
DALTON PLANNING PROJECTS

BUSINESS DEVELOPMENT PLAN



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Thank you for helping identify and plan for Dalton's desired future!

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Note: This Plan is a Final Draft that will be reviewed by the Steering Committee and the Planning Board and will be further revised, if necessary, before becoming an official town planning document. The basis for this Plan and most of the content was extensively reviewed and supported during the process.

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I. INTRODUCTION

Setting

Dalton is a close-knit community of about 7,000 residents, encompassing approximately 21.8 square miles in central Berkshire County, just east of Pittsfield. Dalton is a family-oriented town. It has an attractive, concentrated center roughly in the middle of the town. The Massachusetts Department of Revenue classified Dalton as a Rural Economic Center, although it also functions as a suburb of the City of Pittsfield.

Although many people in Dalton work in nearby Pittsfield, Dalton cannot be considered merely a suburb, as it continues to be home to industries and businesses of its own that provide employment, goods, and services to its residents. Crane and Company, which is the oldest operating firm in the Berkshires, has been the major employer in the town since the mid-1800s, and is still owned and operated by the Crane family. To an extent, Crane & Co. has buffered the town from the economic hardships other Berkshire industrial areas have faced. Dalton is also home to many smaller manufacturing operations, retail stores, service industries, home businesses, and farms, most owned and operated by Dalton residents. Outstanding schools, extensive areas of open space, active community and social organizations, a diverse population, as well as other factors all contribute to Dalton's quality of life, and make it a vibrant and unique place to live.

Outside of the center of town, development in much of Dalton is constrained by steep slopes, bedrock close to the surface, and wetlands. Of land that has not been developed yet, roughly half is either completely or partially constrained for building, with a large percent dedicated to open space.

Purpose, Scope, and Process for the Plan

The Town of Dalton has experienced continual residential development while having very little increase in the non-residential tax base. Non-residential development opportunities are heavily constrained by environmental features. However, residential growth has been strong, with a 16% growth in homes from 1980-90 and continued development during the 1990's.

There has been a conflict in residents' desire to maintain Dalton as an attractive residential community with little change in its traditional non-residential base (limited local commercial and Crane and Company) and desire to have lower taxes. Dalton has the highest real property tax rate in Berkshire County. Unlike many Berkshire towns, Dalton does not have second home development that might decrease the fiscal impact of residential growth.

The Town's economic base is heavily reliant on one manufacturer: Crane and Company. This has led to a stable employment base but in the long-term, this reliance on one company, in one industry, is not healthy. This was highlighted in 1999 with the closure of the only other significant industrial employer in Dalton, Beloit-Jones, a paper machinery manufacturer. Finding appropriate and suitable ways in which to strengthen and diversify the town's economic base is a critical issue. An overall Master Planning direction setting/visioning process will

identify Dalton's preferred future. Economic development strategies herein were established to fit within the town's vision and intended to lead to improvements to achieve Master Plan goals.

Together, *Business Support*, *Business Redevelopment*, and *Economic Development* can be said to comprise Business Development. "*Business Support*" efforts recognize the importance of existing businesses in town and provide various sorts of assistance to those businesses. Improving business districts is sometimes referred to as "*Business Redevelopment*". Business Support and Redevelopment efforts can also set the stage for the expansion of existing businesses, and the attraction or start-up of new businesses in town, referred to as "*Economic Development*." This Plan focuses on all these elements, exploring potential strategies for the future that are consistent with an overall planning framework that takes current conditions into consideration as well as the expressed desires of the community and its businesses.

At its broadest and simplest, business development is the creation of wealth. Wealth is the community's capacity to produce goods and services of value to its residents. This includes those goods and services that are bought and sold, as well as public amenities. Community based business development involves the following results that are important to individuals and the community as a whole:

- sustaining/increasing the number of jobs thereby sustaining/increasing incomes
- sustaining/increasing the tax base

Business development does not have to occur at the expense of the community but rather should be an overall enhancement. Therefore local business development also aims to:

- maintain/improve important business areas
- create opportunity for economically disadvantaged residents
- maintain/improve the quality of public services
- maintain/improve the overall quality of life

II. PUBLIC INPUT, BUSINESS AND ECONOMIC GOALS

The Master Plan Committee used a community-wide survey, planning forums, publicity and a business survey to cast a wide net in soliciting public input. These inputs and regular meetings of the Master Plan Committee to discuss and digest input and information resulted in creation of the Business and Economic goals listed herein.

Dalton Community Survey Results

A survey was conducted in January-February of 2000. The response rate was tremendous (over 50%) and the public generally indicated significant support for business development. See “Dalton Planning Projects – Setting Directions for the future” for more information.

Dalton Community Planning Forum

A Planning Forum was held on March 30th 2000 at Wahconah Regional High School. The public was generally supportive of the aims of business development. Discussion points were based on a preliminary set of community aims, including economic aims that served as the base for Master Plan goals. See “Dalton Planning Projects – Setting Directions for the future” for more information.

Dalton Business Survey Results

Surveys were mailed to over 150 known business addresses from the List of Dalton Businesses. The information was considered as part of the planning process, particularly related to needs and potential participation in business efforts. See Appendix 1 for Business Survey results.

Business and Economic Goals

Based on the above inputs and other research the Steering Committee set the following goals as part of the overall Master Plan goals:

1. Support and retain the Town’s existing businesses.
2. Promote a diversity of existing and new businesses that are supported by the community, serve shopping and service needs, and provide quality jobs.
3. Fully utilize existing business sites and provide additional and/or expanded business sites to provide a diverse, sustainable local tax base.
4. Actively Encourage Additional desirable businesses to locate in dalton.

Presentation of Plan at Public Meeting

Following some publicity, a detailed presentation of the goals, strategies and actions contained in this Plan was made by the Chair of the Steering Committee on June 19th, 2000 at Wahconah Regional High School immediately following the Special Town Meeting. There was minimal public input and no objections. The public was told that the Planning process and investigation will continue and actions will be pursued but the Steering Committee or other parties will come forward again before any new Town resources are committed.

III. SCAN OF THE ECONOMIC ENVIRONMENT

Dalton is a close-knit town with a population large enough to support significant local public services and private enterprises that provide local employment and goods and services for everyday living.

Employment, Businesses and Economic Sectors

Crane & Co. remains the largest employer in the town, with the Regional School District and the Center for Optimum Care a distant second and third. Of the 3,454 residents of Dalton who were employed in 1990, about 72% commuted to work in Pittsfield or other communities. Approximately 38% of the 2,574 persons employed in Dalton in 1990 were residents of the Town. The most recent figures show that the total number of people employed in Dalton decreased slightly through 1998.

Exhibit BD-1 Employment in Dalton – Recent Trends

Total Employment	1990	1994	1998	# Change 1990-98	% Change 1990-98
Agriculture, Forestry, Mining	**	**	17	+17	100%
Construction	196	123	115	-81	-41%
Manufacturing	1,325	1,360	1,317	-8	-.6%
Trans., Comm., & Public Utilities	**	31	75	+44	141%
Finance, Insurance, & Real Estate	**	**	6	6	100%
Wholesale & Retail Trade	234	194	196	-38	-16%
Services	415	342	353	-62	-15%
Government	379	391	370	-9	-2%
Total Employment	2,574	2,455	2,449	-125	-5%

Source: Mass. Dept. of Training and Employment (ES-202 Series)

** Data suppressed due to confidentiality.

With the 1999 closing of the Beloit-Jones, the employment base shrunk by over 10% in the 1990's. Employment numbers can sometimes be misleading, in that some sources do not differentiate between full time and part jobs. The loss of good paying manufacturing jobs means that the overall payroll sources in town have decreased. There can be a ripple affect from this throughout the local economy. Although Dalton has a relatively high household income for the Berkshires, the loss of thousands of manufacturing jobs in the region since 1986 has led many families to leave the region and eroded the middle class. Regionally most job gains have been in services. For more information on the regional economy refer to "Regional Plan for the Berkshires". Beyond Crane, there is a diversified base of small employers in Dalton.

Exhibit BD-2 Major Employers in Dalton

Business Name	Description	Employees
Crane & Company, Inc.	Paper Manufacturing	900
Central Berkshire Regional School District	School	100-250
Center for Optimum Care Dalton	Nursing Home	50-99
Town of Dalton	Government	50-99
Berkshire Clean-Way, Inc.	Recycling	20-49
Bruce Transportation Group, Inc.	Bus line/ Charter/ Rental	20-49
County Concrete Corp.	Concrete products	20-49
Dalton Community Recreation Association	Club	20-49
Hill Engineers, Architects, & Planners	Engineers	20-49
L.P. Adams Co., Inc.	Hardware, Building materials	20-49
Protech Armored Products of MA., Inc.	Medical Instruments & Supplies	20-49
R.A. Wilson Electrical Contractors	Electric Contractor	20-49
The Studley Press, Inc.	Printing	20-49

Source: Mass. Dept. of Employment and Training

Appendix 2 is a more comprehensive list of Dalton businesses, ordered by sectors conforming to the 1997 North American Industrial Classification System (NAICS) as shown below. Crane and Company ensures that the manufacturing sector is dominant in Dalton.

