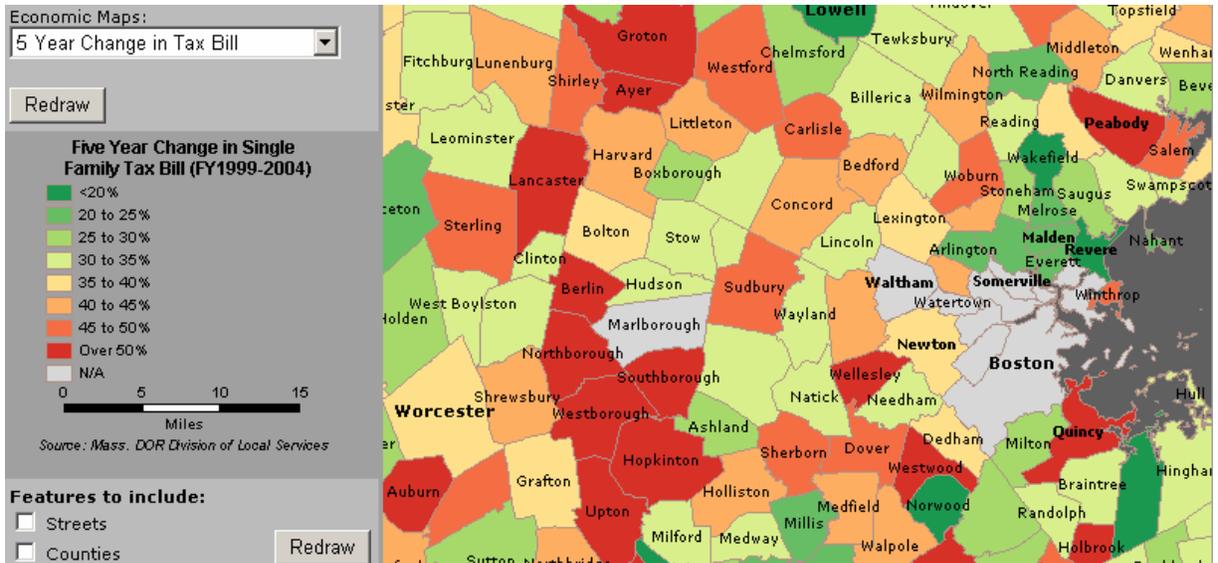




This contrast is more evident when viewed over 5 years, as shown in **Figure 7-2**. In the 5-year period between 1999 and 2004, many nearby towns aggressively grew their commercial tax bases. Northborough, Westborough, Westford, and others saw significant increase in the size and number of commercial properties and retail blocks in their towns. Yet their tax bills over this 5-year period have remained the same or higher than Bolton's in the same time period.

**Figure 7-2**  
**Five-Year Change in Single Family Tax Bill (FY 1999-2004)**  
**Boston and Western Suburbs**



Source: MassStats, [Map](#)

Since much of the already existing commercially zoned land in Bolton has yet to be developed, we do not advocate the creation of additional zones or areas at this time. The MPC recommends that the Planning and Select Boards review current site development bylaws for changes that would promote business development consistent with the strategies recommended later in this chapter.

### 7.1 Supporting Research on the Impact of Business on Taxes

During our research, we discovered many studies that supported advice from the master planning consultants at Daylor. We could not find ones that supported the belief that modest commercial property growth can be a significant (>5%) contributor to tax revenue. Daylor also disagreed with the belief that property tax bills can be greatly reduced through the growth of commercial property in town. The following excerpts from economic research studies support Daylor's opinion. The studies show that it is small, "Main Street" businesses, rather than large commercial entities, which can beneficially impact the town finances.

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“One example is retail, where tax revenues may exceed those generated by residential and some other uses, but not enough to outweigh the high-costs of providing services to retail uses.”

