

ECONOMIC DEVELOPMENT

INTRODUCTION

The Economic Development section of the Master Plan focuses on those elements that energize a community in terms of generating financial support for the municipal services that local government provides its citizens. Economic development largely defines a community in terms of its overall health, economy and business activities. Therefore, it includes a number of elements – housing, transportation, job creation, business development, land conservation and land use. An effective economic development strategy provides a balance between economic growth and quality of life in a community. In general, it is the quality of life within a community that attracts residents, shoppers and visitors. If there is an overemphasis upon economic growth, the quality of life within a community will suffer. Economic Development is more than a community's economic base – it reflects the overall process to attract private investment to provide jobs for community residents, generate property taxes that support local services, creates new contracting opportunities for local businesses and connects the local community with the regional, state and national economy.

As outlined in the Land Use section, land use and zoning are two different elements to understand in developing an economic development policy. Land use identifies how the commercial and residential parcels are being used, while zoning provides the “tools” to change how the land has been traditionally used in keeping with the stated policies of Town government, as approved by Town Meeting. This section of the Master Plan will outline the demographic data – population, households, employment and income-, the characteristics of the Dunstable workforce and the local economy, the local business conditions (employers, industry composition, wages) in the community, municipal taxation and spending, community assets and liabilities, the local infrastructure, commercial activity, the balance between economic growth and quality of life and economic development opportunities. At the end of this Technical Paper, there are a number of questions to be addressed in order to complete the Economic Development section of the Master Plan.

I. Demographic Characteristics

The Demographic Characteristics section outlines important demographic data related to population, households, employment and income. Within the Land Use section, basic population data was provided. Similarly, within the Housing section, there will be more

specific housing data than what appears in this section. The employment and income data is specific to the Economic Development section. As outlined in the Introduction, each of these elements is intertwined when one discusses economic development. This section is important in establishing the baseline and then determining what the future holds.

A. Population

According to the 2010 U.S. Census, Dunstable had a population of 3,179 residents, which represented 1.1% of the Greater Lowell region's population. With a land area of 16.74 square miles, the population density is approximately 190 persons per square mile. Over the last few decades, the population in Dunstable, as well as in the Greater Lowell region as a whole, has steadily increased. Dunstable remains the smallest town in the Greater Lowell region. Its overall proportion of the region's population has ranged between 1% in 2000 to 1.1% in 2010. Even the projected population for 2040 doesn't show more than a 1.2% share of the region's population for Dunstable. Dunstable's population is projected to increase to 3,652 residents by 2040.

The median age in Dunstable increased from 37.3 years in 2000 to 42.9 years in 2010, according to the U.S. Census. This data also indicates that the majority of Dunstable residents in 2000 and 2010 were between the ages of 35 and 59. However, the potential growth of the elderly population was fairly significant. Utilizing the MassDOT population projections, it is estimated that Dunstable's total population will increase by 14.9% between 2010 and 2040. To determine the projected age distribution of Dunstable's future residents, NMCOG utilized available data from Metro Future age cohort breakdowns. The age cohort breakdowns have been applied to the MassDOT projections so that the numbers are consistent. This data provides a useful indication of the future age distribution of Dunstable residents.

Table 2.1: Projected Age Distribution of Dunstable Residents (2020-2040)

Age Groups	2020		2030		2040		Percent Change 2010 - 2040
	Number	Percent	Number	Percent	Number	Percent	
0-9 years	394	12.1	431	12.7	460	12.6	22.7
10-19 years	510	15.7	533	15.7	573	15.7	-6.8
20-24 years	120	3.7	105	3.1	110	3.0	-6.8
25-39 years	477	14.6	506	14.9	533	14.6	76.5
40-59 years	1,212	37.2	1,170	34.4	1,204	33.0	-4.4
60-74 years	491	15.1	577	17.0	644	17.6	59.4
75+ years	52	1.6	75	2.2	128	3.5	21.9
Total Population	3,256	100.0	3,397	100.0	3,652	100.0	14.9

Source: Projections developed by MassDOT in consultation with NMCOG, utilizing MetroFuture age cohort breakouts.

B. Households

Household growth rates in both Dunstable and the Greater Lowell region have experienced a slow-down since the turn of the century. However, Dunstable's slowdown was not as dramatic as the region's. In 2000 there were 923 households in Dunstable and by 2010 an additional 140 households (15.2%) had been added in the town's housing stock. The region's household growth rate decreased from 10.2% in 2000 to 4.7% in 2010. This slowdown was due principally to the housing and economic downturn in 2007-2008.

Household growth in Dunstable is expected to decline from 15.2% in 2010 to 10% (1,590 households) in 2040 (see Table 2.2). This is dissimilar from the regional household growth rates, which are expected to increase from 4.7% in 2010 to 5.1% over the same timeframe. Over the next twenty- five years, Dunstable's households are expected to comprise only 1.3% of the region's total households. Yet, Dunstable's household growth rate after 2020 will continue to outstrip the region's household growth rate by two times leveling off at 10% in 2040. The current household projections developed by MassDOT with input from NMCOG are outlined below. Note: The Percent Change columns begin with 1990 to 2000 and then continues with 2000 to 2010, 2010 to 2020, 2020 to 2030 and 2030 to 2040.

Table 2.2: Total Number of Households (2000-2040)

Year	Dunstable	Percent Change Town	Total Number Greater Lowell	Percent Change Region	Dunstable Households as a Percent of the Region
2000	923	33.4	99,342	10.2	0.9
2010	1,063	15.2	104,022	4.7	1.0
2020	1,271	19.6	113,223	8.8	1.1
2030	1,446	13.8	119,635	5.7	1.2
2040	1,590	10.0	125,795	5.1	1.3

Source: 2000 and 2010 U.S. Census; Projections developed by Mass DOT in consultation with NMCOG

C. Employment

Similar to the population and household projections outlined previously, MassDOT developed employment projections for the Greater Lowell region. These projections are an estimate of the future number of jobs within each community. MassDOT applied a "top-down" approach that utilizes employment projections for the state, as a whole, and then assigns shares of these figures to the MPO regions and individual communities within those regions. Based upon this approach, the employment projections at the state level are more accurate than those for the region or individual communities. Outlined on the next page in Table 2.3 are the local and regional employment projections for Greater Lowell:

Table 2.3: Local and Regional Employment Projections: 2010-2040

Community	2010	2020	2030	2040	% change 2010-2040
Billerica	20,693	22,916	22,779	23,012	11.2
Chelmsford	20,846	22,547	23,152	23,389	12.2
Dracut	4,852	6,160	6,224	6,287	29.6
Dunstable	256	246	249	251	-2.0
Lowell	33,381	35,729	36,098	36,467	9.2
Pepperell	1,386	1,725	1,743	1,760	27.0
Tewksbury	15,294	15,400	15,559	15,718	2.8
Tyngsborough	4,145	4,928	4,979	5,030	21.4
Westford	11,743	13,552	13,692	13,834	17.8
Greater Lowell Region	112,596	123,203	124,475	125,748	11.7

2010 U.S. Census, U.S. Census Bureau. Projections developed by Mass DOT in consultation with NMCOG

MassDOT projected consistent steady employment growth over the next three decades with overall employment growth anticipated to increase by 11.7% for the region. However, in the case of Dunstable, there will be a 2% decrease in the number of jobs for the same time period.

D. Income

This section examines median household, family and per capita incomes in Dunstable, as well as the income distribution for households. This data is critical to determining what level of financial support there is in the community to support commercial activity.

1. Median Household Income

Over the past twenty years, Dunstable has seen a significant increase in its median household income, which far exceeds that of the Greater Lowell region as a whole. More recently, the median household income in Dunstable increased from \$86,991 in 2009 to \$118,523 in 2011-2015, as outlined below in Table 2.4.

Table 2.4: Median Household Income for Selected Geographies (1999 and 2011-2015)

Geographic Area	1999	2011-2015	% Change (1999-2011/2015)
Dunstable	\$86,991	\$118,523	36.2
Greater Lowell Region	\$58,472	\$76,728	31.2
Massachusetts	\$50,502	\$68,563	35.8
United States	\$41,944	\$53,889	28.5

Source: U.S. Census Bureau, 2000 U.S. Census and 2011-2015 American Community Survey

Based upon the 2011-2015 ACS data, Dunstable's median household income was one and a half times the Greater Lowell region's median household income. The Commonwealth of Massachusetts experienced increases in median household income of 35.8% between 1999 and 2011-2015, while the nation saw median household incomes increase by 28.5%.