Sector 11. Agriculture, Forestry, Fishing and Hunting
Sector 21. Mining
Sector 22. Utilities
Sector 23. Construction
Sector 31 -33. Manufacturing
Sector 42. Wholesale Trade
Sector 44-45. Retail Trade
Sector 48-49. Transportation and Warehousing
Sector 51. Information
Sector 52. Finance and Insurance
Sector 53. Real Estate and Rental and Leasing
Sector 54. Professional, Scientific, and Technical Services
Sector 55. Management of Companies and Enterprises
Sector 56 Administrative and Support and Waste Management
Sector 61. Educational Services
Sector 62. Health Care and Social Assistance
Sector 71. Arts, Entertainment, and Recreation
Sector 72. Accommodation and Food Services
Sector 81. Other Services (except Public Administration)
Sector 92. Public Administration

Local Consumer Market and Market Area

Dalton's population declined in the 1970's then grew in the 1980's to reach 7,155 in 1990. Population is estimated to have decreased very slightly in the 1990s. Looking at the past three decades as a whole, Dalton's population has remained at the same level, despite fluctuations. Household size has decreased, however, reflecting a state- and nationwide trend toward households made up of fewer people.

The predominant consumer market group in Dalton has traditionally been families, and this will probably hold true in the future due to the composition of housing. In the 1980's, the proportion of people ages 35-44 increased by a larger proportion than could be accounted for simply by the aging of the 25-34 age group. This indicates that members of the Baby Boom generation were moving to Dalton, many taking jobs at GE. If these "first-wave" Boomers remain in Dalton as they age, moving into the 55-64 and 65-74 age groups, the Town's elderly population will increase significantly in the next two decades. However, there is also the potential that some of these Seniors will leave Dalton when they retire. The trend toward an aging population will continue to present some market opportunities as this group includes the higher income consumers.

Dalton's population trend is more directly connected to a pattern of population dispersal outward into the commuting area surrounding Pittsfield. The Pittsfield Metropolitan Statistical Area (MSA) includes Dalton, Hinsdale, Lanesborough, Lenox, Lee, Stockbridge, Richmond, Cheshire and Adams (Adams was added after 1990). The MSA had a population of 79,250 persons in 1990.

Dalton is a destination point for its neighboring communities to the east which include Hinsdale and Peru to the east, and Windsor to the north-northeast. Primary access to the town is via Route 9 from the west and Route 8 from south and north. Many commuters pass through Dalton on those roads on their way to work each day or when traveling between Pittsfield and Northampton. However, the direct year round population that could consider Dalton as a their primary market location under traditional distance size economic modeling would likely amount to around 10,500 persons comprised mainly of Dalton's population and that of the above mentioned communities.

Local and Regional Population and Economic Projections

Projected population and household growth could also expand the local consumer market and present construction and real estate related business activities, although this level of projected growth and these activities are not the economic development opportunities targeted by the town. According to BRPC's projections, Dalton is expected to add over 800 new residents and 500 new households over the next two decades. The middle range BRPC Regional Economic Model forecast indicates that Dalton's population will grow to 7,290 persons by 2010, and increase its rate of growth even more between 2010 and 2020. The middle population projection for year 2020 is 7,820 persons, an overall population increase of 11% over the next 20 years. The Model

predicts a 20% increase in households of between 2000 and 2020, and a continued decline in the number of persons per household.

Exhibit BD-4 Town Population Projections

Year	BRPC Low Range Projection	BRPC Middle Projection	BRPC High Range Projection
2000		7,040	
2010	5,000	7,290	9,800
2020	5,100	7,820	10,500

Source Notes:

BRPC’s population estimates are based upon a Regional Economic Models, Inc. (REMI) Amherst, MA, forecast for Berkshire County using economic and U.S. Census population data from 1960 to 1990, and BRPC’s addition of town population shifts using U.S. Census data. There is a 95% probability that the actual future population will be within the BRPC low and high range estimates.

Reference Appendix 3 for BRPC Employment Projections.

Business Areas, Non-Residential Land Uses and Development Constraints

Appendix 4 shows land uses allowed in the various non-residential zones. The Map of Dalton Businesses and Business zones shows a general correlation of non-residential uses with zoning, although many small service establishments are located in residential zones. This is not uncommon nor surprising since only about 1% of land in town is zoned commercial. While some zones allow many non-industrial uses by special permit, stringent limits on impervious land cover restrict the use of land. Scale and impacts are not factors in the zoning use scheme, which is a weakness if Dalton wishes to permit and encourage selected preferred uses without risk.

What is distinct about Dalton, typical for towns with mill buildings, is the proximity of many industrial areas to residential land uses. East Housatonic Street and other areas can't help but have some actual or potential conflicts of uses. Dalton's zoning does include buffering and some performance standards.

Since there are existing proximate residential uses, the analysis of business areas included a look at income levels by Census Tract Block Groups. Tract 9121; Block Groups 2, 4 and 5 have income levels significantly below the median household income level for the Pittsfield MSA. These areas, shown on the Business Development/Redevelopment Target Areas Map, and the residents in them would potentially benefit from upgrades to the business areas.

Dalton has many environmental features which make development difficult including:

- Permanently protected open space
- Wetlands, water bodies, and 100 year floodplain areas
- 100 ft buffer around perennial streams
- Public water supply well areas

- Steep slopes
- Land fills & dumps

Steep slopes and hilly terrain characterize the northern and southern portions of Dalton, while the central region lies in the relatively flat floodplain of the Housatonic River. Some of the soils in these steep areas present obstacles to development, either because they are located on steep slopes, have shallow bedrock, or are unsuitable for septic fields. Several varieties of soils in the floodplain areas are classified as prime agricultural soils because they have the characteristic quality, permeability, and slope needed to produce sustained high yields of crops economically. These soils are usually level, well-drained, free of stones, and usually free of tree cover—which make them attractive to development as well as agriculture.

Dalton is located within the Housatonic River Watershed. The river and other water resource areas, including wetlands, prevent development in the direct areas and can be constraint factors when near potential development areas. There is also an Area of Critical Environmental Concern (ACEC) in south Dalton. The ACEC does not include land considered for development in this study. The Town has enacted some bylaws, including a floodplain overlay zone, to mitigate some of these issues.

According to the Build-out Analysis there is considerable industrially zoned land. Some of this land is broken up in small parcels or otherwise difficult to develop. Much of this land is owned by Crane and Co.

Exhibit BD-3 Supply of Potentially Buildable Land in Business & Industrial Land in Dalton

Zoning District	Total Potentially Developable Land (sq. ft.)
B1	525,888
B2	0
I1	1,069,231
I2	2,839,901
TOTAL	4,435,020

If all this land were developed based on current zoning and other bylaws, it could result in commercial development on the order of 50,000 square feet, and industrial space on the order of 2 million square feet.

Overall, including residential districts, Dalton has a significant amount of potentially developable land, nearly 3,000 acres, even after subtracting protected open space, areas of steep slopes, and accounting for partial constraints on development. The southern and east-central portions of town appear to have some large areas with only partial or no identified constraints. However, most of this land is currently zoned residential. If even a small portion of this land were deemed appropriate for economic development as a future land use, rezoning to allow well planned and designed economic uses could proceed. The trend has been and continues to be permanently protecting land, even land that might be considered suitable for economic development.

Infrastructure

Transportation

The town of Dalton contains two modes of transportation, road and rail. The rail system in the town of Dalton is owned by CSX and is the major east-west line for Massachusetts. The road network in Dalton consists of 46 miles of roadway, most of them paved local streets. Dalton has two state highways, Route 8 and Route 9. Route 8 and Route 9 run together easterly from the Pittsfield town line; when they reach mid town they split into two separate roads. Route 9 runs North-east towards Northampton and I-91, while Route 8 runs South-east through Hinsdale and down into Connecticut. Although Dalton has decent roads coming into it from Pittsfield there is poor access to major highways, particularly the Mass Pike (I-90).

The average daily traffic (ADT) on Route 8 is 4,200 vehicles, While on Route 9 the ADT is 4,300 vehicles. The majority of traffic that passes through Dalton uses Rt. 9, which passes through the center of downtown. On Routes 8/9 near the Pittsfield city line the average daily traffic is 18,200 vehicles with approximately 17% trucks and heavy vehicles. The high number of heavy vehicles and the high amount of vehicles on Main street combined with the large amount of side roads begin to pose safety threats. There are two traffic lights on Main street. These two lights offer motorists on side roads a chance to enter Main St. safely. Another concern should be the safety of pedestrians.

