acton: 2000 to 2010 (September)

Year	Period	Labor Force	Employed Labor Force	Unemployed Labor Force	Acton Unemployment Rate	Mass. Unemployment Rate
2010	September	11,757	11,079	678	5.8	8.0
2009	Annual	11,725	11,016	709	6.0	8.4
2008	Annual	11,759	11,350	409	3.5	5.3
2007	Annual	11,754	11,406	348	3.0	4.4
2006	Annual	11,639	11,249	390	3.4	4.7
2005	Annual	11,625	11,231	394	3.4	4.8
2004	Annual	11,601	11,166	435	3.7	5.2
2003	Annual	11,786	11,213	573	4.9	5.8
2002	Annual	11,978	11,388	590	4.9	5.3
2001	Annual	11,907	11,559	348	2.9	3.7
2000	Annual	11,639	11,454	185	1.6	2.7

Source: Mass. Department of Workforce Development.

The table shows that Acton has been consistently below the state unemployment rate, and that the employed labor force has been remarkably consistent since 2000.

That Acton’s unemployment rate has historically been below the state rate reflects the fact that Acton has a highly qualified labor force. Table 2.6 shows the numbers of Acton residents in various labor force occupational classifications.

Table 2.6: Estimated 2010 Acton Population Over Age 16 by Occupational Classification

Labor Force Category	Number	Labor Force Category	Number
Architect/Engineer	659	Healthcare Support	102
Arts/Entertain/Sports	278	Maintenance Repair	99
Building Grounds Maintenance	190	Legal	191
Business/Financial Operations	844	Life/Physical/Social Sciences	393
Community/Soc Services	167	Management	2210
Computer/Mathematical	1346	Office/Administrative Support	1049
Construction/Extraction	216	Production	209
Educational/Training/Library	1077	Protective Services	124
Farming/Fishing/Forestry	33	Sales/Related	1300
Food Preparation/Serving	244	Personal Care/Services	291
Health Practitioner/Technicians	594	Transportation/Moving	141

Source: Claritas Update of the 2000 Census of Population to 2010 adjusted by Planners Collaborative to agree with the Department of Workforce Development Figures.

The table shows a concentration of labor force in higher skills occupations.

The largest number of people are in the high wage/high education categories of management, computer/mathematical, educational/training/library, sales related and office/administrative support. Substantial numbers of people are also in other high wage/high education categories of architect/engineer, business/financial operations and health practitioner/technicians.

The U. S. Census Bureau classifies 10,107 of Acton’s labor force as white collar, 665 as blue collar and 985 people as farm and service workers.

Labor force qualifications are especially important for economic development because prospective employers are attracted to communities that have the kinds of skills they need. Employers in the growth industries of health care, high-tech, bio-tech and energy conservation are looking for educated experienced people such as those found in the Acton labor force.

Employment Location and Character

The 2005 land use survey identifies 459 acres used for commercial purposes and 204 acres used for industrial purposes. Figure 2.7 shows the concentrations of retail, office and manufacturing businesses.

Many of Acton’s businesses are located along Route 2A (Great Road). For the most part, these are highway oriented retail and service businesses that serve town-wide and sub-regional markets. Businesses located in Acton’s villages serve more local markets, but some serve town-wide and sub-regional markets, such as the Ace Hardware Store in South Acton. The highway oriented businesses are characterized by large amounts of parking in front of linear storefronts, as shown in the following two photos. The third photo shows how off-street parking can be placed to the side or rear of buildings by bringing buildings out to the street line. It also illustrates mixed retail and residential use at a commuter rail station.