2. Median Family Income

Median family income is often greater than median household income because a household can consist of single individuals, whereas family income always consists of two or more individuals. Over the past twenty years, median family incomes have increased in Dunstable, the Greater Lowell region, Massachusetts and the United States. As outlined in Table 2.5 below, Dunstable's median family income increased from \$115,964 in 2005-2009 to \$133,942 in 2009-2013 – an increase of 15.5%. Median family incomes also increased across the region, state and nation, albeit not at the same level of growth experienced in Dunstable. When adjusted for inflation, Dunstable experienced 6% growth in median family income. In contrast, the Greater Lowell region, Massachusetts and the United States all experienced negative growth in inflation adjusted median family income, with incomes decreasing by 0.8%, 3.6% and 4.8% respectively.

Table 2.5: Median Family Income for Selected Geographies (1999 and 2011-2015)

Geographic Area	1999	2011-2015	% Change (1999-2011/2015)
Dunstable	\$92,270	\$136,328	47.7
Greater Lowell Region	\$67,583	\$95,071	40.7
Massachusetts	\$61,664	\$87,085	41.2
United States	\$50,046	\$66,011	31.9

Source: U.S. Census Bureau, 2000 U.S. Census and 2011-2015 American Community Survey

3. Per Capita Income

The U.S. Census Bureau defines per capita income as the average income received in the past twelve months for every man, woman, and child in a geographic area. It is derived by dividing the total income of all people 15 years old and over in a geographic area by the total population in that area. Income is not counted for people under 15 years old even though those individuals are included in the denominator of per capita income. As outlined in Table 15 on the next page, Dunstable's per capita income increased from \$39,799 in 2005-2009 to \$48,133 in 2009-2013 for an increase of 20.9%. This increase in per capita income is twice as high as the region's per capita income (10.3%), three times as high as the state's per capita income (6.9%) growth and five times higher than the national per

capita income (4.1%) growth. Individuals residing in Dunstable have done much better than those in the region, state and nation as shown in Table 2.6 on the next page.

Table 2.6: Per Capita Income for Selected Geographies (1999 and 2011-2015)

Geographic Area	1999	2011-2015	% Increase (1999-2011/2015)
Dunstable	\$30,608	\$48,987	60.0
Greater Lowell region	\$24,403	\$35,160	44.1
Massachusetts	\$25,952	\$36,895	42.2
United States	\$21,587	\$28,930	34.0

Source: U.S. Census Bureau, 2000 U.S. Census and 2011-2015 American Community Survey

When adjusted for inflation, Dunstable experienced a per capita income growth of 11%, while the per capital income for the region increased by 1.2%. State and national per capital income, when adjusted for inflation, decreased by 1.9% and 4.5% respectively.

4. Income Distribution

While median household and median family incomes are valuable social and economic indicators, they do not account for the range, or distribution, of household incomes in a community. In 2011-2015 the median household income in Dunstable was \$118,523, which was lower than the median family income of \$136,328. As previously mentioned, it is typical for household income to be less than family income because, by definition, a “family” includes at least two people, which often includes two income earners. Outlined below in Table 2.7 is the income distribution for households in Dunstable for 1999 and 2011-2015.

Table 2.7: Income Distribution for Households (1999 and 2011-2015)

	1999		2011-2015		Percent Change
	Number	Percent	Number	Percent	1999 – 2011/2015
Less than \$10,000	17	1.8	20	1.7	17.6
\$10,000-\$14,999	23	2.5	5	0.4	-78.3
\$15,000-\$24,999	43	4.6	48	4.1	11.6
\$25,000-\$34,999	35	3.7	47	4.0	34.3
\$35,000-\$49,999	88	9.4	101	8.6	14.8
\$50,000-\$74,999	165	17.6	88	7.5	-46.7
\$75,000-\$99,999	235	25.1	140	11.9	-40.4
\$100,000 - \$ 149,999	196	20.9	308	26.2	57.1
\$150,000 - \$ 199,999	91	9.7	202	17.2	122.0
\$ 200,000 or more	43	4.6	217	18.5	404.7
Total	936	99.9	1,176	100.1	25.6

II. Characteristics of the Workforce

In making determinations in terms of where to locate businesses, the chief criteria addressed by investors is the quality of the workforce within that community and in the region. This section focuses on the characteristics of the Dunstable workforce from several different perspectives – educational attainment, current employment sectors for Dunstable residents, commuting patterns and employment levels and unemployment. For the most part, the local workforce is well educated, works principally in the services sector and commutes outside Dunstable for employment. The employment and unemployment figures for the past ten years have been consistent with the regional employment and unemployment figures.

A. Educational Attainment

Local communities and regions cannot develop a skilled workforce without investing in universities, community colleges and the K-12 education system. The level of education attainment and the quality of education within a community represent key indicators of the quality of life, workforce preparedness and economic potential for that community. Dunstable does well in these areas and its school system attracts residents to the community.

Outlined in Table 2.8 below is a comparison of the educational attainment between Dunstable and the Greater Lowell region for 2011-2015. Dunstable is a member of the Groton-Dunstable Regional School District, which consists of a high school, two middle schools and three elementary schools. In comparing the two areas, Dunstable has more highly educated residents than the Greater Lowell region. Dunstable residents with Bachelor's Degrees and Graduate or Professional Degrees represent more than 55% of the population, while this group only

Table 2.8: Years of School Completed, Dunstable and Greater Lowell Region (2011-2015)

Subject	Dunstable		Greater Lowell Region	
	2011-2015	Percent	2011-2015	Percent
Less than 9th grade	24	1.07	11,178	4.66
9th - 12th, No Diploma	32	1.43	13,415	5.59
High School Diploma or equivalent	452	20.22	70,663	29.47

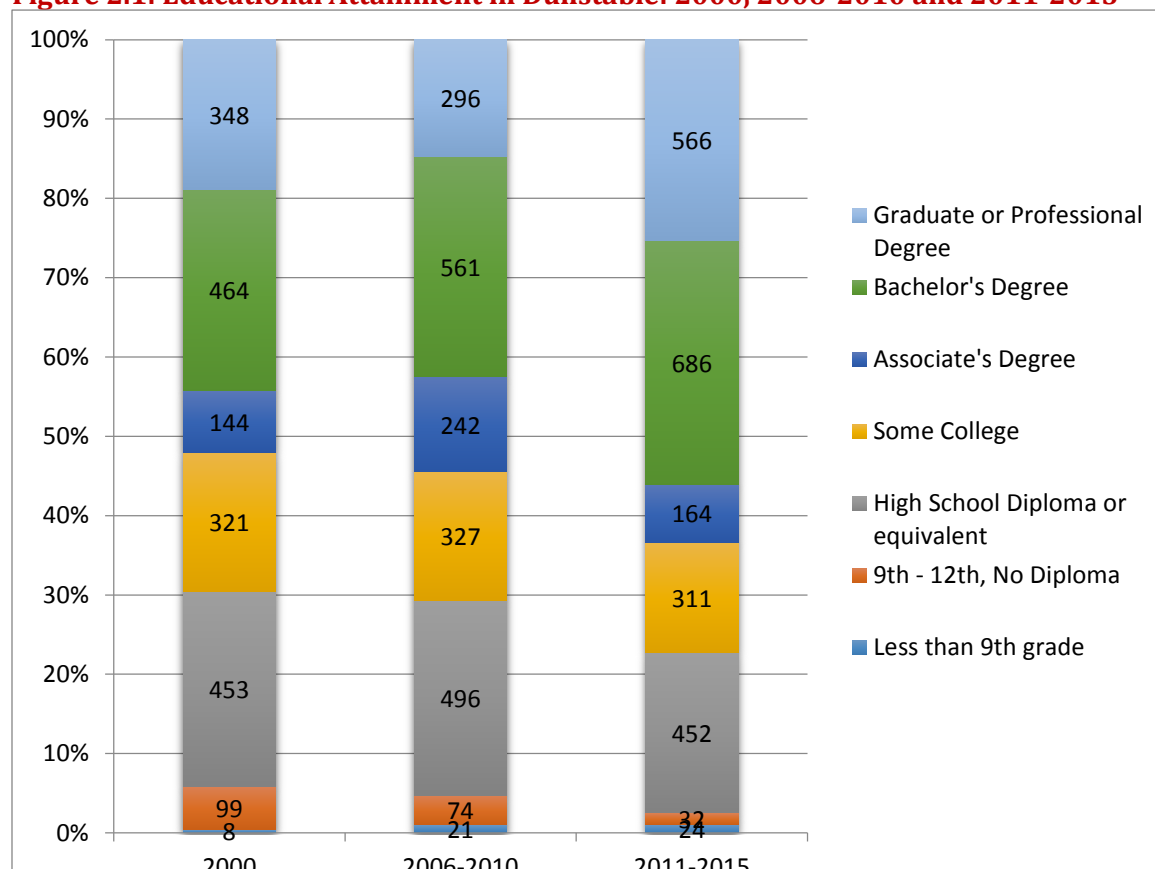
Some College	311	13.91	41,120	17.15
Associate's Degree	164	7.34	18,893	7.88
Bachelor's Degree	686	30.69	51,058	21.29
Graduate or Professional Degree	566	25.32	33,456	13.95
Total	2,235	99.98	239,783	99.99

Source: 2011-2015 American Community Survey. Due to rounding, the totals may not add up to 100%.

represents 45% of the Greater Lowell population. Only 1.5% of Dunstable's population didn't have a High School diploma or equivalent, while more than 10% of the Greater Lowell population had not graduated from High School or received an equivalent degree.