Dalton has many streets in good condition and has made many improvements, but certain roads important to the industrial sector of Dalton, such as Division Road, South Street and E. Housatonic are either in poor condition or not ideal for their function. Preventive maintenance and good upkeep of these roads, along with repaving will be needed to make these roads safe adequate and suitable.

Utilities

The Dalton Fire & Water District oversees 20 miles of lines that carry water to more than 2,025 connections that service over 94% of Dalton's population, with the remainder served through on-site wells. The main source of drinking water for the District is the Windsor Reservoir, with the City of Pittsfield supplementing mills and some areas of the distribution system. Secondary sources include Egypt Reservoir, Anthony Reservoir, and in cases of extreme shortage, Anthony Brook itself. The last major upgrade to the system was in 1960, though there have been minor upgrades over the years, mainly to repair leaky pipes. Current estimates of leakage are minimal, as leaks are fixed as they are discovered. There are currently no plans to expand the distribution system as the majority of residents are served.

Dalton's wastewater treatment needs are served by the City of Pittsfield's sewer system, which also includes Hinsdale. The Pittsfield facility currently operates under its design capacity of 17 million gallons a day (MGD), with an average flow of 13.5 MGD. Effluent (treated water) is released into the Housatonic River, and the leftover sludge is disposed of in a landfill.

A factor shaping the future is the presence or absence of water, sewer and other infrastructure. Future capital improvement decisions by the town can strongly shape how development occurs over the future decades.

Financial Environment

The Town currently provides a wide variety of services and facilities to businesses and residents, including provision and maintenance of physical infrastructure and utilities. Currently all municipal functions are funded by property taxes, excise and other taxes, service fees, licenses, and transfer payments from state and federal levels.

For FY 1999 revenues were \$6,005,360, with 78.7% of this number derived from residential assessments. Industrial properties made up 12.8% of property tax revenues, commercial 5.2%, personal property 2.9%, and open space .4%. In FY 1999, the tax rate for all types of property was \$18.15 per one thousand dollars of value. The rate has risen slightly for FY 2000, to \$18.46, which for residential property is the highest tax rate in the County, and an increase of almost \$2 per one thousand dollars of value since 1996.

IV. SUMMARY OF STRENGTHS, WEAKNESSES AND NEEDS RELATED TO THE BUSINESS ENVIRONMENT

Dalton economy is partly dependent on the regional economy. Regionally, the future of traditional manufacturing and processing industries in the Berkshires does not appear bright. However, the trend of continued manufacturing job losses will probably be partially offset by higher technology service jobs. Some evidence of this trend is seen in job growth in “Niche” services between 1990 and 1995, including a 15% increase in Engineering fields, employing nearly 1,000 persons, a 14% increase in Research and Testing, 46% growth in Human Resources, and 18-22% growth in Consulting, Management and Public Relations.

Dalton includes the following key strengths related to business:

- Good access to a small metropolitan labor market
- Crane and Company
- Good local and regional setting
- Regional paper and plastics clusters
- A base of experienced machinists in the area
- Adequate utilities: sewer, water, electric and improving telecommunications infrastructure
- Major railroad
- A local tradition of manufacturing and business
- Consumer market large enough to accommodate many medium sized commercial businesses

There are many advantages to doing business in Dalton. The setting is friendly, safe, uncongested and non-stressful. It is very advantageous to live and work in town, and many people operate home businesses. Convenience and friendly service are likely strong factors in favor of existing businesses. It should also be noted that commercial uses and the non-residential tax base have the opportunity to expand due to expected growth of the consumer base and increase in local purchasing power.

There are also some weaknesses:

- Access to/from Dalton to the Interstate is poor
- Property tax rates are relatively high compared to many locations in Western Massachusetts
- Limited land ready for development
- The Berkshires do not have strong regional business organizations outside of tourism
- Town does not have strong existing business organization(s)
- The proximity of a much larger market in Pittsfield and the Lanesborough Mall serve to greatly diminish the attraction of Dalton as a location for a competitive retail based business

Assessment of Economic Development Needs in Dalton

Stagnation of the Non-Residential Tax Base

In the 1990s, Dalton’s tax rate increased precipitously to become the highest in Berkshire County, while the total tax base of the Town decreased. The portion of the tax base derived from non-residential assessments has declined, reflecting an overall stagnation in business

development. Some industries, including the Beloit-Jones operation that used to employ over 250 people, have left Dalton, and no new businesses have arrived to take their place. Crane & Co. remains a stable employer and taxpayer, but Dalton lacks other high-benefit/ low-impact employers such as high-tech manufacturing or professional offices. A preliminary generalized fiscal analysis done as part of the MIG project indicates that residential land uses are generally a fiscal drain, while non-residential land uses in Dalton generally provide a significant fiscal boost. If Dalton wishes to continue to provide high-quality services to its moderate-income families, it will need to increase the share of the tax base made up of non-residential development.

Existing Business Areas are Potentially Entering a Decline

Aside from Crane & Co., Dalton's business community is mainly made up of small retail stores and service businesses. Currently, few commercial buildings are empty, but for the most part businesses are not growing, nor looking to improve their facilities. The businesses who are doing well are heavily reliant on business from Crane & Co. or on clients outside of Dalton. Existing businesses do not provide many jobs in the community, as 72% of residents are employed outside of Dalton. In many places, deteriorating or unattractive commercial and industrial buildings are in or adjacent to low-moderate income neighborhoods, decreasing the chance that more appropriate businesses or uses will be drawn to these areas.

Reliance on One Industry

In Dalton, Crane & Co. is the largest private landowner, largest taxpayer, and largest local employer. While providing a stabilizing influence on the local economy to some extent, this unilateral dependence on one industry also makes the Town vulnerable when changes occur. Many low-moderate income residents rely on Crane as an employer, and would face significant impacts if Crane downsizes or moves its operations, as it has done several times in the 1990s. Many local businesses also rely on Crane as a client, creating a ripple effect in the business community whenever Crane makes changes in its operations. While Crane has been a long-standing and loyal industry in town, Dalton needs a greater diversity of employers and service providers to meet the needs of its residents.

Scarcity of Sites for Economic Development

Part of the reason few new businesses have located in Dalton in the past few years is the lack of sites for commercial or industrial development. The majority of land in Dalton is zoned for residential use. Several of the industrially-zoned sites that are available are virtually undevelopable due to access problems and environmental constraints. Throughout Dalton, residential neighborhoods are mixed with existing businesses, often in residential zones, further complicating the situation. To attract new businesses, Dalton needs to examine its land uses closely and develop appropriate business sites.

Lack of an Existing Organization to Address These Problems

The problems noted above are likely to worsen in the coming years without an organization that can attempt to address them. Two years ago, the Dalton Business Association was formed in an attempt to support existing businesses, but it is now defunct. Currently, there is no organization poised to address the needs of existing businesses or bring new economic development to Dalton. A well-organized CDC could be the logical entity to work toward many economic solutions for Dalton.

V. DEVELOPMENT CONSIDERATIONS, PRINCIPLES AND PROCESS

To fulfill the desired community vision Dalton will need to successfully expand its base of non-residential uses. At the same time community leaders will need to ensure that the overall impacts of new economic development are positive. If a development proposal meets the defined goals and meets other community requirements, it can be evaluated for impacts. Impacts can be social, economic, fiscal or environmental. The following is a short discussion of fiscal considerations.

Fiscal Considerations of Non-Residential Uses and Economic Development

A generalized fiscal analysis done as part of the MIG project, consistent with other studies, indicates that while residential land uses are generally a fiscal drain, non-residential land uses in Dalton generally provide a significant fiscal boost. For more information reference the "Dalton Planning Projects - Fiscal Issues Report".

What are the fiscal impacts of new development? It is relatively easy to project actual increases in property tax revenues. If a new commercial or industrial building is built at an assessed valuation of \$250,000 and is then taxed at the current FY 2000 local property rate per \$1,000, the annual expected tax revenue would be \$4,615.

$$(\$250,000 * \$.01846 = \$4,615)$$

Fiscal impacts have been estimated for various land uses. The following page from the Growth Impact Handbook (from DHCD) is not community specific but it does give a general picture of what to expect from different types of development.