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Shopping Center on Great Road (East Side)

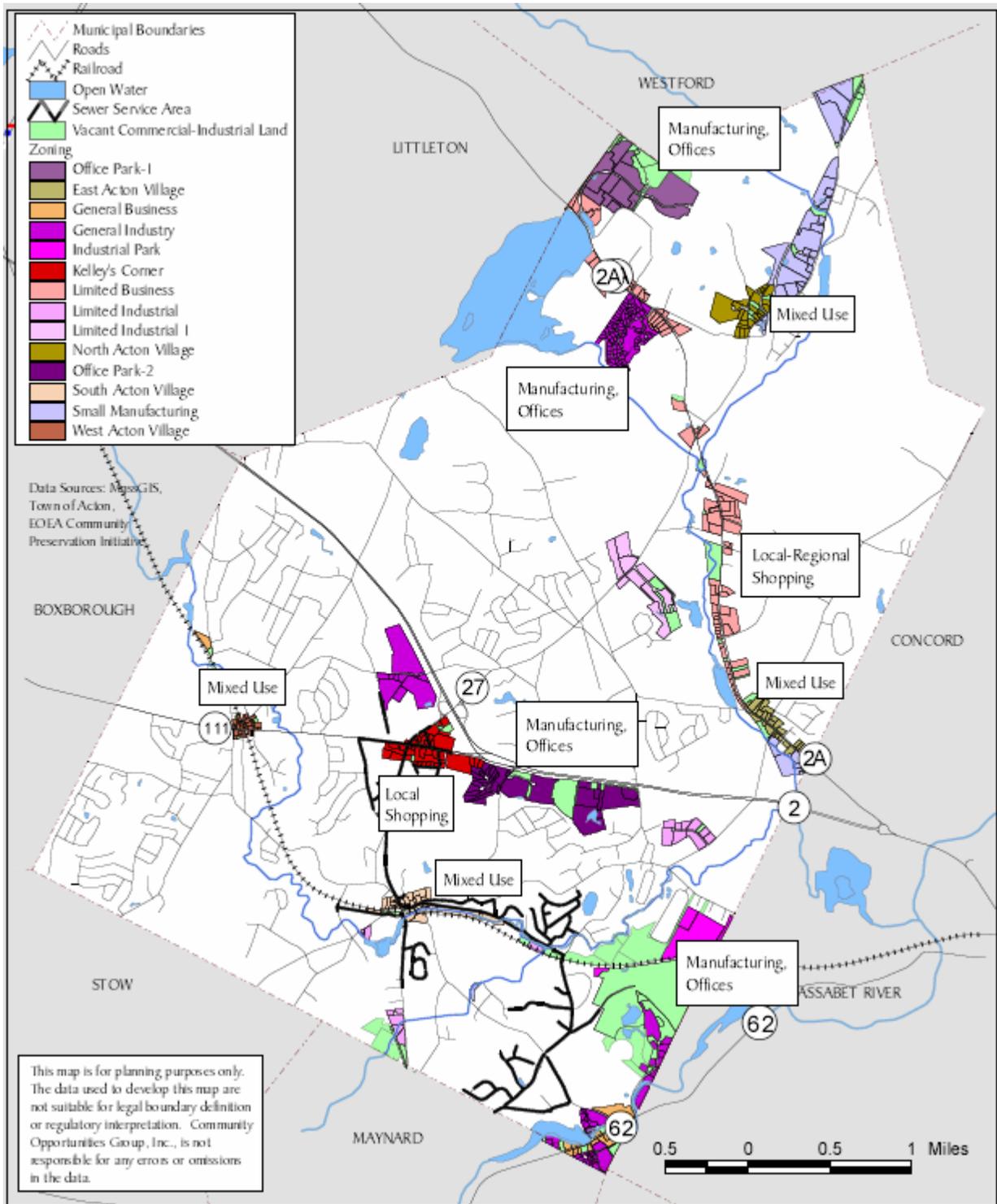


Shopping Center on Great Road (West Side)



Mixed use (retail and residential) building at the Manchester, MA commuter rail station

Figure 2.7: Commercial and Industrial Areas in Acton



Source: To Live in Acton Community Development Plan, Community Opportunities Group, Inc., 2004

Commercial areas contain both retail and services space. The industrial/manufacturing areas contain office space with services, as well as manufacturing space. Some of the office space

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is modern, well landscaped and buffered by vegetation to blend in with the wooded character of much of Acton, as shown in the following photos.