The educational attainment level in Dunstable has increased as shown in Figure 2.1, which compares the educational attainment level for 2000, 2006-2010 and 2011-2015. Residents with Graduate or Professional Degrees increased from 348 residents in 2000 to 566 residents in 2011-2015. The percentage of all adult residents in this category increased from 18.9% in 2000 to 25.3% in 2011-2015. Similarly, those with a Bachelor's Degree (464) in 2000 increased from 25.3% of the total adult population to 30.7% or 686 residents in 2011-2015. However, while those with just a High School Diploma or equivalent only decreased from 453 adults in 2000 to 452 adults in 2011-2015, the overall percentage decreased from 24.7% to 20.2%. Overall, those adults with some college experience or greater totaled 1,277 (69.5%) in 2000 and 1,727 (77.3%) in 2011-2015. Those adults without a High School Diploma decreased from 107 (5.8%) in 2000 to 56 (2.5%) in 2011-2015, although those with less than a 9th grade education actually increased from 8 (0.4%) to 24 (1.1%) in 2011-2015.

Figure 2.1: Educational Attainment in Dunstable: 2000, 2006-2010 and 2011-2015



Source: 2000 U.S. Census, 2006-2010 and 2011-2015 American Community Survey

Educational performance data for the K-12 system in Dunstable are highlighted through the results from the Massachusetts Comprehensive Assessment System (MCAS) testing that is conducted in the school system. Students who take the test are categorized as advanced and proficient, needing improvement, or warned or failing. Table 2.9 below reflects the percentage of students within each school system that were categorized as proficient or higher in 2015. The Groton-Dunstable students exceed the regional scores in all three categories – ranking second (along with Tyngsborough) to Westford in English/Language Arts, ranking second to Westford in Math and ranking second (along with Tyngsborough) to Westford in Science.

Table 2.9: MCAS Performance for Dunstable and Greater Lowell Region

School District	2015 MCAS % Proficient or Higher		
	English/Language Arts	Math	Science
Billerica	94	80	84
Chelmsford	96	92	90
Dracut	93	82	85
Groton - Dunstable	97	94	92
Lowell	84	69	63
Pepperell (part of North Middlesex Regional School District)	92	76	83
Tewksbury	93	85	84
Tyngsborough	97	91	92
Westford	99	97	96

Source: Massachusetts Department of Education

B. Employment Sectors for Dunstable Residents

Given the high educational attainment levels for the Dunstable adult population, it would be expected that the local workforce would be more engaged in the service-providing domain rather than the goods-producing domain. As outlined in Table 2.10 on the next page, Dunstable residents employed in the goods-producing domain totaled 413 or 27% of the total local workforce in 2000, while Dunstable residents employed in the service-providing domain (1,115) represented 73% of the local workforce. Between 2000 and

2011-2015, there was an 11.7% increase in the number of employed Dunstable residents, which increased the disparity between the two domains. Employment of Dunstable residents in the goods-producing domain decreased by 3.1% between 2000 and 2011-2015, while employment in the service-providing domain increased by 21.2% during the same time period. Overall, the percentage of Dunstable residents employed in the goods-producing domain in 2011-2015 decreased to 22.8%, while those employed in the service-providing domain increased to 77.2%. These changes are likely to continue over the next decade as overall employment in the manufacturing and construction industries declines, while increased employment opportunities become available in the service-providing domain.

Table 2.10: Primary Employment Industries for Dunstable Residents in 2000 and 2011-2015

Industry	2000	2011-2015	Percent Change 2000 - 2011/2015
Goods-Producing Domain	413	400	-3.1
Agriculture, Forestry, Fishing and Hunting, and Mining	24	20	-16.7
Construction	111	99	-10.8
Manufacturing	278	281	1.1
Service-Providing Domain	1,115	1,351	21.2
Wholesale Trade	71	58	-18.3
Retail Trade	131	175	33.6
Transportation, Warehousing, and Utilities	41	35	-14.6
Information	78	49	-37.2
Finance, Insurance, and Real Estate (including leasing)	97	105	8.2
Professional, Scientific, Management, and Administrative and Waste Services	187	328	75.4
Educational Services, Health Care, and Social Assistance	340	357	5.0
Arts, Entertainment, Recreation, Accommodation and Food Services	95	114	20.0
Other services, except Public Administration	42	66	57.1
Public Administration	73	64	-12.3
TOTAL	1,568	1,751	11.7

Source: 2000 Census and 2011-2015 American Community Survey

Within the service-providing domain, the major growth industries between 2000 and 2011-2015 were Professional, Scientific, Management, and Administrative and Waste Services (75.4%), Other services, except Public Administration (57.1%), and Retail Trade (33.6%).

C. Commuting Patterns

In addition to understanding the industries where Dunstable residents work, it is also important to know their place of employment and their mode of transportation in getting to work. Based upon information in the 2011-2015 American Community Survey, 86.3% of Dunstable residents work in Massachusetts with nearly three-quarters of total workers employed in Middlesex County. As outlined in Table 2.11 on the next page, only 13.7% of Dunstable residents commuted to work outside of Massachusetts, principally in New Hampshire and Maine.

Table 2.11: Journey to Work Data for Dunstable Residents in 2011-2015

Place of Employment	Number of Workers	Percentage of Workers
Massachusetts	1,488	86.3
Middlesex County	1,250	84.0
Outside of Middlesex County	238	16.0
Outside of Massachusetts	236	13.7
Total Workers	1,724	100.0

Source: U.S. Census Bureau, 2011-2015 American Community Survey

As outlined below in Table 2.12, 89% of Dunstable residents, aged 16 or older, commuted to work by car, either alone or, less frequently, in carpools. Only .8% of Dunstable residents utilized public transit to commute to work, while .6% walked and 9.3% worked at home. With nearly 10% of Dunstable residents working at home, it reflects the cottage industries that have developed in the community. The average travel time to work was 32.1 minutes for all modes of travel, while nearly a quarter of workers (22.3%) spent less than 20 minutes commuting to work.

Table 2.12: Mode of Transportation to Work 2011-2015

Mode	Number	Percent
Car, truck, or van -- drove alone	1,467	85.1
Car, truck, or van -- carpooled	68	3.9
Public transportation (excluding taxicab)	13	0.8
Walked	11	0.6
Other means	5	0.3
Worked at home	160	9.3
Total Workers	1,724	100.0

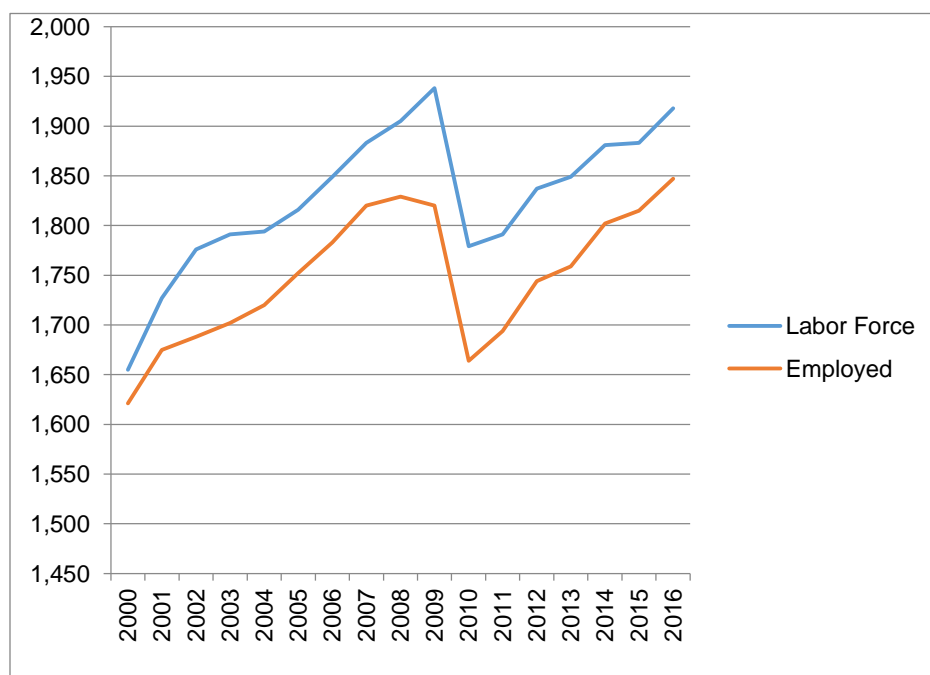
Source: U.S. Census Bureau, 2011-2015 American Community Survey