### **Understanding the Fiscal Impacts of Land Use in Ohio**

by Randall Gross, Development Economics, August 2004

<http://www.regionalconnections.org/documents/pdf/fiscalimpacts.pdf>

“Big box retail, shopping centers, and fast-food restaurants cost taxpayers in Barnstable, Massachusetts, more than they produce in revenue, according to this analysis. The study compares the tax revenue generated by different kinds of residential and commercial development with the actual cost of providing public services for each land use. The study found that big box retail generates a net annual deficit of \$468 per 1,000 square feet. Shopping centers likewise produce an annual drain of \$314 per 1,000 square feet. By far the most costly are fast-food restaurants, which have a net annual cost of \$5,168 per 1,000 square feet. In contrast, the study found that specialty retail, a category that includes small-scale Main Street businesses, has a positive impact on public revenue”

(Note: The figures above are described in line item detail in the paper. The primary drivers of increased costs are related to traffic, accidents, trash, and increased service hours, with the associated increases in police and town personnel to handle them.)

### **Fiscal Impact Analysis of Residential and Nonresidential Land Use Prototypes**

by Tischler & Associates, July 2002

[http://amiba.net/pdf/barnstable\\_fiscal\\_impact\\_report.pdf](http://amiba.net/pdf/barnstable_fiscal_impact_report.pdf)

“Over the last 12 years, Concord (NH) added 2.8 million square feet of new commercial and industrial development. Yet tax revenue has actually declined by 19 percent. To make up for lost revenue, the town now has one of the highest property tax rates in the state.”

### **Understanding the Tax Base Consequences of Local Economic Development Programs**

by RKG Associates, 2001

<http://www.rkg1.com/pdfs/taxbasemgmt.pdf>

“Many believe that commercial development is a good way to reduce taxes. This sounds reasonable, but is it true? I have looked at the experience of the 23 towns and cities of Fairfield County, Connecticut, ranging from struggling Bridgeport to prosperous

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Greenwich. The range of commercial development extends from Weston, which has scarcely any commercial property at all, to Stamford, with its international corporate presence. The data show that commercial development has little effect on tax rates, and a negative effect on property values.”

### **Commercial Development: Effect on Taxes and Property Values**

Robert Kleinberg, Bennett's Farm Road, Ridgefield, Connecticut

<http://www.rosaopenspace.org/news/issues/tax-impact.html>

“Tax rates tend to be higher--rather than lower--in towns that have the most commercial activity. Similar studies in Connecticut, New Hampshire, Maine, and Vermont have found similar patterns: in general, average residential tax bills are higher in municipalities that have the most commercial and industrial development

### **Long-term Relationship between Development and Property Tax Bills TPL New England Region report, 1999**

[http://www.tpl.org/tier3\\_cdl.cfm?content\\_item\\_id=1137&folder\\_id=827](http://www.tpl.org/tier3_cdl.cfm?content_item_id=1137&folder_id=827)