125 Nagog Park Office Building



Discovery Way Office Building

Acton also has some historic village architecture housing commercial uses, as shown in the photo below of West Acton Village.



West Acton Village

It is possible to redevelop commercial strip areas into village-type areas by extending buildings at right angles, breaking up façade lines and creating visual points of interest in front of buildings, along with landscaping and pedestrian paths that lead to gathering areas. Visual points of interest can be such items as small water bodies, fountains, clock towers, gateway arches, statues, kiosks, vender's carts, outdoor goods displays, memorial plaques, and other sculptural and streetscape designs. Two examples are shown in the following photos.



Buildings at Right Angles to Each Other



Small Gateway to an Outdoor Seating Area

Retail Sales

According to the U. S. Census Bureau Acton had retail sales of \$644,864,000 in 2007. Data for retail sales for 2002 and 2007 is shown on Table 2.7.

Table 2.7: Number of Establishments and Value of Retail Sales by Category in 2002 and 2007

Acton, Massachusetts Retail Category	2002		2007	
	No. of Establishments	Annual Sales (in thousands of dollars)	No. of Establishments	Annual Sales (in thousands of dollars)
Motor vehicle & parts dealers	11	176,913	12	294,361
Furniture & home furnishings stores	7	7,998	12	23,654
Electronics & appliance stores	7	17,094	5	2,529
Building material & garden equipment & supplies dealers	12	21,777	11	17,208
Food & beverage stores	18	97,022	17	118,715
Health & personal care stores	7	30,871	6	32,890
Gasoline stations	10	31,460	9	70,389
Clothing & clothing accessories stores	13	13,721	16	27,563
Sporting goods, hobby, book & music stores	12	14,058	12	11,903
General merchandise stores	2	D	1	D
Miscellaneous store retailers	20	D	18	D
Nonstore retailers	7	25,787	8	13,542
Total	126	471,883	127	644,864

Source: U. S. Census of Retail Trade. A **D** entry means data is not disclosed because competitors in the category, using their own information, would be able to accurately estimate data for other individual establishments.

The table shows the variety of retail establishments in Acton, but also the dominance of motor vehicle and parts dealers and food and beverage stores in terms of dollar volumes.

The data are in current dollars for each year. Adjusting the data for inflation yields a figure of \$543,939,530 for 2002 expressed in 2007 dollars. The consumer retail price index inflation rate between the two years was 15.27%. There was an increase of \$10,092,447 in total retail sales expressed in constant dollars between 2002 and 2007. The largest sales are in the motor vehicle and parts dealers and food and beverage stores. They accounted for 58% of all sales in 2002 and 64% in 2007. Sales figures for general merchandise stores and miscellaneous store retailers are not given because if they were published, proprietary data would be disclosed.

The number of total retail establishments was virtually unchanged between the two years, but some shifts by category did occur, as shown on Table 2.7. The largest change was the addition of five stores selling furniture and home furnishings. While the overall numbers by types of stores is remarkably constant between the two years, the sales volumes in some

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categories changed quite a bit. Categories that lost substantial sales were electronics and appliance stores and non-store retailers (vendors that sell from catalogs, vending machines, home delivery sales, door-to-door sales, and electronic shopping. Direct sales by farmers, manufacturers, and wholesalers to consumers are also included.). The one category whose sales grew substantially was motor vehicle and parts dealers. Sales in furniture and home furnishings stores also grew substantially in percentage terms, by 157% from a relatively small base in 2002. As mentioned this is the category that added five stores between 2002 and 2007.

Acton attracts shoppers from other towns, as indicated by comparing its 2007 total retail sales of \$644,864,000 with the income available for retail purchases that is possessed by Acton residents, estimated at \$392,000,000 in 2007. In contrast, the survey of Acton residents in 2008 indicated that about 57% of the respondents do more than one-half of their shopping outside of Acton. Both indicators suggest that new or expanded existing businesses could do well in Acton. In summary, Acton retailers attract outside shoppers and only capture less than half of in-town residents.