Growth of any type can lead to increased costs to the general government. Costs for specific types of development can only be roughly estimated, because it is very difficult to assign specific costs for general services that cover the whole town. Costs may not be triggered until a cumulative threshold of growth is reached. Examples of operating costs are the hiring of additional personnel or increases in the hours of existing personnel. For instance, after a certain point, an additional full time policeman may be required. For non-residential development, additional costs can be related to several factors, such as number of employees, volume of water usage, extent of wastewater treatment required, and traffic generated. Such other impacts are important to consider (reference Appendix 5).

Another fiscal factor to consider is how the developed and undeveloped components of the community affect overall property values. This is difficult to calculate, but many communities that have built new facilities or amenities, revitalized or improved the appearance of key developed sections of town, or preserved key undeveloped sections of town, have experienced increased valuations for existing properties above that of nearby towns that have not done so.

Principles and Process of Development

Business development is either market driven, or driven by groups or individuals in the private sector. The latter form can occur with or without public involvement. Some main ideas and assumptions concerning the economic constraints and opportunities common to towns and methods and tools which can be applied in Dalton's case are listed below:

Every existing business contributes to local resident employment. Money spent on local goods and services often goes to small businesses. When more money is kept in a town, it recirculates more often through the local economy and has a "multiplier effect" that actually creates more value and jobs, pays more wages, and finances more investments. External funds come from investment in new businesses, new employees, residents and visitors. This multiplier effect takes place elsewhere when money leaves a community. Efforts need to be made to retain and enhance small businesses.

Attracting Industrial or Manufacturing businesses requires aggressive recruiting and incentives. Many communities are attracting new businesses with the aid of tax abatements, labor incentives and other economic incentives. The attraction of an industry is directly related to the inputs and outputs of the particular market sector discussed.

Investment opportunities are important to consider in economic development. Without development there is a decreased chance of increasing marginal profit. Thus, businesses and institutions generally invest with the following form:

Low Profit ————— *Development* ————— *High Profit*

Evidence shows that it is often hard for smaller communities to (1) secure grants, (2) implement grants, and (3) augment resources to sustain grant objectives. The potential bias may have the following results:

- Allocation for employment does not typically account for underemployment which can be high in smaller areas.
- Under-employed people leave the area when jobs are not present, because smaller labor markets have fewer employment opportunities per job seeker than is typical in larger urban areas.
- The cumulative effect of potential bias increase as these impacts are multiplied across several broad federal program areas, such as community development, health care reimbursement, transportation, etc.

Few small towns have planners or other professionals to continually update and research ideas. Thus, local economic development planning is primarily a function for a local business development organization *and* the governing body of the small community working in partnership. Local organizations that wish to become involved in economic development can range from a well established and organized economic development group to a committee that was formed for the purpose of a specific project.

Identifying the process of development is a first step for any organization wishing to become involved. Successful economic development of real estate requires five major actors in the development process:

1. The Developer

The developer and the public are the “movers and shakers” in a project; the appraiser and lender are more passively involved. The developer has the skills and experience to find tenants and users for the real estate, to oversee construction and to manage the property profitably. The developer is the risk taker and enjoys the benefits of incurring risk when earning a handsome ROI (Return on Investment) from successful projects.

2. The Public Sector Armed with Financial Incentives

The public sector offers sufficient financial incentives to attract and impact the investment decisions of the developer.

3. The Appraiser

The Appraiser establishes value which becomes the basis of the amount of the financing a lender is willing to provide.

4. The Private Sector

Realtors and Investors make up this portion, as well as volunteers and other stakeholders.

5. The Lender

The lender, who is quite risk averse, normally provides the bulk of the financing in a project. The investment objectives are to earn an adequate return while minimizing risk.

The Stages of the Development Process

1. Creating the Development Concept
2. Testing the Market
3. Evaluating Site and Design Concepts
4. Constructing the Proforma Incomes and Expense Schedule
5. Preparing the Initial Source & Use of Funds Statement
6. Seeking out Tenants and Signing Lease Commitments
7. Obtaining Permanent Financing
8. Finding the Equity and Gap Financing
9. Finding a Construction lender
10. Negotiating the Tri-Party Agreement
11. Constructing the Project
12. Managing the Operating Property
13. Disposing of the Property

Several steps in this process often occur simultaneously, and the process is more free-form than structured. The thirteen steps are only a rough outline of the bases to be covered while development occurs.

Business Location and Economic Development Site Considerations

In the spring of 1999, BRPC also completed a study entitled *Berkshire County Economic Sites Strategy*, also funded by DHCD. It identified trends in site selection for expansion and for relocation in Berkshire County. According to Carolyn Britt of Community Investments Associates, the most important criteria for business location decisions in the northeast are highway access, availability of skilled labor, and the costs of preparing and moving into the new site facility (see Appendix 6 for more information.) Other key points include:

- The whole County has a relatively small labor market for attracting businesses on the national level which are seeking new sites for expansion or relocation. Available labor is the number one concern businesses have in choosing a business location.
- Most of the economic development sites in Berkshire County that have recently been established are in business park settings. These sites are dispersed throughout the county, from Sheffield north to Williamstown. Almost all of these sites have involved some form of public financing to be viable. Lots in these parks tend to be limited in size and there is a lack of large sites that can accommodate large, heavy-duty facilities. In effect, the larger, heavier needs are not currently being met by the public financing community.
- Any preparation of the site for development will greatly increase the chances of bringing a business or company to the area. The zoning for the area being developed should be examined and the grade of the park constructed to accommodate the nature and types of industry sought by the municipality. Industry standards suggest that lot sizes of between 2 and 5 acres are the most often sought, but site lots should be as flexible as possible to attract a wider range of business needs. For example, the current Berkshire market already has several sites that will accommodate small businesses development, but it lacks large sites with infrastructure that can readily accommodate large and heavy industrial facilities.
- Essential qualities for most businesses are on-site sewer and water, electric power, natural gas, and telecommunications. While fiber optics telecommunications is not considered an essential quality, it is becoming more and more important. Three-phase high capacity electric power is necessary for many industrial facilities and some technology-based industries.

In sum, quality sites should meet these needs:

Affordability

Option to lease or buy

Extent of financial support available

Convenient access to transportation

Access for distribution purposes

Access to larger labor pool

Pre-permitting

"Shovel-ready" is preferred

Any pre-permitting is an advantage

Essential utilities

Water, sewer, basic electric, gas, telecommunications

Premium utilities

3-phase high capacity electric, fiber optic telecommunications

Flexibility

Choice of lot sizes and configurations

Options to build or remodel existing building(s)

Potential for future expansion on site

Almost all of the business parks developed in the Berkshires during the last ten years have required some public investment to achieve viability. Public investment has taken the form of local or state tax abatement programs, planning or feasibility studies, grants for infrastructure development or improvements, grants and loans for building renovations, organization support for non-profit or quasi-public development and management organizations, and support of programs to attract and locate businesses in those parks.

To some extent, the cost of services is tied to the location and patterns of development. Development outside the core areas can have the advantage of tapping into larger lots of less constrained land but creates potentially higher public liabilities for road maintenance and future provision of public water and sewer. Local, state and national expenditures have heavily subsidized this costly pattern. In general Dalton should be prepared to enable adequate infrastructure but carefully consider appropriate coverage.

VI. SUMMARY OF OPTIONS AND STRATEGIES

Implications for Economic Development Actions

The following summary was put together quickly by Jeanne Armstrong, LandUse Inc. based upon her reading of a summary report of conditions and her involvement with the Steering Committee and public related to the Planning forum.

1. Retain and work with businesses currently located in Dalton.
 - Create as complete a list as possible [part of current project?]
 - Launch and carry out over time a visitation program. Teams of a town official and a business person go to local businesses to talk about why they are in Dalton, their problems and prospects, how Town might be useful [or less obstructive] Start with visits to largest companies first, but then be sure to reach as many others as possible -- perhaps small gatherings for home-based and others who may not want a visit on site. Opens and maintains communication, plus learn about Dalton's attractions and disadvantages.
2. Through information and discussion foster positive community attitude toward local business
 - In general -- what does business contribute toward Dalton's quality of life? [Tax revenue, jobs, goods and services, civic contributions]
 - Neighbors of specific business areas -- how mitigate impacts, but also live with impacts for sake of other benefits.
3. Establish a local entity charged to advocate for current businesses and attract suitable new ones.
 - Outline what it take to launch/what you can get from EIDC, simple commission, local businessmen's association, arm of regional Chamber of Commerce, etc. [strike balance between simple enough that local capacity can carry it off, and strong enough to actually get something done]
 - Arm them with research and materials about what Dalton offers: local labor force, sites[see below], attractive and business-friendly community. . .
 - Charge them to work regionally to identify and publicize how Dalton fits into the regional economy & planning efforts
4. Increase and/or make more suitable the sites available for business development and redevelopment
 - Conduct site-by-site analysis of vacant or underutilized business parcels to determine what would be required to increase their viability. Plan and prioritize action steps accordingly.
 - Use updated GIS data layers to identify sites with physical potential [size, limited constraints such as slope, wetlands . . .]
 - Assess these sites' current and potential transport access for supplies, products, employees, visitors/customers. Actively engage in regional transportation planning. Also correlate with plans for local road system. [Note potential trade-offs between maintaining rural roadside character, and roadway and intersection upgrades for access] [Rail -- current and potential use??]