## **7.2 Estimating the Impact of Commercial Property Growth on Bolton**

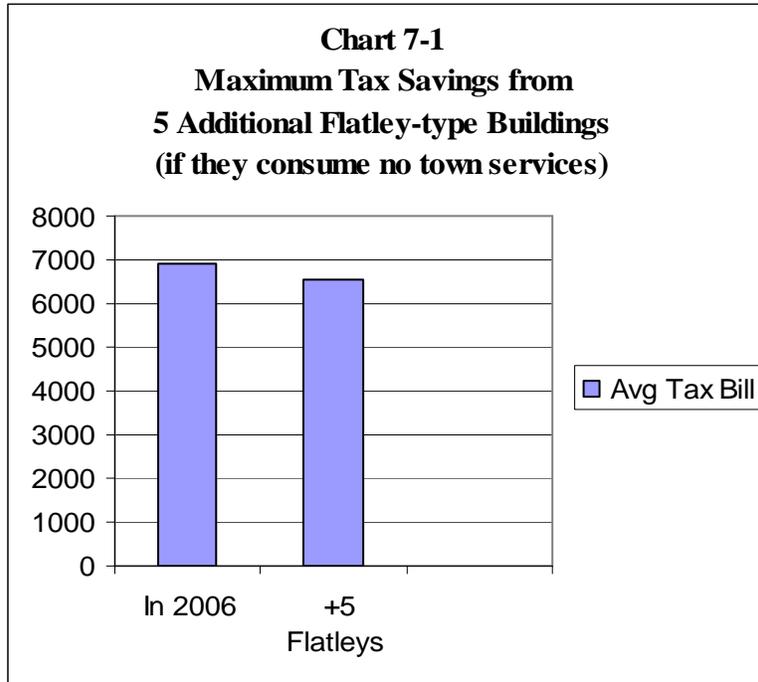
Based on 2005 tax data, the Flatley building paid approximately \$125,000 in taxes for the year, representing less than 1% of the total town budget of \$14.5M. Assuming no portion of this tax would be used for town services, the town would gain \$125K in tax revenue from this property, or less than 1% (0.86%) of the total town budget.

In order to reduce the average household tax bill by approximately 5%, for example, the town would need to raise \$725K in revenues. For the average household, a 5% tax reduction would be ~\$345, based on an average tax bill of \$6911. Based on a commercial property similar to Flatley contributing \$125K, Bolton would need to add more than 5 similar properties to the commercial base in order to reach \$725K. This is based on a conservative estimate that these properties would consume none of the revenues they contribute.

Where would these buildings go? How would the additional traffic fit into an already overburdened infrastructure? How much larger would our public safety and public service groups need to become to address the service needs?

The MPC does not believe that the relatively small reduction in the average tax bill of \$345 would be worth the impact that nine large commercial facilities would have on the character, traffic, town services, and quality of life in Bolton. The MPC has concluded that increasing tax revenue by adding large commercial buildings or big box stores is a losing proposition for Bolton and is not in alignment with the vision statement of this master plan.

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Below you can see current income from several existing commercial properties in Bolton, including The International, the Flatley building, Skinner, and Chelton Microwave. These businesses represent approximately 7.5% of tax revenues. It is interesting to note that several existing homes in Bolton have tax bills similar to, or more than, some of the commercial properties in town.

**Chart 7-2**

<b>Top Tax Payers in Bolton 2005</b>			
Tax Rate \$13.24/K			
<u>taxpayer</u>	<u>05 VALUE</u>	<u>% of Total Value</u>	<u>TAXES \$</u>
International Golf course and residential land	37,425,500.00	4.27%	\$ 495,514
Telephone company	19,276,700.00	2.20%	\$ 255,224
Future Electronics	13,304,700.00	1.52%	\$ 176,154
Office Space ( <i>Flatley</i> )	9,454,100.00	1.08%	\$ 125,172
Utility	2,778,945.00	0.32%	\$ 36,793
Residence	2,237,600.00	0.26%	\$ 29,626
Residence	1,703,500.00	0.19%	\$ 22,554
Telephone company	1,611,300.00	0.18%	\$ 21,334
Auction House	1,551,400.00	0.18%	\$ 20,541
Defense Contractor ( <i>Chelton Microwave</i> )	1,539,500.00	0.18%	\$ 20,383
Crystal Springs	1,467,600.00	0.17%	\$ 19,431
Residence	1,363,000.00	0.16%	\$ 18,046
Residence	1,335,600.00	0.15%	\$ 17,683

In the future, Bolton should support farms and other businesses compatible with the character of the town and local needs of its growing population. Doing so will allow Bolton to bring in new business without creating a greater need for municipal services.

Bolton's farms and other compatible businesses are a win-win situation, as they reinforce the town's character while helping with the tax burden. Data from the economic studies cited above show that these types of businesses generate the most positive tax flow when all factors are considered. They form local business or "agri-tourism" communities that complement each other, such as when people come to Bolton to pick apples, then visit a farm stand, attend an auction, go to Colonial Candies, or tour the winery. The MPC recommends an Agricultural Preservation bylaw, and the establishment of an Agricultural Commission to provide a voice for the farm community in town government.