Markets for Future Economic Development

It is clear that markets exist for some future economic development in Acton. Services, which occupy office space, are expected to continue to grow in the area. They have increased in Acton by 14% over the past 10 years. The fastest growing sector of Acton's economy has been professional and business services, which has grown by 16% over the last 10 years. Other office-using sectors such as education and health services and the information sector are expected to grow, according to the projections of the Metropolitan Area Planning Council (MAPC), shown on Table 2.8. Manufacturing is not expected to grow, reflecting an overall regional and national trend, but industrially zoned land can be devoted to office and research and development activities. Retailing activities should grow in proportion to population and income growth. As mentioned, retailing could also grow if more in-town and out-of-town shoppers can be captured by Acton's shops.

Table 2.8: Projected Employment Growth in Acton

Employment Category	2000	2010	2020	2030
Manufacturing	1,963	1,886	1,820	1,760
Government*	200	215	226	235
Other Services	251	286	313	336
Leisure and Hospitality	670	756	823	879
Education* and Health Services	1,760	1,973	2,143	2,286
Professional and Business Services	2,068	2,399	2,657	2,872
Financial Activities	215	240	259	275
Trade, Transportation and Utilities	2,227	2,431	2,587	2,714
Natural Resource, Mining, Construction	390	432	479	517
Information	560	629	682	725
Total Employment	10,304	11,247	11,989	12,600

Source: MAPC

*Note: Employment in schools is included in education services.

The table shows moderate future growth in employment (a little over ½% per year) projected by MAPC.

Additional sources of economic development are the small self-employed people, some of whom conduct businesses in their homes. There are estimated to be about 500 of these self-employed people in Acton. As their businesses grow, those in home offices or home shops could need to occupy larger quarters in commercially zoned areas. Some will find it advantageous to locate near other similar businesses and business services to facilitate their business growth. Another possible advantage for them can be realized by sharing the support services of secretarial, clerical, copying, editing and technical computer personnel.

Property Taxes

Property tax rates in Acton have been slowly increasing since 2003. By town and fiscal year the following are tax rates for the last eight years (Table 2.9). Please note the table is in two parts. The first part is for residential tax rates. The second part is for commercial and industrial tax rates for those four towns that have a split rate (e.g., commercial and industrial property is taxed at higher rates than residential property). In the other five towns including Acton the commercial and industrial tax rates are the same as the residential tax rate.

Table 2.9: Property Tax Rates in Acton and Surrounding Towns: Fiscal Years 2003 - 2010

Town	FY 2010	FY 2009	FY 2008	FY 2007	FY 2006	FY 2005	FY 2004	FY 2003
Acton	\$17.12	\$16.53	\$15.39	\$14.62	\$14.58	\$13.81	\$14.03	\$13.55
Boxborough	\$16.53	\$14.84	\$14.14	\$13.87	\$13.24	\$13.10	\$13.32	\$12.78
Carlisle	\$14.62	\$14.04	\$12.68	\$11.96	\$12.99	\$12.62	\$12.47	\$15.05
Concord	\$13.09	\$11.90	\$10.72	\$10.56	\$10.23	\$9.80	\$10.59	\$9.64
Littleton	\$14.63	\$13.85	\$12.62	\$12.11	\$12.17	\$11.35	\$11.32	\$11.15
Maynard	\$16.14	\$14.51	\$13.33	\$12.76	\$12.91	\$13.16	\$12.97	\$17.46
Stow	\$16.58	\$15.28	\$14.73	\$13.82	\$14.04	\$14.36	\$14.64	\$14.48
Sudbury	\$16.08	\$15.29	\$14.27	\$13.12	\$13.55	\$13.46	\$13.46	\$16.78
Westford	\$14.63	\$13.97	\$13.40	\$13.10	\$12.92	\$13.68	\$14.00	\$14.51
Property Tax Rates for Commercial and Industrial Uses (Towns with a Split Tax Rate)								
Littleton	\$23.11	\$22.76	\$20.57	\$20.11	\$19.02	\$17.98	\$18.16	\$10.36
Maynard	\$25.71	\$23.63	\$22.76	\$21.78	\$24.86	\$23.70	\$23.39	\$28.95
Sudbury	\$20.13	\$19.30	\$18.47	\$20.78	\$21.71	\$20.53	\$20.81	\$22.26
Westford	\$14.82	\$14.15	\$13.58	\$13.27	\$13.10	\$13.68	\$14.18	\$14.66

Source: Massachusetts Department of Revenue.