- Examine feasibility of expanded transit service -- provide a reality check regarding what it would take.
- [Note: in practice trails and cycling are for recreation & quality of life -- rarely for commuters in this climate.]
- For each potential site identified, consider specific mitigation strategies to include buffering of sights, sounds, odors, traffic.
- As needed, consider rezoning for business the most promising sites. Incorporate provisions for mitigation measures as appropriate.

The above options, and others, are expanded upon below.

Support Optimal Utilization of Existing Industrial Sites through Reuse or Redevelopment of Sites

The major site to be reused at this point is the former Beloit-Jones plant site. This property was recently purchased by Crane & Company. Some environmental remediation may be necessary. Crane may utilize this site for a variety of purposes. Consolidation of some company functions present at other existing facilities in Dalton may occur at the site. This may in fact lead to a need and opportunity to reuse some of the existing mill sites.

Mills have economic and community value. They are vital to the character of the neighborhoods that surround them. Many find value in the mills' unique architecture, which sets them apart from other potential development sites. Reuse may require redesigning the building to accommodate a variety of spaces and uses, including residential units.

Benefits/Purposes of mills:

- Historic preservation
- Keeping community center vibrant, definable, and accessible (sprawl)
- Incubators – cheap space for start-ups
- Commercial use
- High technology/ industrial space
- Affordable space for light manufacturing.
- Tourist draw – like Lowell
- Mixed use – office, condo, rental units
- Possibility of “affordable” housing development.
- Cultural centers
 - artists – studio, exhibit
 - performance

Problems:

- Zoning
- Issues of contamination – brownfields
- Space layout difficult (materials flow, etc.) inefficient compared to modern architecture
- Maintenance Issues – heating/cooling v. costly, roof
- Permitting process for work in buffer zone, esp. Cons Com
- Constraints of siting

While many inefficiencies result from mill layouts, light manufacturing seems to benefit from the enormous amount of space and other businesses--perhaps start-ups--from the low cost per square foot. Yet the cost of maintaining mills is not so low and the cost of bringing them up to code, such as installing an elevator, may be quite high. Reuse of a mill for incubator space, tapping into some grant funding, might be a good option for a fledgling CDC.

Reuse feasibility requires a licensed site professional to evaluate each structure and determine what it needs to meet codes, as well as how much the work will cost. It is necessary to put together a strong team of people to own, market, and finance a reuse project. The team should include expertise in finance, leasing/marketing, construction, and zoning/government affairs.

Other sites that could be improved are along Hubbard Avenue. Land in front of Downing Ind. Park with storage trailers there now, and land could behind Perferx Optical with piles of dirt, etc. detract value from the area, which with a little clearing, screening and landscaping might be upgraded.

East Housatonic Street could also be upgraded. In addition to road improvements houses that are run down and might be demolished. Again a little clearing, screening and landscaping might be employed. The General Dynamics site on the north side of E. Housatonic Street is another site that may be more productively used in the future.

The former GE Test Tract in the southeast corner of town is a site similar to an industrial site in that it has environmental cleanup issues.

Some of the areas listed above are included in the Site Evaluation section below.

Target New and Expanded Office/High-Tech Economic Development

Appendix 7 lists the types of businesses identified in the county-wide study which might find a Berkshire County location, including Dalton, desirable. These types of businesses have been identified in several previous studies which were also prepared for Berkshire County. They have been identified for a variety of reasons as appropriate, including that they desire to locate near customers in the large population centers in the Northeast, they want to be near suppliers or customers already located in the area, they use raw product available in the area, they need the expertise of the local workforce, they are seeking the quality of life available in the area, or a variety of other reasons.

Potential Sites for Business Development

There are several characteristics in Town necessary to a business location. Ideally:

- Developable sites should have direct access to a higher level road such as an arterial or collector that is not at a poor level of service (or can be improved).
- Site should have sewer and water service, or have it within a very short distance - generally less than 500-1,000 foot extension required. Well water may be possible in some cases.
- Sites should have no more than a gradual slope in the area where buildings or parking would be developed - ie. no more than about a 6-8% grade.

- Sites should not have a conflicting use on the same site or in the immediate area, such as an active mining operation. Preferably the site will be in or adjacent to a business zone.
- Since the main aim of the town is build the tax base, a primary site would need to be able to accommodate a sizable development.
- Sites to be considered must not be extraordinarily costly to develop - eg. not require very long access roads, costly stream crossings, extensive reclamation, long extension of infrastructure – unless there is a reason and source of funding to cover costs such as brownfield reclamation.

Hill Engineers, Architects and Planners, Inc. was contracted to do a basic engineering evaluation of eight sites in Dalton for potential for economic development. Darrin Harris, P.E., of Hill discussed his preliminary findings with the Steering Committee. The conclusion is that there are several potential sites that might be conducive to economic development. The following summary report describes potentials and factors related to the eight sites.

Hill Report:

The following summaries are based upon visual field observations, reference maps, and discussions with local authorities. More in-depth investigations (i.e. wetland flagging, borings, soil investigation, etc.) may reveal additional limits and/or possibilities on the development of the properties.

Site 1:

The site has approximately 56 acres of land, which slopes westerly from South Street to Hubbard Ave. Barton Brook runs through the site and is protected by the Rivers Protection Act for 200 feet on each side. The westerly portion of the site has a fair amount of wetlands along with a small pond. Any development appears to be limited to the center of the site and towards South Street. Access from Hubbard Ave may be difficult because of site distances and wetlands. Soil maps show the site to be predominantly a sand and gravel material.

Municipal sanitary sewer and water are available on South Street. A new 12” water main may contain very high pressures and any taps would need to be pressure reduced. A sanitary sewer interceptor runs across the site and could probably be used for a tie in. Stormwater runoff and groundwater would also have to be taken into account in any development plans. Due to the proximity of wetlands the Massachusetts Stormwater Management Policy would have to be followed.

Site 2:

This site is the location of the former Beloit Plant. The site currently contains an existing large facility along with extensive parking. The site also contains an abandoned rail siding. Most of the remainder of the site appears to be wetlands. A small area on the northeast side of the site may be developable with access from Crane Ave. There is an overhead power line, which runs through this area of site that may need to be relocated.

Site 3:

This site is located off of East Housatonic Street and contains approximately 18 acres. Municipal sanitary sewer and water are located on East Housatonic Street. The site slopes up from the street up to the rail line to the south. The slope starts out gently but gets steep near the

railroad. The lower portion of the site appears to be wetlands. The upper (southern) portion of the site may be too steep to develop. The center of the site may be the only developable area. There are also drainage channels that run down from the adjacent mountain through the site. Access to the site appears difficult due to apparent wetlands between the middle of the site and the road. This site may be more useful if combined with site 6.

Site 4:

This site contains approximately 8 acres and is mostly open meadow. Access to the site is easily accomplished from East Housatonic Street, which also contains municipal sanitary sewer and water. There is a stream on the westerly portion of the site, which may or may not be subject to the Wetlands Protection Act. At a minimum it is probably considered a Wetland. Most of the site seems easily developable.

Site 5:

This site is located in a lowland area off the end of Depot Street and north of East Housatonic Street. The site has a regulated stream running through it and most of the rest of the site appears to be wetlands. In general, this site is probably not developable.

Site 6:

This site is located off of East Housatonic Street and contains approximately 17 acres. Municipal sanitary sewer and water are located on East Housatonic Street. The site slopes up from the street up to the rail line to the south. The slope starts out gently but gets steep near the railroad. The lower portion of the site appears to be wetlands. The upper (southern) portion of the site may be too steep to develop. The center of the site may be the only developable area. There are also drainage channels that run down from the adjacent mountain through the site. Access to the site appears difficult due to apparent wetlands between the middle of the site and the adjacent roads. This site may be more useful if combined with site 3.

Site 7:

This site is located off Hinsdale Road (Route 8) and contains approximately 150 Acres. A portion of this site is known as the old "GE test track". A small portion of the site is located near the Housatonic River and would be subject to the Rivers Protection Act. Access to the site from Hinsdale Road would mean overcoming slope issues (steep) with an access road. Municipal sanitary sewer is located in Hinsdale Road, but there is no municipal water supply. Wells would have to be drilled for any development. A portion of the site, mainly around the power lines, appears to be too steep to be developed. A large portion of the site appears to be developable. There are existing dirt roads throughout the site, which may be able to be constructed into access roads. Some of the site development may be hindered by ledge, but the soil appears to turn from a stony till into a gravel outwash as it approaches Hinsdale. Site grading may be difficult in some portions of the site.