D. Employment Levels and Unemployment

Since 2000 the Dunstable Labor Force and Employment figures have largely mirrored what has happened in the Greater Lowell region and Massachusetts. Beginning in July 2000, the

Dunstable labor force consisted of 1,655 residents and 97.9% of these residents (1,621) were employed at that time. As shown in Figure 2.2 on the next page, the labor force figures increased until 2009 when there were 1,938 residents in the workforce, which represented an increase of 17.1% in the workforce since 2000. However, the number of employed residents increased only until 2008 when there were 1,829 employed residents, which represented a 12.8% increase in employed residents since 2000. At this point, the employed residents represented only 96% of the total workforce largely due to the impact of the national recession. The labor force declined by 8.2% to 1,779 in 2010, but then began to increase again in 2011. The number of employed only decreased by 9 or 0.5% between 2008 and 2009, but the level continued to decrease by 156 employees or 8.6% between 2009 and 2010. At that point, the number of employed compared to the labor force was 93.5%, which represented the height of unemployment during the past sixteen years. The labor force figures have continued to improve since 2010, but the 2016 figures (1,918) still fall short of the high point in 2009 (1,938). However, the 2016 employment figures (1,847) finally exceeded the employed figures high point in 2008 (1,829). This figure represents 96.3% of the labor force, which pales in comparison to the 2000 ratio of 97.9%.

Figure 2.2: Dunstable Labor Force and Employment Numbers, 2000-2016

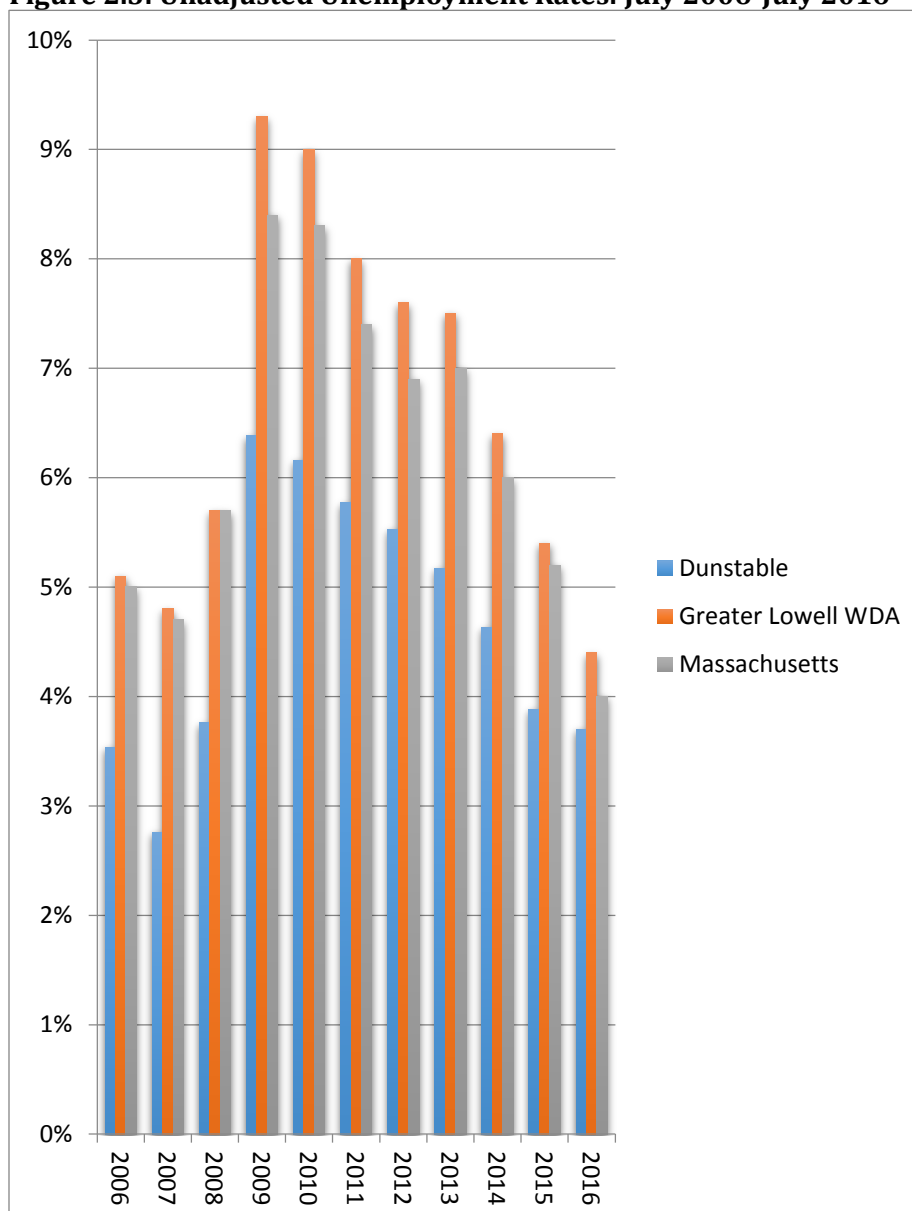


Source: Executive Office of Labor and Workforce Development, Labor Force and Unemployment Data

In comparing the unemployment figures for Dunstable, the Greater Lowell Workforce Development Area (WDA) and the Commonwealth of Massachusetts in Figure 2.3, it is fairly striking that the unemployment rate for the Greater Lowell WDA has been generally

equal to or higher than the state's unemployment rate. This reflects the impact of Lowell's unemployment rate on the other seven communities (Billerica, Chelmsford, Dracut, Dunstable, Tewksbury, Tyngsborough and Westford) within the Greater Lowell WDA. The unemployment rates for Dunstable have generally been two percentage points lower than that for either the State or Greater Lowell WDA. The unemployment rate pattern between 2006 and 2016 reflects the impact of the national recession beginning in 2009 and continuing until Dunstable's unemployment rate was below 4% in 2015. The unemployment rates for Dunstable, the Greater Lowell WDA, and the State still have not reached the lower unemployment rates in 2006. Perhaps the July 2017 unemployment rates will finally match the July 2006 figures.

Figure 2.3: Unadjusted Unemployment Rates: July 2006-July 2016



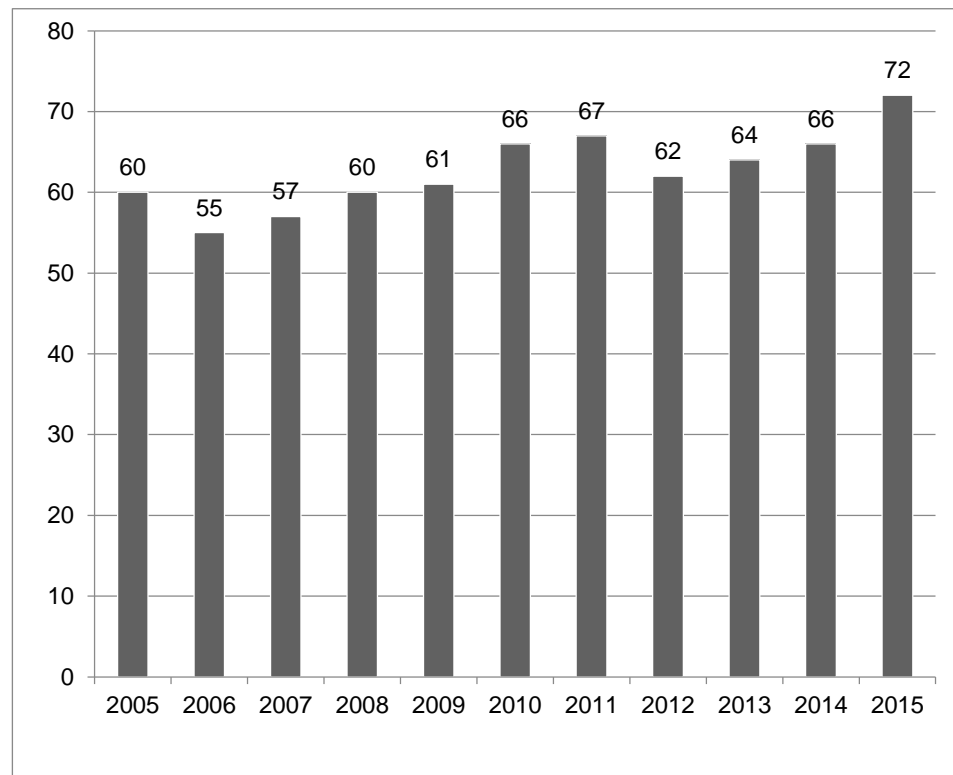
III. Economic and Business Conditions in Dunstable

