

ECONOMIC DEVELOPMENT FORUM

Sterling, MA

March 2024

Topics to Cover:

- The Importance of Economic Development
- Cost of Community Services
- Impact on Residential Tax Bills
- Your Preferences for Economic Development
(Performance Zone and Elsewhere)

The Benefits of Economic Development

- Creates jobs.
- Promotes housing stability.
- Promotes family stability.
- Strengthens community fabric.
- Stabilizes local tax rates.

Cost of Community Service Studies – what is this?

- An attempt to estimate how much it costs a municipality to provide services to various types of land uses (residential, commercial, industrial & open space) versus how much these uses generate in tax revenue.

Who prepares these studies?

- Institutions of higher learning.
- Civic advocacy organizations.
- Municipal research bureaus.

American Farmland Trust prepared a COCS study for Sterling in 2009. The findings:

- For every tax dollar generated by residential development, it cost the town \$1.09 to provide municipal services (a net negative of .9 cents).
- For every tax dollar generated by commercial and industrial development, it cost the town .26 cents to service (a net plus of .74 cents).
- For every tax dollar generated by farming and open space, it cost the town .34 cents to service (a net plus of .66 cents).

<u>Town</u>	<u>Average SF tax bill 2023</u>	<u>Increase since 2015</u>	<u>C/I as % of tax base</u>
Bolton	\$12,463	\$2,841	5.33%
Groton	\$9,916	\$2,637	6.33%
Harvard	\$12,833	\$3,532	4.33%
Stowe*	\$11,617	\$3,062	5.65%
Upton	\$8,386	\$2,186	4.67%

Athol	\$3,495	\$1,044	12.59%
Clinton	\$4,946	\$1,315	17.44%
Charlton	\$4,773	\$1,374	22.09%
Oxford	\$4,811	\$1,405	18.79%
West Boylston	\$6,808	\$2,093	16.50%
Westminster	\$5,390	\$1,019	10.77%
Sterling	\$6,655	\$1,689	11.73%

Three Worcester County communities had both high single-family tax bills *and* significant C/I tax bases: Northborough, Southborough & Westborough – all clustered along I-495.

All statistics from the MA Department of Revenue.

Economic Development & Trends in Taxation

- On average, towns with significant C/I tax base (at least 10% of total tax base) have lower single-family home tax bills.
- On average, towns with significant C/I tax base see a slower rise in single-family home tax bills.
- Bedroom communities (towns where C/I make up less than 10% of total tax base) typically have higher single-family home tax bills.
- Bedroom communities typically see their single-family home tax bills rise faster than those communities with significant C/I tax bases.
- Location, location, location: the closer you get to Boston, the higher the land values (and tax bills).

New Industrial Development looks for three things:

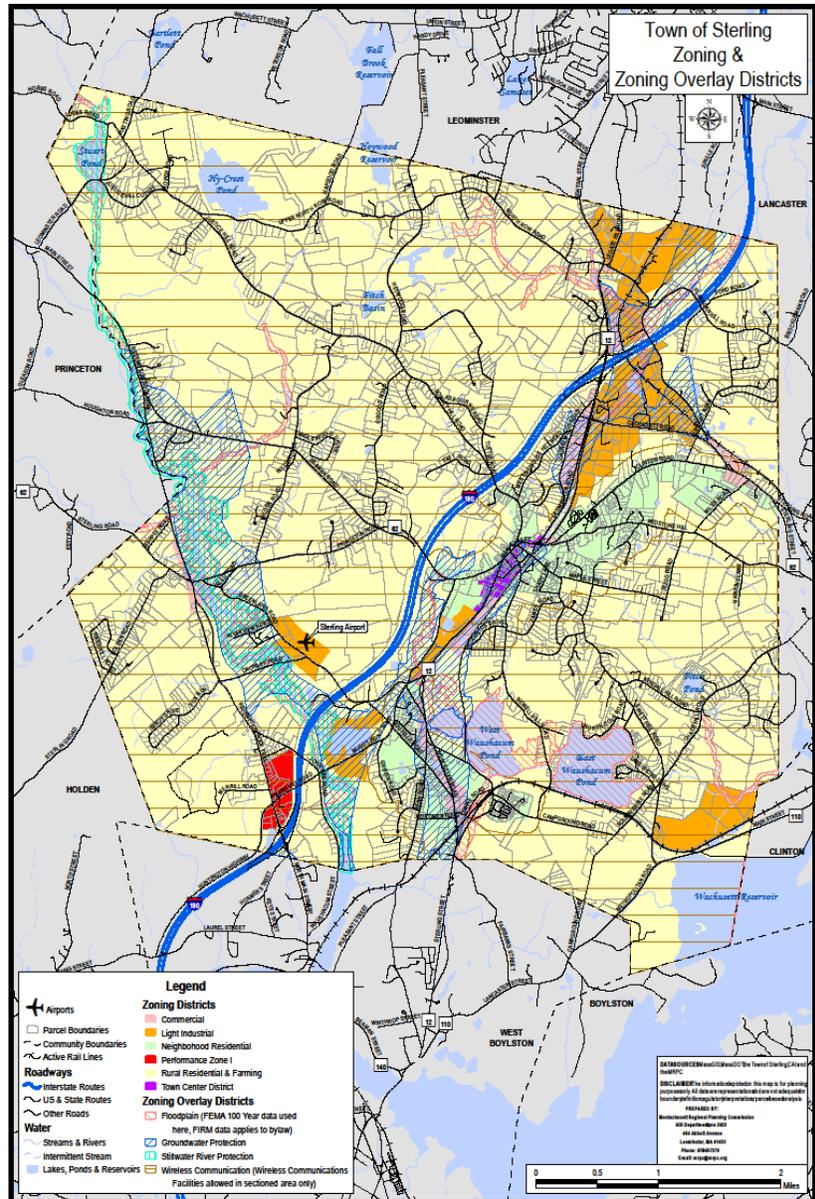
- Good highway access (a mile or less to a major State highway).
- Municipal water & sewer.
- Parcels of land of 20 acres or more.

Sterling Land Use Statistics

- Total Size: 20,347 acres (19,539 acres of land & 808 acres of water)
- Approximately 38% of the land (7,369 acres) is permanently protected.
- Approximately 13% of the land (2,520 acres) has limited protection.
- 93% of the land is zoned for residential development.
- 7% of the land is zoned for C/I development (this includes the Town Center district and Performance Zone).
- Only 161.4 acres left for C/I development (C = 19.3 acres, I = 142.1 acres).
- Sterling's Commercial district allows for residential development.

Sterling's "Performance Zone"

- 22 parcels of land
- Frontage on Route 140 (Redemption Rock Trail), Legg Road & Dana Hill Road
- Town water available, but not Town sewer
- 83 acres in size
- 25 acres available for new development
- Largest parcel is 22.8 acres (nursing home)