Site 8:

This site is located at the corner of Dalton Division Road and Washington Mt. Road. The site is known as Burgner Farm and contains approximately 153 acres of land. Pittsfield municipal sanitary sewer ends at the intersection of Dalton Division Road and Williams Street. Pittsfield municipal water is available on Dalton Division Road and Dalton Municipal water is available on Kirchner Road. A large portion of the site is a gently sloping field, which would be easily

developed. The south side of the site has some streams (intermittent & perennial) along with some potential wetlands. The northeast corner of the site is moderately to steeply sloped.

Appendix 8 provides a detailed description of each site and a map of potentially developable land, based on the basic assessment.

To evaluate the potential for various forms of economic development the following site-target factors were used as a guideline:

DEVELOPMENT TYPES

- A New small or medium scale building footprint (less than 20,000 SF), up to 150 parking spaces
- B New medium-large scale building footprint (up to 50,000 SF) OR Multiple new small-medium building footprints (2 or 3 separate buildings of up to 20,000 SF each) 150-450 parking spaces
- C New Business Park: Multiple (more than 3 buildings of medium or medium-large scale combination with building footprints of up to 50,000 SF each), potentially more than 450 total parking spaces

POTENTIAL SUITABILITY FOR ECONOMIC DEVELOPMENT

- E = (Excellent) High for suitability with relatively slight factors to be dealt with
- G = (Good) Medium for suitability with relatively slight factors to be dealt with
OR High for suitability with significant factors
- F = (Fair) Medium for suitability with relatively significant factors to be dealt with
- P = (Poor) Not particularly suitable and includes significant or very significant factors to be dealt with

Potential Economic Development Sites

Based on the grading system for potential economic development provided by BRPC, the following would be my (Hill) recommended ratings (based on engineering/design/construction):

	Development Type		
	A	B	C
Site 1	E	G	F
Site 2	G	F	P
Site 3	F	F	P
Site 4	E	G	P
Site 5	P	P	P
Site 6	F	F	P
Site 7	G	G	G
Site 8	E	E	E

BRPC Note: Although not mentioned directly in summary evaluation, Site 7 potentially includes a brownfield.

At some point a feasibility study may be warranted for one or more key sites. DHC Ready Resource grants are one funding source.

As an example of other planning factors that might be relevant, the following issues were noted for Site 1.

Segmented Ownership

Potentially an issue if site is to be fully utilized for a Park development since there are two owners one of whom controls access to Hubbard St. while the other controls prime development area.

Access/ Traffic

Pittsfield truck ban could be an issue. South St. access could be a problem for large volume development or high traffic generation uses.

Zoning

May need to rezone part of eastern portion of site.

Adjacent Uses/ Neighborhood

Nearby residential properties with South Street access would likely not welcome development of site, although existing trees would provide some buffering. Homes south of site should be buffered by additional tree plantings. Planned development of the site would be a more attractive use than industrial on the west side. Lower quality industrial uses may be creeping eastward though.

Wetlands/Environmental Issues

Much of site will prove undevelopable or difficult to develop mainly due to wetlands and RPA, however there is enough acreage to avoid these areas and have a productive site. In fact the constraints may help to create good buffers.

Continuing Main Street Route 8/9 as a Mixed Use Central Corridor, Redevelopment of Commercial Sites

There are also small commercial zones in town, along or near Routes 8 and 9, that could be redeveloped.

1. NE corner of Main + Daly – there appears to be building space
2. Crosier Electric building, Bay State electric
 - building appearance could be improved
 - building might be extended closer to Main Street
 - good site for small office or retail – if land next to cemetery can be used
 - access could be from Flanburg Avenue with parking in back to avoid traffic
3. Across the street from Country Corner store on Route 8 could be better used
4. Might be some infill or conversion opportunities along Depot St. but the viable residential clusters should not be disrupted

Better organized and screened storage might also be employed at the farm implements dealership along Route 9.

Expanding and Managing Home Occupations

Home occupations are basically small scale one or two person operations. They can be of a larger scale employing more persons and more closely resembling a business although still operated out of a home. Sometimes a successful home occupation expands into a home business. Appendix 9 is a fact sheet from the Hinsdale “Growing Smart” project describing potential aims and factors related to home-based businesses. In the Berkshires, a large segment of home based businesses are tourist related. Bed and breakfasts already exist in town.

The challenge is to encourage home occupation uses when they will not create unacceptable noise, traffic, or other impacts to neighbors. It is important to have a solid regulatory framework to manage the growth and operation of these businesses. As discussed above, there is also a need to ensure that technical assistance is accessible for those interested in running a small business.

Expanding and Diversifying Tourism and Visitor Services

Tourism generally means that people from outside the community visit the community and spend money in the community. This adds to the normal economic base and is usually a net fiscal benefit (exception - cases where the town picks up a substantial tab for services that it should not provide without compensation).

Dalton can work to build its tourist and visitor economy. At this point the town lacks a major attraction. Key attractions are the Crane Museum, Wahconah Country Club and the American Legion events.

The Berkshires have a tremendous base of tourism. Dalton is a bit removed from the major attractions centered around Lenox and Stockbridge. North Adams is expanding its base of tourism connected to MassMOCA. The regional tourism strengths are in fine arts and culture and the natural environment. Is there a way for local tourism to tie in stronger to the regional base?

The possibilities include:

- * Marketing the town with a positive image - promote new ventures through Web sites or brochures
- * Integrate year round tourism such as cross country skiing or ice events at Wahconah C.C.
- * Create a Visitor’s Center or install a traveler information kiosk that outlines the Historic Places, services and amenities and the towns natural beauty
- * Develop greater or improved signage, services and/or capacities at important sites

Dalton could try to promote itself. Local businesses can band together and work with the town, and other organizations. The schools are a great resource for building and maintaining a web site. The town could reach out to larger external organizations for publicity and promotion.

Organizations to possibly include:

- 1) Chamber of Commerce of the Berkshires
- 2) Berkshire Visitors Bureau
- 3) State of Massachusetts Office of Travel and Tourism

- (a) Make sure Dalton is on the Web site and in the "Massachusetts Getaway Guide".
- 4) Publishers of tourism guides
 - (a) SEE the Berkshires Inc., Miles Media Group, Adams, MA
 - (b) Berkshire House Publishers, Lee, MA
 - (c) The Berkshire Advocate, Inc.

The largest economic impact would be gained from a large tourist attraction, possibly a resort. If one were to be established it would have spin-off economic affects, such as helping to support contractors, restaurants, etc. Modern resorts are often connected to a golf course and to water and other natural amenities. Dalton has the basic ingredients and the land areas. The town can set up a regulatory framework that would allow this possibility but retain public control on what, where, and how this might be allowed in order to avoid or minimize negative consequences.

Organizational Options

Dalton needs to build and add internal capacity. The Action Plan contains some specific ideas. Any organization needs leadership, some level of cohesiveness and direction. When trying to conduct business or economic development efforts, Dalton needs to continue reaching outwards to surrounding organizations and communities. Berkshire Housing Development Corporation has been of assistance in office development projects. BRPC is available for planning related assistance. Many cooperative efforts are possible.

A local business support organization could work on some of the options discussed above and collaborate with the Central Chamber or Berkshire Enterprises and networking with other area agencies to provide answers and assistance to interested parties.

As far as a community based economic development is concerned, there are many regional organizations that can help out (see Appendix 10). However there is none presently equipped to address Dalton's needs at the community level and if one is to be formed in the future it would probably be a collaborative of organizations serving specific communities.

The Steering Committee reviewed DHCD's publication on organizing for economic development that compared eight different organizational forms. BRPC recommended the Community Development Corporations (CDC) model be investigated. There are several CDC's in Berkshire County. Members of the Lee CDC visited with the Steering Committee. The Steering Committee considered the Lee CDC as the closest model for Dalton.

CDC's are non-profit organizations established under state law are intended to be used in "economically distressed areas" and can be used for a wide range of activities such as housing, job creation, health services and job training. They have the ability to secure independent financing, qualify for grants, and move forward under their own authority. Land can be independently purchased, developed and sold through the authority and financing available to these organizations. A critical function of these independent organizations is to facilitate the process of getting the site ready to go and of getting tenants into the site by their ability to act independently and quickly. Town government authorizes the initial establishment of the organization and, once set in motion, the organization is empowered to act independently in the decision making process. Such an organization is able to offer commercial and industrial lands

at affordable prices. Dalton could create a CDC by itself or with Hinsdale. It could join up with one or more communities that have a CDC. For more information on CDC's see Appendix 11.