The Economic and Business Conditions in Dunstable are largely established through its business sector and town government. This section will focus upon the private establishments in Dunstable, in terms of the total number of establishments, average monthly employment and average weekly wages. The next step will be to focus upon the industry composition in Dunstable, similar to what was done for the industries where Dunstable residents worked and to utilize a location quotients analysis comparing the industries in Dunstable with those in the Greater Lowell Workforce Development Area (GLWDA). This analysis will highlight the relative strength of Dunstable businesses in relation to the region. To the extent possible, we will identify the major employers in Dunstable and provide information on total wages and average weekly wages by industry. Local business issues, such as municipal taxation and spending, will also be summarized.

A. Business Patterns in Dunstable

The number of business establishments in Dunstable has not varied much since 2005 although the 2015 figures suggest that slightly more businesses are located in Dunstable than in the past decade. Outlined below in Figure 2.4 are the number of establishments in Dunstable from the third quarter in 2005 to the third quarter in 2015.

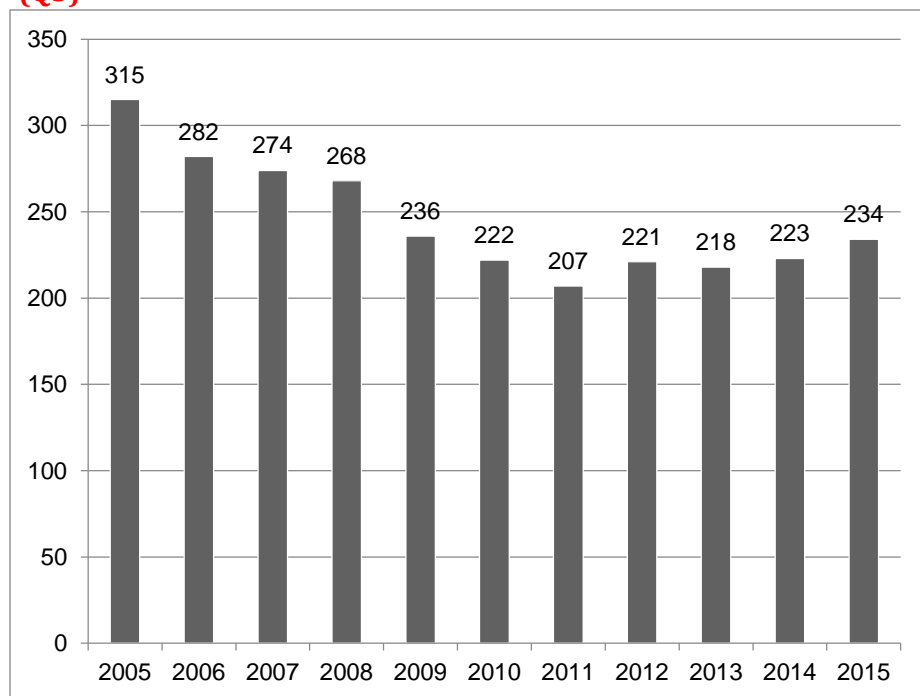
Figure 2.4: Total Number of Establishments in Dunstable, 2005 (Q3)-2015 (Q3)



Source: Executive Office of Labor and Workforce Development ES-202 Reports

The average monthly employment figures for Dunstable establishments, as shown in Figure 2.5 on the next page, reflect the decline in the average employment for these establishments. The high point for employment was in 2005, while the low point came in 2011 just after the national recession. These figures have rebounded somewhat to 234 employees per month as of the third quarter of 2015, but it is apparent that Dunstable residents largely commute to work outside the community.

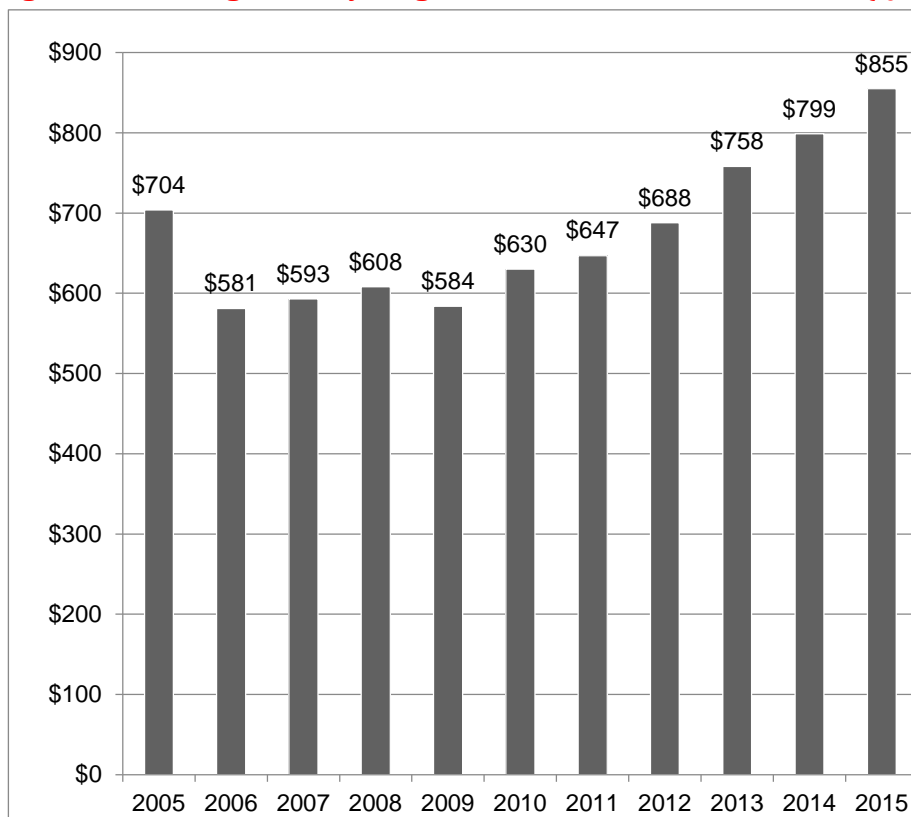
Figure 2.5: Ave. Monthly Employment for Dunstable Establishments, 2005 (Q3) - 2015 (Q3)



Source: Executive Office of Labor and Workforce Development ES-202 Reports

The average weekly wages paid to Dunstable workers are outlined on the next page in Figure 2.6. These figures compare the average weekly wages for Dunstable workers during the third quarter of each year. Initially, there is a decrease in average weekly wages from \$704 in 2005 to \$581 in 2006. The average weekly wages then begin to increase from \$581 in 2006 to \$608 in 2008, but then slip to \$584 in 2009 when the impacts of the national recession were being felt. From that point on, the average weekly wages steadily increased until they finally exceeded the 2005 figure in 2013 (\$758) and then increased to \$855 in 2015.

Figure 2.6: Average Weekly Wages for Dunstable Workers, 2005 (Q3) - 2015 (Q3)



Source: Executive Office of Labor and Workforce Development ES-202 Reports

C. Dunstable Employers

The list of Dunstable employers keeps changing from year to year. For the most part, the largest employers in the community are the Town and the School Department. In developing an overall list of employers, we utilized data provided by InfoGroup, which is the data source that the Commonwealth uses as well. We submitted this data to the

Assessor's Office for a comparison with the records in that office and it was determined that 29 of the 78 businesses listed as part of the InfoGroup data could be accounted for. The Assessor's Office also provided a listing of personal property information that lists other property owners as well. We also received a list of public and private employers from Walter Alterisio that listed 41 employers consisting of Town and School Departments, the Post Office, local farms, auto repair shops, antique dealers, landscaping firms, a florist and real estate, financial and tax services. A comprehensive list of employers will be included in the Appendix.