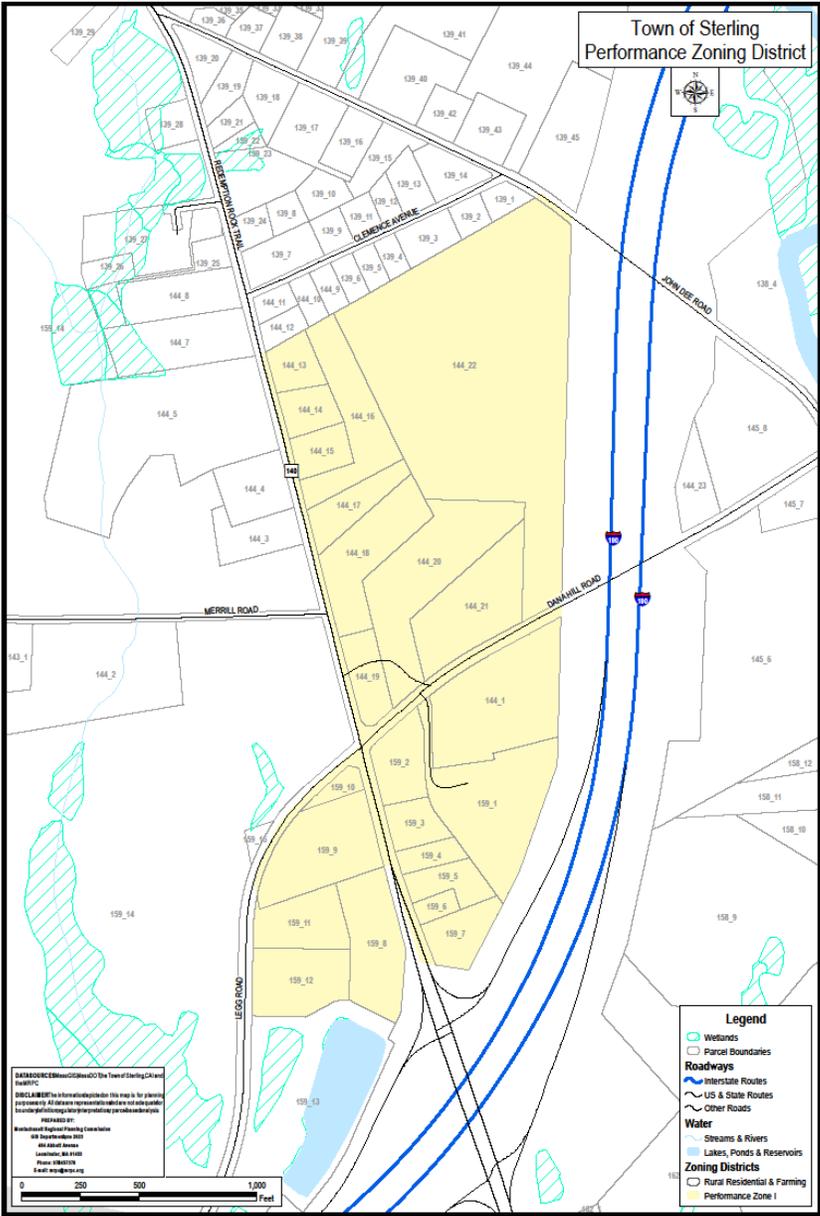






















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Commercial Uses Allowed by Right in Sterling:

- Farms (excluding fur farms & piggeries), farm stands and greenhouses.
- Hotel, motel, inn.
- Commercial recreation or sports facility.
- Commercial automobile parking facility.
- Restaurant, service of food and/or alcoholic beverages.
- Retail sales, including antique shops.
- Service, repair or trade shop.
- Business or professional office.
- Bank or financial institution.
- Indoor sale or rental of new or used cars and trailers.

Commercial Uses Allowed by Special Permit in Sterling:

- Hospital or sanitarium.
- Commercial kennel, animal hospital, veterinarian office.
- Major commercial project (50,000 square feet of building floor space).
- Restaurant drive-in.
- Restaurant fast food.
- Sale, lease and manufacture of firearms and/or ammunition.
- Open air display area, outdoor retail sales.
- Motor vehicle service station.
- Motor vehicle repair or body shop.
- Sale or rental of new or used cars and trailers in open lot.
- Bed & breakfast.
- Place of amusement.
- Drive-in or freestanding ATM.

What other communities allow for commercial development

(Acton, Holden, West Boylston, Westminster)

- Retail stores limited to 25,000 square feet of gross floor area.
- Restaurants with outside patios or decks.
- Brewery with restaurant and/or retail component.
- Studios for arts and handcrafts.
- Mortuary, undertaking or funeral home.
- Fabrication and sales of gravestones.
- Building supply store.
- Self-storage (mini warehouse facilities).
- Car washing establishments.
- Laundries and dry-cleaning plants.
- Printing, binding, publishing and related arts and trades.
- Bottling of beverages, including spring water.
- Artisanal manufacturing.
- Combined business and dwelling.
- Business centers (3 or more businesses up to a max of 100,000 sq. ft. of floor space).

What else would you like to see?

Next Steps:

- Translate your preferences into changes to the Protective Bylaw.
- Review changes with Town Counsel.
- Present changes to Sterling's various boards, commissions & committees.
- Hold another public forum to present the changes to the public for feedback.
- Bring changes to an annual Town Meeting (target date: May 2025).

Thanks for your help and stay tuned for updates!

www.sterling-ma.gov/planning-board

Stephen Wallace, Town Planner
Butterick Municipal Building, Room 202
978-422-8111, Ext. 2320
swallace@sterling-ma.gov