The Berkshire Council for Growth was established in the fall of 1998 to facilitate a comprehensive economic development plan for the county. BRPC will be working on the Plan. Berkshire Growth's mission is to represent "the integration of public and private interests organized to actively promote economic growth and assist in all aspects of economic development in Berkshire County. A recommended future action for Berkshire Growth is to create a regional commercial and industrial sites web site. Site inquiries could be fielded at the regional level and then be directed to all the appropriate sites within the county, depending upon what the inquiring business is looking for. A primary regional point of contact could also steer target businesses to the County.

Resource Options and Incentives

Resources to aid business development can range from the simple, very small, and private to complex, very large and public. The capital required for business development often comes from outside the community, although the internal resources of many communities are also often hardly tapped into. Fundraising events are a common grassroots form of generating money, interest and support for initiatives. Fundraising can take a variety of creative forms.

Dalton can apply for CDBG and USDA Rural Development loans for community development. As noted before Transportation funding is also being sought for road related infrastructure. The Town Manager and other town officials and volunteer groups and committees should continue to investigate grant opportunities.

MassDevelopment is the Commonwealth's economic and real estate development bank, providing technical assistant and financial support to small- to medium-sized companies, public organizations, and quasi-public agencies. It provides funds for predevelopment planning studies and real estate development, provides loans for construction, equipment acquisitions, equipment training, and mortgages, and can issue tax-exempt and taxable bonds for fixed-asset expansion projects. See Appendix 12 for financial opportunities related to business development.

Thirty six Economic Target Areas (ETAs) comprising 150 communities in Massachusetts have been designated and are eligible for redevelopment funding programs. This number has been capped. Land within an ETA community can be further designated as an Economic Opportunity Areas (EOAs). EOAs are eligible for even more exclusive tax abatement programs and capital funding sources.

This designation could potentially be very helpful if Dalton were ever to actively pursue economic development. It might be possible for Dalton to join the Pittsfield area Economic Target Area in conjunction with Hinsdale. This idea was considered favorably by the Hinsdale Planning Steering Committee in 1999. Any expansion would require the permission of the state and the existing communities in the Target area.

A business could benefit from the 5% investment tax credit for tangible personal property (depreciable assets) used in certified projects within an Economic Opportunity Area (EOA). This reduces capital costs and tax obligations and improves cash flow.

Without raising taxes or using any current revenue, Tax Increment Financing (TIF) serves as a public financing tool to assist economic development projects. The municipality agrees to "freeze" taxes at an established level for an agreed upon number of years from 5 to 20 years. TIF will pass the tax savings on to the property owners for use in project. Project must be located within an Economic Opportunity Area.

Qualified businesses operating within one of are eligible for tax and financing incentives:

- A 5% Investment Tax Credit for all businesses, not just manufacturing.
- A 10% Abandoned Building Tax Deduction (at least 75% vacant for at least 24 months).
- Local Property Tax Benefits (Special Tax Assessment or Tax Increment Financing).
- Priority status for state capital funding.

The tax abatement programs, grants, loans, tax-exempt and taxable bond programs available to the designated communities and to the businesses locating or expanding in them provide a very affordable opportunity. GE continues to reveal, under order of the EPA information on sites around Pittsfield. There are several financial programs dispersed throughout several different agencies concerning the redevelopment of brownfields.

Non-Residential Land Use Options, Zoning and Permitting

A growth management strategy involves further protection of fragile and important natural resource areas, designation of areas where reuse or redevelopment might occur in appropriate forms, and the reservation of tracts of land for specific non-residential uses. This needs to be part of the Land Use component of the Master Plan.

Other growth management methods would include zoning, other regulations, design guidelines and careful guidance of infrastructure. For example, if Dalton is to be proactive about adding high-tech industry, it needs to have proper zoning, both geographic zone areas that are viable based on the evaluation herein or otherwise determined, and text provisions, that will allow desired results (see Appendix 13: Lee OPLI Zoning and other examples). If commercial or industrial development is to be allowed in areas other than specifically designated areas, it should be done through overlay zoning and/or site plan review and/or special permitting to avoid negative and unnecessary impacts. The Planning Board will need to consider these issues in detail, perhaps through a sub-committee.

Business and Economic Goals & Strategies

A primary long-term aim of business development is to increase the non-residential tax base beyond the FY 2001 level in real dollar value.

Consistent with the overall Master Plan Community ‘Vision’ and Goals:

1. SUPPORT AND RETAIN THE TOWN’S EXISTING BUSINESSES.

1. Work to improve infrastructure and services that are essential to business.
2. Assist local businesses and guide events through an organization of existing Dalton Businesses.
3. Stabilize/lower the tax burden for all property owners.
4. Support desired expansions of local firms.

2. PROMOTE A DIVERSITY OF EXISTING AND NEW BUSINESSES THAT ARE SUPPORTED BY THE COMMUNITY, SERVE SHOPPING AND SERVICE NEEDS, AND PROVIDE QUALITY JOBS.

1. Pursue creation of a local community economic development organization, such as a Dalton Community Development Corporation (CDC).
2. Clarify the Town’s position on non-residential uses, incorporating public input. In designated areas, encourage uses that provide positive fiscal or income benefits and do not create impacts that override those benefits. Target examples:
 - Information/science technology based office businesses
 - High-end professional service firms, such as consulting, finance, insurance
 - Corporate offices
 - Modern (‘clean’) light manufacturing, possibly related to an existing regional industry ‘cluster’ such as plastics
 - Visitor based facilities/services, such as a motel or a resort
 - Quasi-residential businesses, such as assisted living facilities
 - Home occupations/home offices/limited home businesses
 - Health or medical, such as Doctor’s offices, physical therapy (not of large scale)
 - Specialty retail shopping establishments without high customer flow rates
 - Manufacturing or industry that may not be high end or high tech but is not high impact, such as wholesale trade or warehousing
3. Where appropriate, allow/encourage the business types above by modifying zoning and town regulations.
4. Through a local CDC (or other economic development organization), pursue resource options and incentives to encourage businesses of the types listed above to locate/expand in Dalton.
5. Modify zoning or other regulations to limit business uses not supported by the community.
6. Expedite the permitting process for desired uses in appropriate places.

3. FULLY UTILIZE EXISTING BUSINESS SITES AND PROVIDE ADDITIONAL AND/OR EXPANDED BUSINESS SITES TO PROVIDE A DIVERSE, SUSTAINABLE LOCAL TAX BASE.

1. Facilitate improvements and utilization of existing sites to increase their value and provide continuous long-term tax revenue.
2. Continue to assess potential sites for non-residential development.
3. Modify zoning to allow more flexibility and intensity in designated areas and to add areas that allow desired business opportunities.
4. Pursue site development, including a potential business park, through a CDC or other economic development organization.

4. ACTIVELY ENCOURAGE ADDITIONAL DESIRABLE BUSINESSES TO LOCATE IN DALTON.

1. Local economic development organization work to recruit desired types of businesses to locate in Dalton in coordination with state and regional efforts.

Local economic development organization and Planning Board and other town regulatory authorities work to implement goal, reaching outward to other organizations, by pursuing various options below:

Such organization shall be dedicated to pursue ways to address the economic needs of the Town and its citizens, require the participation of town residents and businesses, and have strong ties to local government and regional organizations.

VII. ACTION PLAN FOR BUSINESS DEVELOPMENT

The Action Plan includes four key suggested implementation organizations. It is crucial that all efforts be coordinated. These organizations should act independently but also think of themselves part of an interconnected Public-Private Dalton Business Development Partnership. Requests for public support should be relevant to achieving an established goal of the *Business Development Plan* which should eventually be part of an overall *Master Plan* that comprehensively expresses public policy. Periodically a publicized Business Development Roundtable should be held for the organizations to report to the public and elected officials on their progress in achieving goals and to gauge and focus public support for initiatives.