D. Wages

Table 2.13 on the next page compares the total wages and average weekly wages by industry for the third quarter of 2005 and the third quarter of 2015. The total wages for all industries actually decreased by 9.8% from \$2,882,223 in 2005 to \$2,599,944 in 2015. This decrease was largely attributable to the 19.3% decrease in the total wages for the service-providing domain. The Professional and Business Services industry experienced a 34.9% decrease in total wages. At the same time, the average weekly wages increased by 21.4% from \$704 in 2005 to \$855 in 2015. Both the goods-producing (30.3%) and service-providing (17.5%) domains experienced increases in average weekly wages. Within the service-providing domain, the Trade, Transportation and Utilities industry had a 236.9% increase in average weekly wages, while the Professional and Business Services industry experienced a 7% increase in average weekly wages, notwithstanding their significant decrease in total wages. The relatively high average weekly wages in some industries is likely due to the small number of businesses within the industry.

Table 2.13: Total Wages and Average Weekly Wages by Industry: 2005 (Q3) and 2015 (Q3)

Industry	Total Wages (Q3)		Percent Change 2005- 2015	Average Weekly Wages (Q3)		Percent Change 2005- 2015
	2005	2015		2005	2015	
Goods-Producing Domain	\$866,984	\$972,752	12.2	\$660	\$860	30.3
Construction	\$837,531	\$972,752	16.1	\$664	\$860	29.5
Service-Providing Domain	\$2,015,239	\$1,627,192	-19.3	\$724	\$851	17.5
Trade, Transportation and Utilities	\$114,712	\$216,282	88.5	\$260	\$876	236.9
Wholesale Trade	NA	\$87,642	NA	NA	\$1,124	NA
Retail Trade	\$74,112	NA	NA	\$190	NA	NA

Transportation and Warehousing	NA	\$110,506	NA	NA	\$1,063	NA
Information	NA	\$163,191	NA	NA	\$4,184	NA
Professional and Business Services	\$574,852	\$327,251	-34.9	\$941	\$1,007	7.0
Professional and Technical Services	\$136,592	\$214,221	56.8	\$1,751	\$1,177	-32.8
Administrative and Waste Services	\$438,260	NA	NA	\$822	NA	NA
Education and Health Services	NA	\$299,918	NA	NA	\$641	NA
Health Care and Social Assistance	NA	\$40,001	NA	NA	\$220	NA
Other Services	\$55,240	\$110,989	100.9	\$472	\$657	39.2
Total, All Industries	\$2,882,223	\$2,599,944	-9.8	\$704	\$855	21.4

Source: Executive Office of Labor and Workforce Development ES-202 Reports NA-Not Available

E. Municipal Taxation and Spending

Dunstable has a single-rate, uniform tax policy, which many companies may consider to be an advantage in locating in the community. In Fiscal Year 2017, Dunstable's commercial and industrial tax rate at \$17.02 per \$1,000 was at the low end of the region's commercial and industrial tax rates – only higher than Dracut (\$14.50), Pepperell (\$15.89), and Westford (\$16.61). The relatively low commercial and industrial tax rate would appear to make the community competitive for business, particularly that portion of Dunstable close to Route 3. The tax rates for the Greater Lowell communities are shown below in Table 2.14:

Table 2.14: Fiscal Year 2017 Tax Rates by Class for the Greater Lowell region

Community	Residential	Open Space	Commercial	Industrial	Personal Property
Billerica	\$14.09	\$0.00	\$33.44	\$33.44	\$33.44
Chelmsford	\$17.92	\$0.00	\$17.92	\$17.92	\$17.92
Dracut	\$14.50	\$0.00	\$14.50	\$14.50	\$14.50
Dunstable	\$17.02	\$0.00	\$17.02	\$17.02	\$17.02
Lowell	\$14.92	\$0.00	\$30.64	\$30.64	\$30.64
Pepperell	\$15.89	\$0.00	\$15.89	\$15.89	\$15.89
Tewksbury	\$16.31	\$0.00	\$27.82	\$27.82	\$27.82
Tyngsborough	\$17.16	\$0.00	\$17.16	\$17.16	\$17.16
Westford	\$16.41	\$0.00	\$16.61	\$16.61	\$16.41

Source: Mass. Department of Revenue, Division of Local Services 2017 Rate per \$1,000 evaluation

According to the Massachusetts Department of Revenue's Division of Local Services,

\$8,488,763 in property taxes were levied in Fiscal Year 2017. As shown in Table 2.15 below, approximately, 96.8% of these taxes were generated through residential properties given the small proportion of commercial and industrial properties. Residential properties had a total assessed valuation of \$482,972,280. Commercial properties provided \$80,907 in taxes or less than 1% of the total tax levy. The industrial tax levy was only \$ 52,733, which was .62% of the total tax levy. The additional tax levy was raised through \$134,935 in personal property taxes.

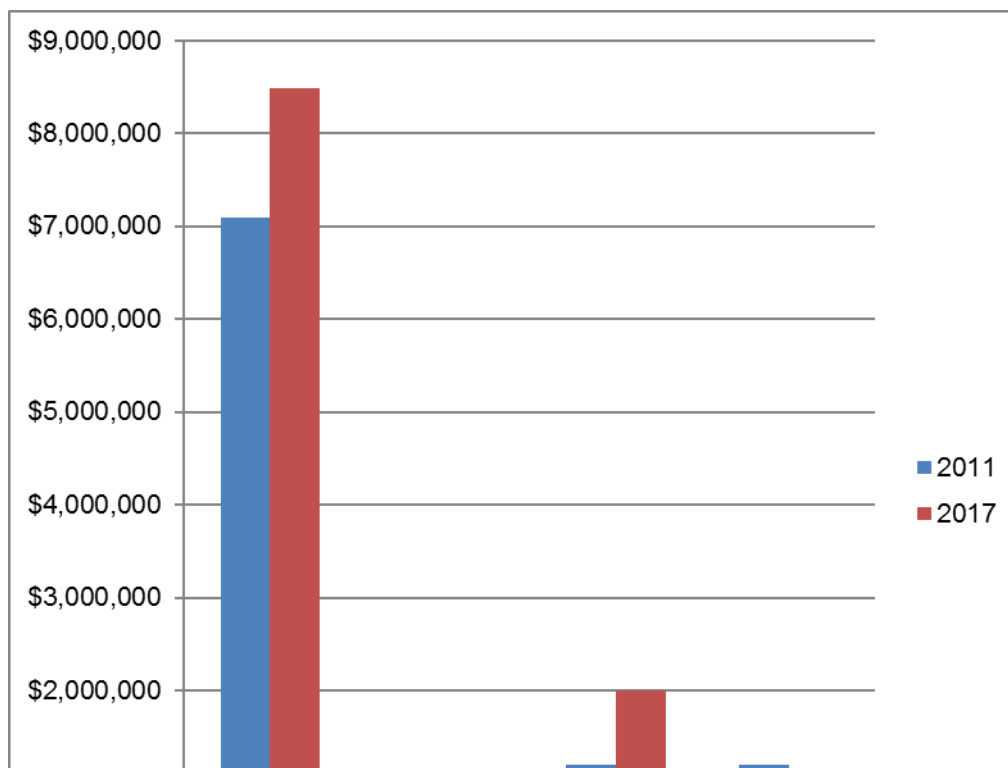
Table 2.15: Fiscal Year 2017 Tax Classification

Tax Classification	Assessed Values	Tax Levy	Tax Rate
Residential	\$482,972,280	\$8,220,188	\$17.02
Commercial	4,753,654	80,907	17.02
Industrial	3,098,300	52,733	17.02
Personal Property	7,928,024	134,935	17.02
Total	\$498,752,258	\$8,488,763	\$17.02

Source: MA Department of Revenue Division of Local Services At a Glance Report

Dunstable's annual operating budgets were affected by the national economic recession back in the late 2000s. Most communities in the Commonwealth have not recovered from that situation. As outlined in Figure 2.7 below, Dunstable has become more dependent upon the property tax levy – moving from 72.9% in 2011 to 76.7% in 2017. This reflects the reduction in the availability of federal and state funds for local communities. Overall revenue sources increased by 13.8%, but the major share of that increase was from local taxes. It should also be pointed out that State Aid increased by \$65,732 during this period of time as well. Other Available funds actually decreased by \$926,549 or by 77.3%.