The table shows that Acton has consistently had the highest tax rate in its sub-region since 2006.

For the last eight years, Acton has had the highest residential tax rate of all towns around it, except for Stow which had a higher rate from 2003 to 2005. Concord has consistently had the lowest residential property tax rate. Acton has had a steady increase in its tax rate for all years except in FY 2005 when the rate decreased from \$14.03 to \$13.81. The average residential tax bill in Acton has been closer to the middle of the nine towns, but it has been consistently slightly above the average for these towns; (see Appendix table A2.4).

Economic Development

A possible objective of the Master Plan is to reduce the reliance on the residential tax base for town revenues. Increased economic development is one way to do that. Table 2.10 shows Acton's percentage of town revenues raised by commercial and industrial uses and by personal property (mostly equipment in commercial and industrial properties). Commercial uses are retail and office and personal and business services. Industrial uses are manufacturing, wholesaling, and research and development.

Table 2.10: Amount and Percentages of Property Tax Revenues Raised from Residential, Commercial, Industrial and Personal Property in Acton and Surrounding Towns in 2010

Town	Residential	%	Commercial	%	Industrial	%	Personal Property	%	Total
Acton	\$55,769,176	87.1	\$5,497,569	8.6	\$1,675,574	2.6	\$1,110,816	1.7	\$64,053,135
Boxborough	\$11,935,703	75.1	\$1,341,843	8.4	\$2,286,998	14.4	\$326,253	2.1	\$15,890,797
Carlisle	\$19,903,018	98.2	\$144,139	0.7	\$19,309	0.1	\$193,075	1.0	\$20,259,541
Concord	\$59,621,336	90.6	\$5,100,090	7.8	\$406,458	0.6	\$669,685	1.0	\$65,797,569
Littleton	\$16,924,928	71.3	\$1,796,882	7.6	\$4,259,388	17.9	\$750,419	3.2	\$23,731,617
Maynard	\$17,711,760	79.1	\$1,780,763	7.9	\$2,158,385	9.6	\$751,915	3.4	\$22,402,823
Stow	\$17,698,621	91.2	\$919,565	4.7	\$417,504	2.2	\$364,708	1.9	\$19,400,398
Sudbury	\$59,811,853	91.3	\$3,158,019	4.8	\$1,294,359	2.0	\$1,264,922	1.9	\$65,529,153
Westford	\$47,940,063	85.7	\$3,297,328	5.9	\$3,618,276	6.5	\$1,072,015	1.9	\$55,927,682

Source: Massachusetts Department of Revenue.

Personal property is primarily the equipment owned by businesses.

The table shows that the share of taxes that Acton raises from residential property is in the middle (median) of the nine towns.

Acton raises a greater percentage of its property tax revenues from commercial property than any of the surrounding towns. However, Acton raises a very small percentage of revenues from industrial properties, compared to Boxborough, Littleton, Maynard and Westford. For personal property taxes, which are the smallest component of property tax revenues, all towns are in a fairly narrow range, with Maynard having the largest figure. Clearly, if Acton took measures to increase industrial development it could broaden its property tax base. Further commercial development in retailing and office space could broaden the property tax base as well, although it is already substantially larger than the industrial tax base. Another measure Acton might consider is to split its tax rate, taxing commercial and industrial property at a higher rate than commercial property. Littleton, Maynard, Westford and Sudbury currently do this. This however, would be a revenue raising action, not an action to promote economic development, although it could be done in a modest way that would be less likely to retard economic development.