TOWN WILL COMMIT TO AN APPROPRIATE ROLE SUPPORTING ORGANIZED COMMUNITY BUSINESS DEVELOPMENT

<u>STRATEGY ACTIONS - ORGANIZED BY SUGGESTED LEADERSHIP, Suggested Order</u>	<u>Suggested Leadership Commitments</u>	<u>Sug. Order</u>	<u>Suggested Begin Date:</u>	<u>Target Complete Date:</u>	<u>Potential Resources, Funding, Participation</u>
Town continue to work to seek state funds to improve E. Housatonic and South Street.	Town - Manager	1	On-going	2005	MHD, TIP, PWED, BRPC
Work to keep a lid on town expenditures by implementing fiscal strategies while supporting town expenditures that are necessary and beneficial.	Town	1	On-going	On-going	Town DHCD, Berkshire COG
Issue permits that lead to construction or improvements for which additional property taxes are collected that exceed costs to town.		1	On-going	On-going	Town SPGA's, Selectmen/Manager, Building Inspector
Town work with business orgs to improve other service provision where necessary.	Town - Manager	1	As necessary	As necessary	
Town officially endorse the economic goals and objectives to encourage uses that provide positive fiscal or income benefits and do not create impacts that override those benefits.	Town - Select Board	1	2000		
Town advocate regional transportation improvements to facilitate truck travel to/from I-90.	Town - Select Board, Business representatives	1	2000		MIS Study, BRPC
Continue to assess potential sites for economic development, slowly in coordination w Master Planning at first	Town - minor function of Master Plan Steering Committee to be turned over to CDC when formed	1	2000		
Complete and adopt a full up-to-date Master Plan to that will help to sustain economic efforts within an overall planning framework for the long term.	Town - Master Planning Committee, Planning Board	2	2001		BRPC
Create a permitting guidebook for non-residential development to clarify the process.	Town - Select Board	3	2002		

<u>STRATEGY ACTIONS - ORGANIZED BY SUGGESTED LEADERSHIP, Suggested Order</u>	<u>Suggested Leadership Commitments</u>	<u>Sug.Order</u>	<u>Suggested Begin Date:</u>	<u>Target Complete Date:</u>	<u>Potential Resources, Funding, Participation</u>
Pursue town qualification for state incentives equal to the status of other towns in the Berkshires by being designated an Economic Target Area (Note: Possibly with Hinsdale).	Town - Select Board/Manager with State Rep., BRPC and other Orgs	3	2002		BRPC, Berkshire Elected State Officials
If CDC has a potentially viable Business Park concept, allocate town funds to secure an option on land.	Town - Select Board	4	As necessary, feasible		
Facilitate permitting by establishing a consolidated accelerated review process for preferred non-residential uses.	Town - Select Board/ Manager/ Building Inspector	4	2004		DHCD

EXISTING TOWN BUSINESSES WILL POOL TOGETHER TO CONDUCT SOME BASIC LOCAL BUSINESS SUPPORT ACTIVITIES

<u>STRATEGY ACTIONS - ORGANIZED BY SUGGESTED LEADERSHIP, Suggested Order</u>	<u>Suggested Leadership Commitments</u>	<u>Sug.Or der</u>	<u>Suggested Begin Date:</u>	<u>Target Complete Date:</u>	<u>Potential Resources, Funding, Participation</u>
Call a meeting to start up an organization of existing Dalton businesses (hereafter referred to as DBUSORG) and define a realistic course and business assistance/events focus for the organization. Agree to a catchy name (eg. "Dalton Works")	Dalton businesses	1	2000		
Recruit business owners or representatives into the DBUSORG, establish a charter, a minimal work plan, and a membership structure. Create and implement strategies to raise funds.	Dalton businesses	1	2000	2001	
DBUSORG become an coordinating sponsor for the Crane 2001 celebration	DBUSORG	1	2000	2001	
Link DBUSORG to the Central Berkshire Chamber and other organizations and increase local awareness/access and utilization of business programs and services.	DBUSORG	2	2001	Ongoing	

<u>STRATEGY ACTIONS - ORGANIZED BY SUGGESTED LEADERSHIP, Suggested Order</u>	<u>Suggested Leadership Commitments</u>	<u>Sug. Order</u>	<u>Suggested Begin Date:</u>	<u>Target Complete Date:</u>	<u>Potential Resources, Funding, Participation</u>
Provide basic information/referrals on federal/state/regional financial assistance and loan programs offered by organizations such as the Massachusetts Office of Business Development to small existing businesses and start-ups	DBUSORG, CDC (for larger issues)	2	2001	Ongoing	
Encourage/support desired expansions of local firms.	DBUSORG	2	Ongoing	Ongoing	
Facilitate marketing/publicity of town businesses through various means, initially through modest advertising publications (targeted to local and School District communities) and potentially through other organizational web-sites.	DBUSORG	3	2002	Ongoing	
Coordinate training support with the employment board and educational entities, including Wahconah Regional High School.	DBUSORG	4	2003	Ongoing	

PLANNING BOARD WILL SPEARHEAD EFFORTS TO GET VOTERS TO MODIFY ZONING, AS NECESSARY AND APPROPRIATE, TO SUPPORT ECONOMIC DEVELOPMENT

<u>STRATEGY ACTIONS - ORGANIZED BY SUGGESTED LEADERSHIP, Suggested Order</u>	<u>Suggested Leadership Commitments</u>	<u>Sug. Order</u>	<u>Suggested Begin Date:</u>	<u>Target Complete Date:</u>	<u>Potential Resources, Funding, Participation</u>
Define and adopt clarifications to zoning text to more specifically define business and industrial uses to facilitate preferred business land uses.	Planning Board - Economic Rezoning Committee	1	2001		
Modify zoning text or other regulations to limit/restrict businesses that have impacts that greatly exceed benefits.	Planning Board – Economic Rezoning Committee	1	2001		BRPC
Define and adopt zoning map changes to designate a variety of new areas for different preferred or acceptable uses that produce benefits. Potential options include a business overlay district and an office/technology park district.	Planning Board - Economic Rezoning Committee	2	2002		
Define and adopt zoning provisions for an office/technology park.	Planning Board – Economic Rezoning Committee	3	2002		BRPC
Define and adopt zoning provisions to allow a planned open space resort, possibly by special permit with site plan review.	Planning Board - Economic Rezoning Committee	3	2003		BRPC

A COMMUNITY DEVELOPMENT CORPORATION WILL BE FORMED TO CONDUCT ACTIVE COMMUNITY ECONOMIC DEVELOPMENT

<u>STRATEGY ACTIONS - ORGANIZED BY SUGGESTED LEADERSHIP, Suggested Order</u>	<u>Suggested Leadership Commitments</u>	<u>Sug. Order</u>	<u>Suggested Begin Date:</u>	<u>Target Complete Date:</u>	<u>Potential Resources, Funding, Participation</u>
Call a meeting of key interested parties to conceptualize the initial focus of a Dalton or Dalton-Hinsdale CDC.	CDC Organizing Committee of residents and businesses interested in community economic development	1	2000		
Mobilize support for a declaration by the Town in support of creation of a CDC. Get letters or declarations of support from key necessary "players", local and external.	CDC Organizing Committee	1	2000		
Request/obtain advice/technical assistance from other CDC's and other organizations to help get organized/established.	CDC Organizing Committee	1	2000		
Conduct a CDC Membership drive.	CDC Organizing Committee	2	2001		
Draw up Articles of Incorporation for a CDC and become certified by state.	CDC Organizing Committee	2	2001		
Establish a CDC Board of Directors.	CDC	3			
CDC pursue and secure operational funding to build resource capacity, business plan, start-up activities.	CDC	3			CEED Grant
CDC partner with another Berkshire CDC or contract with a Berkshire economic development professional for expertise/leadership to build resource capacity and start-up activities.	CDC	3			Lee CDC?
Build and keep a detailed updated inventory of existing facilities to facilitate utilization.	CDC	4			
Encourage vacant/underutilized building owners to consider proper site uses and combinations and guide reuses appropriately.	CDC, Town, DBUSORG	4			
Acquire an option on an existing building and as necessary apply for state grant(s) to study/plan to renovate/reuse the building as business incubation space.	CDC	4			DHCD, MBD, Berkshire Housing
Work with property owners and state and regional organizations to list Dalton properties in site marketing publications/web sites.	CDC	4			Berkshire Growth

<u>STRATEGY ACTIONS - ORGANIZED BY SUGGESTED LEADERSHIP, Suggested Order</u>	<u>Suggested Leadership Commitments</u>	<u>Sug. Order</u>	<u>Suggested Begin Date:</u>	<u>Target Complete Date:</u>	<u>Potential Resources, Funding, Participation</u>
Work with state and regional organizations to actively field siting/relocation inquiries from businesses outside Massachusetts	CDC	4			Berkshire Growth
Work with state and regional organizations to actively field branch expansion inquiries from businesses within the Berkshires and Massachusetts	CDC	4			Berkshire Growth
Develop and lease business incubation space.	CDC	5			DHCD, MBD, Berkshire Housing
Explore and plan prioritized coordinated existing business area upgrades to infrastructure, parking, landscaping, etc.	CDC, Town, DBUSORG	5			
If CDC has a potentially viable Business Park concept and a land option, apply for state grant(s) for Site and Market Feasibility Studies.	CDC	5			DHCD, MBD
Pursue all other necessary preliminary steps to create a Dalton CDC Business Park to be at least partly under the control of the CDC.		6			

APPENDICES