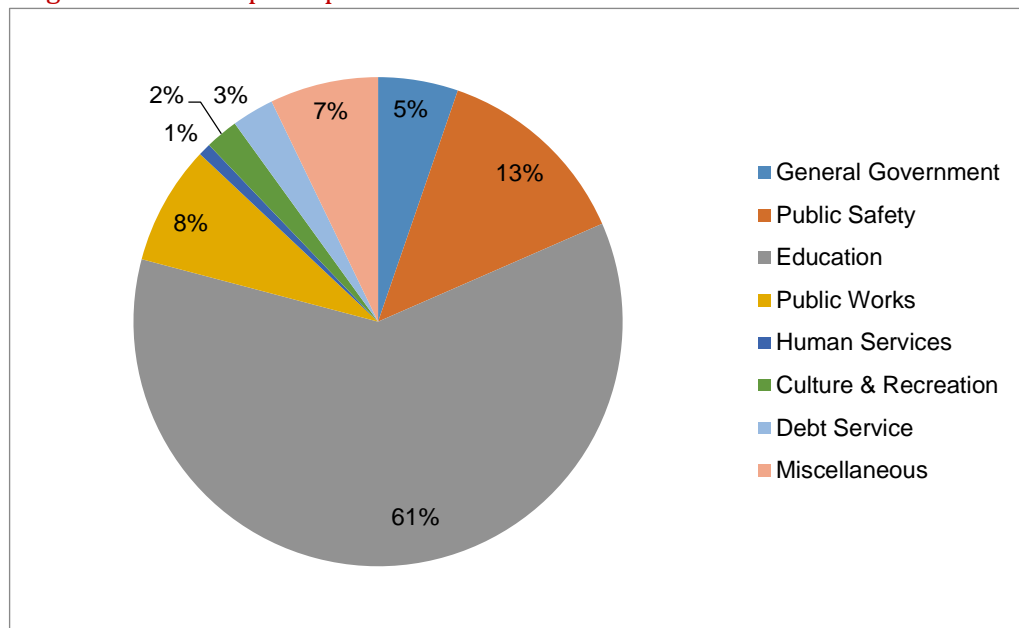
Figure 2.7: Municipal Revenue Sources, Comparing FY 2011 & 2017



Source: MA Department of Revenue, Division of Local Services. At a Glance Report.

Figure 2.8 on the next page shows the breakout of municipal expenditures for FY 2017. More than 61% of the municipal budget was set aside for education costs.

Figure 2.8: Municipal Expenditures FY 2017



Source: Town of Dunstable

IV. Community Assets and Liabilities

In assessing the economic development potential of a community, it is important to determine what the assets and liabilities of a community are through the perspective of the community's residents and business community. The Northern Middlesex Council of

Governments (NMCOG) worked with the Dunstable Master Plan Committee to host a Visioning Session on Land Use and Zoning, Housing and Economic Development to address specific issues related to each of these topics. In addition, NMCOG developed a community survey with extensive input from the Dunstable Master Plan Committee to reach out to the general public for their input. The results of the Visioning Session and community survey related to economic development are summarized in this section. The economic development goals developed in the 1999 Master Plan, as well as the draft economic development goals developed more recently by the Dunstable Master Plan Committee are also included to provide more perspective on the assets and liabilities in the community. This process is designed to build upon what had been developed previously and bring the economic development perspective up-to-date with the current opinions of the community.

A. Economic Development Goals for 1999 Master Plan

The 1999 Dunstable Master Plan outlined specific economic development goals for the community. These goals were defined as Economic Base Goals and were developed as a result of a community survey, public forums and other community input. These economic development goals were as follows:

1. Attract limited environmentally acceptable businesses in appropriate areas of town which will help provide tax revenues to support town services.
2. Allow only nonresidential uses which are environmentally appropriate and do not require the availability of public water and sewer services.
3. Coordinate vehicular traffic, pedestrian traffic and parking in business areas so that they function in an optimal manner (especially in the Town Center).
4. Develop limited retail uses on a site outside of the town center while protecting Dunstable's New England village character.
5. Maintain high standards of design and maintenance in existing and new commercial developments.
6. Explore senior housing and health care facilities as a potential source of net tax income for the town.
7. Seek to promote the viability of the town's agricultural economy.

B. Results from Visioning Session II and Community Survey

The Dunstable Master Plan Committee held its Visioning Session II on Land Use and Zoning, Housing and Economic Development on September 16, 2016, which attracted more than 40 residents. The bulk of the meeting was spent on discussion Land Use and Zoning, which also had an impact upon the Housing and Economic Development areas as well. However, there was limited time to discuss the Housing and Economic Development questions. The results of the Economic Development questions are as follows:

Question: What should the town do to retain and attract businesses? What specific types of businesses should be targeted?

Answers:

- Stay away from chain type businesses.
- Model town center after Groton.
- Develop a business that is local/unique to the area.
- Cap building height for businesses.
- Keep New England characteristics for businesses.
- Historic District.
- Get back to an artisanal community.
- Utilize location and town character to bring people and money in.
- Promote an artisanal community, like Lowell did with the mills and artist communities.
- Create a place for artists and artisanal workers.
 - Utilize the vacant barn on the McClune property.
 - Town could look into options for making money from open space.
 - Eco-Adventure park?
 - Zip lines
 - Cross-country ski center

The Dunstable Master Plan issued its community survey in November 2016, which provided an opportunity for the public to respond electronically or through the use of printed surveys available at Town Hall and the Public Library. (see community survey in the Appendix) Nearly 300 responses to the community survey were received, which provided additional input from the community as a whole. The economic development responses were summarized as follows:

- 47% of the survey respondents rated access to employment as excellent or good, while 41% rated access to employment as fair or poor.
- Creating and attracting new businesses ranked as number 4 among the top 17 critical issues facing the town over the next ten years. Lack of a commercial/industrial tax base ranked as number 6.
- 88% of respondents favor creating additional opportunities for small-scale, neighborhood-style business development, and 70% favor encouraging more intense economic development in strategic locations. 81% favor agri-tourism and eco-tourism.
- 62% of respondents oppose restricting or prohibiting business/commercial development.
- Under Question 7 (choice for spending \$100 in town funds), the number one response was to support new businesses.

- 89% of respondents favor adopting energy efficiency and renewable energy initiatives.

C. Economic Development Goals and Strategies

The Dunstable Master Plan Committee has developed draft Economic Development goals through its initial Visioning process. These draft Economic Development goals will be finalized based upon the responses received to the questions at the end of this Technical Paper. In addition, specific strategies will be outlined for each economic development goal, which will serve as action steps for the Master Plan Implementation Committee to implement. The current draft economic development goals are as follows:

1. Encourage businesses that are consistent with Dunstable's rural character.
2. Identify appropriate development opportunities that will attract private investment to appropriately zoned districts.
3. Create policies and regulations that allow entrepreneurial activities that are compatible with local neighborhoods.
4. Promote local agricultural enterprises, as well as the work of local artists and craftsmen.
5. Improve communication among local businesses and town government.
6. Reconsider the town's position relative to alcohol sales.

V. Infrastructure Analysis

This section examines the existing sewer, water supply and utilities infrastructure in the community. Infrastructure is a critical component to a community's development capacity, whether it be for economic development, housing or municipal facility purposes. By focusing on the existing systems, the critical gaps in the infrastructure system can be identified and addressed, based upon the willingness of the community and the availability of funds. This summary is based upon a review of previous documents, including the *1999 Dunstable Master Plan*, the *Greater Lowell Comprehensive Economic Development Strategy (CEDS) for 2009-2013* and the *Dunstable Housing Production Plan for 2016-2020*.

A. Sewer Capacity

There is no public sewage system in Dunstable. All wastewater treatment is done through onsite septic systems.

B. Public Water Supplies

Dunstable has a limited centralized public water supply with 102 connections, with the majority being residential customers. According to information provided through the 1998

Water Supply, Distribution & Storage Study and the Dunstable Open Space Plan, the Dunstable Water Department provides water to approximately 10% of the population. The remaining residents receive their water through on-site wells. In 2014 the Dunstable Water Division supplied an average of 26,455 gallons per day through 102 service connections serving approximately 234 persons per day.

Water is supplied by two gravel packed wells located about 200 feet from the Salmon Brook. The main wellhead is the Salmon Brook Gravel Packed Well, while the backup well was brought online in December 2006. Both wells have the capacity to provide 360,000 gallons per day, which is the capacity needed to accommodate future growth in the community. There is a concern about the adequacy of the existing fire hydrant system to handle a fire emergency. Water tank trucks from other communities would be needed to address an emergency situation. The Dunstable Water Department has been identifying feasible sites for the construction of a 300,000 gallon water storage tank to address these needs. Currently, there are two 5,000 gallon below ground storage tanks.

Table 2.16 below reflects the current water rates for customers of the Dunstable Water Department.