Overall Summary

Employment has grown steadily in Acton when viewed over the long term. It is expected to continue to grow. Average establishment size is small (12 employees per establishment). There are about 11,000 people employed in establishments located in Acton. The town accounts for 18.5% of total employment in the nine community sub-region made up of Acton and its surrounding towns. Acton has the most retail employment and retail sales of any of the nine communities but it is apparent that considerable retail purchases of Acton residents

are made out-of-town. While some Acton retailers attract out-of-town shoppers, all of Acton's retailers only capture less than half of in-town resident's retail purchases. Acton has two rapidly growing employment categories that provide a basis for future strong growth (Health Care and Social Assistance and Computer Systems Design and Related Services).

There were 11,757 people in the Acton Labor Force in September, 2010. In that month 11,079 of those people were employed and 678 were unemployed, resulting in an unemployment rate of 5.8%. This is considerably lower than the statewide rate of 8.0% and the national rate of 9.0%. Acton's lower unemployment rate results from its well educated and highly skilled labor force.

Opportunities and Challenges Posed by Existing Economic Development Conditions

- Floor-area ratios (the ratio of square footage in buildings to the area of the lot on which they are located) in industrial areas and the villages can be increased to obtain greater density and more intensive utilization of the land.
- It is possible to seek home rule authority to establish a differential property tax policy in order to encourage and retain start-up ventures, micro-business incubators, and micro-business cooperatives in Acton.
- A graduated commercial property tax increase, starting from a lower base, would make Acton desirable for start-up companies and entrepreneurs by reducing their operating costs for three to five years.
- Economic development and housing affordability are mutually dependent public policy issues. Businesses are attracted by a local labor force. Many businesses need lower skill workers with lower wages for maintenance, security, and clerical jobs. Affordable housing helps to attract these kinds of workers and thus help economic development.
- Commercial development can be focused on creating more local opportunities to shop for goods and obtain services, and publicizing the shopping opportunities that already exist.
- Existing strip commercial development is unsightly but presents opportunities to redesign and redevelop it.

In conclusion, Acton has a strong and diverse economic mix of activities that provides a base for further growth. While further strengthening its role as a sub-regional employment center, Acton can improve its visual character by better design in new and redeveloped commercial and industrial properties.

Appendix

Table A2. 1: Labor Force, Unemployment, Income and Household Size for Acton and Surrounding Towns

Town	Labor Force	Unemployment	Unemployment Rate	Median Household Income	Average Household Size
Acton	11,582	623	5.3%	\$115,677	2.80
Boxborough	2,998	163	5.4%	\$97,051	2.63
Carlisle	2,577	146	5.7%	\$160,903	3.02
Concord	8,040	425	5.3%	\$127,563	2.60
Littleton	4,851	309	5.4%	\$98,555	2.83
Maynard	6,161	414	6.7%	\$77,304	2.44
Stow	3,600	187	5.2%	\$122,500	2.93
Sudbury	8,621	486	5.6%	\$147,383	3.15
Westford	12,057	730	6.1%	\$119,051	3.07

Sources: Mass. Department of Workforce Development for Labor Force and Unemployment. (Data for December, 2010) U. S. Census Bureau for Income and Households. (Data estimated for 2009 in the Census Bureau American Community Survey 5-Year Estimates)

Table A2. 2: Median Income Reported in the 2000 Census of Population and the Census Bureau's American Community Survey for 2009

Town	2000	2009
Acton	\$91,624	\$115,667
Boxborough	\$87,618	\$97,051
Carlisle	\$129,811	\$160,903
Concord	\$95,897	\$127,563
Littleton	\$71,384	\$98,555
Maynard	\$60,812	\$77,304
Stow	\$96,290	\$122,500
Sudbury	\$118,579	\$147,383
Westford	\$98,272	\$119,051

Source: U.S. Census of Population for 2000 and American Community Survey for 2009
2000 figures are as reported to the Census Bureau. 2009 figures are inflation adjusted estimates.