The recommended strategies below will help guide this growth.

### **7.3 Revise Business Zone Setbacks and Dimensions**

Our current zoning for Business, Industrial or Commercial use requires a 150' building setback which all but requires that parking be located in front of the building. This not only has the effect of limiting what can be built on many of the business-zoned parcels, but may also result in poor design and an awkward relationship of the building to the street. Additional revisions, such as the amount of impervious area required for parking areas, should also be considered.

**Responsible Entity** - The Town Planner and the Planning Board should work to revise the Dimensional Schedule as it relates to Business and Commercial lots.

### **7.4 Encourage Agriculture through an Agricultural Commission**

With a goal of promoting and enhancing the agricultural economy in Bolton, the town should work to create an Agricultural Commission. Town Agricultural Commissions are appointed committees that encourage the pursuit of agriculture and help sustain the community's farm businesses and farmlands. Agricultural Commissions work to address local priorities such as agricultural business development, increasing public awareness of the many benefits of agriculture, leadership development, outreach and education to increase the visibility of farms as businesses, and farmland protection. Agricultural commissions also help farmers network with service providers, resolve potential problems in the early stages and encourage political activity. Given the importance of agriculture to Bolton's way of life, an Agricultural Commission should be given a broad and proactive charter and should also function as an ombudsman, working as a liaison between the farming community and the town's boards and committees.

A Handbook for Agricultural Commissions is available online at: <http://www.mass.gov/agr/agcom/index.htm> The website also lists the towns where Agricultural Commissions have been established. As a result of the MPC's suggestion, interested farmers and citizens have been appointed by the Board of Selectmen to propose an Agricultural Commission for approval at Town Meeting.

*Responsible Entity* – The Board of Selectmen, and interested Farmers and Citizens.

### **7.5 Establish an Agricultural Preservation Bylaw**



Farming and agriculture are integral parts of the Bolton community. The town should pursue a strong Agricultural Preservation Bylaw that will seek to protect farmers from nuisance claims and other unwarranted attacks. The Agricultural Preservation bylaw makes townspeople aware that agricultural activities take place in the town and that the impact of the practice of agriculture is far outweighed by the benefits of farming to the community and society as a whole. This bylaw should apply to the entire town in order to not limit its applicability. See <http://www.mass.gov/agr/docs/farmbylaw.pdf> for the State's Model Right-to-Farm Bylaw.

#### **Young Farmers at the Bolton Fair**

As a result of the MPC's suggestion, interested farmers and citizens have been appointed by the Board of Selectmen to develop and propose a Town of Bolton Agricultural Preservation Bylaw for approval at Town Meeting.

*Responsible Entity* – The Planning Board and proposed Agricultural Commission

### **7.6 Investigate Tax Incentives for Agricultural Ventures**

In data taken from the 2002 Town Survey, town residents clearly indicated that they are not as interested in zoning new land for business use as they are in supporting and growing the agricultural community. As noted throughout this report, the MPC recommends that the town focus on encouraging compatible agricultural activities to build the local economy while maintaining a rural character. The town should seek to investigate possible tax incentives for agricultural ventures that would further that aim.

*Responsible Entity* – The Board of Selectmen, Town Assessors and the proposed Agricultural Commission

### **7.7 Promote Agricultural Tourism**

The town should work with the Commonwealth, local chambers of commerce, and other organizations to ensure that Bolton's farms have adequate directional signage and are designated on the Agricultural Tourism maps. Signage such as that found along highways and state roads in Vermont would help to promote the agricultural tourism in town. Further, the town should work with local farmers and provide support and assistance when possible. There are a number of agricultural-based tourism ideas that should be actively pursued; presuming that the town's farming community is in agreement.

*Responsible Entity* - The proposed Agricultural Commission