Table 2.16: Water Rates

Rates based on usage	
Service charge per billing period	\$30.00/ Account
Minimum rate up to 10,000 gallons	\$63.00
10,001 gallons to 20,000 gallons	0.0073/ Gallon
Over 20,000 gallons	\$0.0080/ Gallon
Bulk water rate	\$0.035/ Gallon + DWD

Source: Dunstable Water Department

Table 2.17 shows the current system development fees:

Table 2.17: System Development Fees

Pipe Size	Application/ Connection Fee
1"	\$4,000 + meter cost+ installation/administration fee
1 1/2"	\$6,000 + meter cost+ installation/administration fee
2"	\$8,000 + meter cost+ installation/administration fee
3"	\$12,000 + meter cost+ installation/administration fee
4"	\$16,000 + meter cost+ installation/administration fee
6"	\$24,000 + meter cost+ installation/administration fee
8"	\$32,000 + meter cost+ installation/administration fee

Source: Dunstable Water Department

C. Utilities and Telecommunications

Dunstable is well served in terms of utilities and telecommunications. Gas and electricity are provided by National Grid, while Charter Communications provides cable and cable internet services to residents and business owners in town. Table 2.18 on the next page shows the pricing scheme for energy delivery services. These service rates are for small commercial and industrial customers with average usage less than 10,000 kWh per month or 200 kW of demand.

Table 2.18: National Grid Rates for General Delivery Service 2016

	Rate
Customer Charge	\$10.00/month
Distribution Charge First 2,000 kWh*	4.912¢/kWh
Transmission Charge	2.401¢/kWh
Transition Charge	0.042¢/kWh
Energy Efficiency Charge	0.875¢/kWh
Renewables Charge	0.050¢/kWh
* Includes: Basic Service Adjustment Factor (0.12¢), Residential Assistance Adjustment Factor 0.557¢, Storm Recovery Adjustment Factor 0.039¢, Storm Fund Replenishment Adjustment Factor 0.231¢, Pension/PBOP Adjustment Factor 0.256¢, Revenue Decoupling Mechanism Factor 0.002¢, Net CapEx Factor 0.202¢ Attorney General Consultant Expenses Factor 0.002¢ and Solar Cost Adjustment Factor 0.011¢.	

Source: National Grid, 2016

Table 2.19 illustrates Demand Service rates designed for commercial and industrial customers with average use exceeding 10,000 kWh per month and demand not exceeding 200 kW.

Table 2.19: National Grid Rates for Demand Service 2016

	Rate
Customer Charge	\$25.00/month

Distribution Demand Charge	\$8.50/kW
Distribution Energy Charge*	1.152¢/kWh
Transmission Charge	2.372¢/kWh
Transition Energy Charge	0.031¢/kWh
Energy Efficiency Charge	0.875¢/kWh
Renewables Charge	0.050¢/kWh
* Includes: Basic Service Adjustment Factor (0.12¢), Residential Assistance Adjustment Factor 0.557¢, Storm Recovery Adjustment Factor 0.039¢, Storm Fund Replenishment Adjustment Factor 0.231¢, Pension/PBOP Adjustment Factor 0.256¢, Revenue Decoupling Mechanism Factor 0.002¢, Net CapEx Factor 0.202¢, Attorney General Consultant Expenses Factor 0.002¢ and Solar Cost Adjustment Factor 0.011¢.	

Source: National Grid, 2016

For large commercial and industrial customers with demand greater than 200 kW, energy services are charged on the basis of time-of use. The fee structure for time-of-use service is illustrated in Table 2.20 below. Fees differ depending on whether energy is consumed during peak or non-peak times. Peak hours are from 8:00 a.m. to 9:00 p.m. daily on Monday through Friday, excluding holidays. Off-Peak hours are from 9:00 p.m. to 8:00 a.m. daily Monday through Friday, and all day on Saturdays, Sundays and holidays.

Table 2.20: Time of Use Fee Structure

	Rate
Customer Charge	\$223.00/month
Distribution Demand Charge	\$5.75/kW
Distribution Charge Peak Hours*	1.289¢/kWh
Distribution Charge Off-Peak Hours*	0.536¢/kWh
Transmission Charge	2.161¢/kWh
Transition Energy Charge	0.023¢/kWh
Energy Efficiency Charge	0.875¢/kWh
Renewables Charge	0.050¢/kWh
* Includes: Basic Service Adjustment Factor (0.12¢), Residential Assistance Adjustment Factor 0.557¢, Storm Recovery Adjustment Factor 0.039¢, Storm Fund Replenishment Adjustment Factor 0.231¢, Pension/PBOP Adjustment Factor 0.256¢, Revenue Decoupling Mechanism Factor 0.002¢, Net CapEx Factor 0.202¢, Attorney General Consultant Expenses Factor 0.002¢ and Solar Cost Adjustment Factor	

VI. Issues and Opportunities

The Town of Dunstable needs to determine how it will expand its economic development opportunities in a way that is consistent with the town's character. These economic development initiatives should balance economic development with quality of life so that the community benefits from the increased revenues and services, but doesn't neglect what has attracted residents to Dunstable. The Town should build off its strengths as a rural, historic, agricultural community and develop a commercial framework that encourages agri-business or eco-business opportunities. Based upon what was outlined in the Land Use and Zoning section, there appear to be three areas available for commercial development: the MUD District, Route 113 and the B-3 zoning district adjacent to Tyngsborough.

- The MUD District was well defined in the Land Use and Zoning section. Recently, the Dunstable Affordable Housing Committee received a report from the LDS Consulting Group, LLC on opportunities for development in the MUD District. The report, entitled *Town of Dunstable Age Restricted Housing Supply and Demand Study*, focused on mixed-uses within the MUD District that could include limited commercial development. The consultants were able to identify 45 businesses within a two-minute drive of the MUD District based upon data from Esri. Of these businesses, only five could be classified as retail, customer-facing establishments. The consultants determined that there was a retail gap of \$20 million that is not being tapped by the Town of Dunstable. In essence, 88.9% of total expected spending from Dunstable residents is being lost to neighboring towns. According to the consultants, a retail establishment would benefit from the high visibility of the MUD District. Given the depressed commercial rental rates, it was suggested by the consultants that donated land would be a good way to attract commercial business.
- Commercial development along Route 113, including the Town Center, should be considered. This development should build upon the historic assets in the area and promote the agricultural products developed within the community. An overlay district would provide a means to identify what types of businesses would be acceptable in the Town Center. The Town should resubmit a revised Town Center Overlay District to Town Meeting to encourage appropriate commercial development in this area.
- As discussed in the Land Use and Zoning section, the B-3 zoned area adjacent to Tyngsborough provides an opportunity for more substantial commercial

development than either the MUD District or Route 113 area. There are opportunities to work with Tyngsborough to build infrastructure capacity in this area that would be financed by both communities and/or the State, possibly through MassWorks funding. The budget situation in Dunstable requires that these opportunities be fully considered before discarding them out of hand. What additional water infrastructure would be needed for this area and how would that tie in with what Tyngsborough is trying to accomplish?

The responses to the Discussion Questions will help determine the recommendations to be provided as part of the Economic Development section of the Master Plan. There are additional federal and state resources that could be tapped to build additional infrastructure and attract private investment. Access to Route 3 should be viewed as an important asset for the community, which should lead to different initiatives that can use this access to increase the available revenues in the community. There may be ways to work with Pepperell in identifying economic opportunities along Route 113 that could benefit both communities. There are significant revenues being generated within the community, but there is also untapped economic potential available in the future. This economic development section of the Master Plan should serve as a blueprint for future commercial development that is balances Dunstable's quality of life with its economic potential.

VII. Recommendations (to be added in final chapter)

Discussion Questions:

1. The Master Plan survey indicates that attracting additional business is a high priority for Dunstable residents. What can the town do to open up additional business opportunities within town?
2. An overwhelming majority of survey respondents (88%) indicated that they favored creating additional opportunities for small-scale neighborhood style businesses. Should additional areas of town be zoned for neighborhood-style business? If so, where should they be located and what uses should be allowed in this district?
3. In addition to addressing issues with the municipal water distribution system, what infrastructure improvements are needed to accommodate the needs of residents and the business community in the future?
4. What should the town do to encourage agri-tourism and eco-tourism?

5. What initiatives should be implemented to maintain and promote the town's agricultural economy? Should the town participate in a regional program directed at agricultural enterprises and preservation?

6. Nearly 90% of survey respondents indicated that they favored adopting energy efficiency and renewable energy initiatives. How can the town move forward with an energy efficiency and renewable energy program? Should Dunstable become a state-designated "Green Community"?

7. What workforce development programs would help unemployed or underemployed residents gain employment? What programs should be made available to youth and older adult workers? Has the town utilized the resources available through the Greater Lowell Workforce Development (GLWD) agency?