Table A2.3: Average Residential Assessed Values

Town	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
ACTON	\$293,642	\$331,310	\$380,802	\$436,456	\$466,751	\$499,657	\$529,771	\$542,140	\$523,109	\$507,466	\$512,103
BOXBOROUGH	\$304,260	\$330,200	\$362,751	\$488,223	\$485,822	\$508,428	\$551,921	\$554,010	\$565,638	\$545,872	\$506,349
CARLISLE	\$394,578	\$490,453	\$501,450	\$569,094	\$723,044	\$730,874	\$738,114	\$822,143	\$825,035	\$777,301	\$771,254
CONCORD	\$467,344	\$472,140	\$674,799	\$754,153	\$754,200	\$898,455	\$906,265	\$922,372	\$944,487	\$899,866	\$835,697
LITTLETON	\$203,375	\$233,144	\$236,809	\$295,946	\$346,016	\$362,927	\$382,382	\$415,767	\$409,101	\$384,156	\$370,111
MAYNARD	\$169,504	\$200,537	\$200,783	\$201,723	\$293,737	\$296,249	\$333,897	\$354,013	\$354,178	\$337,368	\$320,390
STOW	\$246,690	\$293,531	\$346,305	\$365,842	\$388,311	\$423,035	\$457,435	\$483,765	\$471,013	\$463,581	\$445,062
SUDBURY	\$359,388	\$426,486	\$432,961	\$479,865	\$596,201	\$601,849	\$660,961	\$702,816	\$683,843	\$662,080	\$650,508
WESTFORD	\$239,447	\$263,981	\$304,460	\$347,271	\$385,413	\$416,940	\$461,379	\$470,337	\$467,844	\$459,180	\$450,723

Source: Boston.com reporting data from Massachusetts Department of Revenue

Table A2.4: Average Residential Property Tax Bill

Town	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	% change 09-10	% change 05-10	% change 00-10
ACTON	\$5,118	\$5,410	\$5,754	\$5,914	\$6,549	\$6,900	\$7,724	\$7,926	\$8,051	\$8,388	\$8,767	4.50%	27.10%	71.30%
BOXBOROUGH	\$5,136	\$5,118	\$5,612	\$6,239	\$6,471	\$6,660	\$7,307	\$7,684	\$7,998	\$8,101	\$8,370	3.30%	25.70%	63.00%
CARLISLE	\$7,023	\$7,367	\$7,913	\$8,565	\$9,016	\$9,224	\$9,588	\$9,833	\$10,610	\$10,913	\$11,276	3.30%	22.20%	60.60%
CONCORD	\$5,655	\$5,921	\$6,633	\$7,270	\$7,987	\$8,805	\$9,271	\$9,740	\$10,125	\$10,708	\$10,939	2.20%	24.20%	93.40%
LITTLETON	\$2,866	\$2,989	\$3,128	\$3,300	\$3,917	\$4,119	\$4,654	\$5,035	\$5,163	\$5,321	\$5,415	1.80%	31.50%	88.90%
MAYNARD	\$3,043	\$3,371	\$3,552	\$3,522	\$3,810	\$3,899	\$4,311	\$4,517	\$4,721	\$4,895	\$5,171	5.60%	32.60%	69.90%
STOW	\$4,472	\$4,887	\$5,091	\$5,297	\$5,685	\$6,075	\$6,422	\$6,686	\$6,938	\$7,084	\$7,379	4.20%	21.50%	65.00%
SUDBURY	\$5,987	\$6,636	\$7,399	\$8,052	\$8,025	\$8,101	\$8,956	\$9,221	\$9,758	\$10,123	\$10,460	3.30%	29.10%	74.70%
WESTFORD	\$3,946	\$4,572	\$4,743	\$5,039	\$5,396	\$5,704	\$5,961	\$6,161	\$6,269	\$6,415	\$6,594	2.80%	15.60%	67.10%
AVERAGE	\$4,805	\$5,141	\$5,536	\$5,911	\$6,317	\$6,610	\$7,133	\$7,423	\$7,737	\$7,994	\$8,263	3%	26%	73%

Source: Boston.com reporting data from Massachusetts Department of Revenue