

Strategic Economic Development Action Plan

Town of Acton, MA

Public Workshop

February 26, 2025



Acton Economic Development Strategy Summary Real Estate Indicators

Office/Commercial – The Submarket is over-supplied, exhibiting net negative absorption. Submarket vacancy at 20.0% but Acton vacancy at 12.0%.

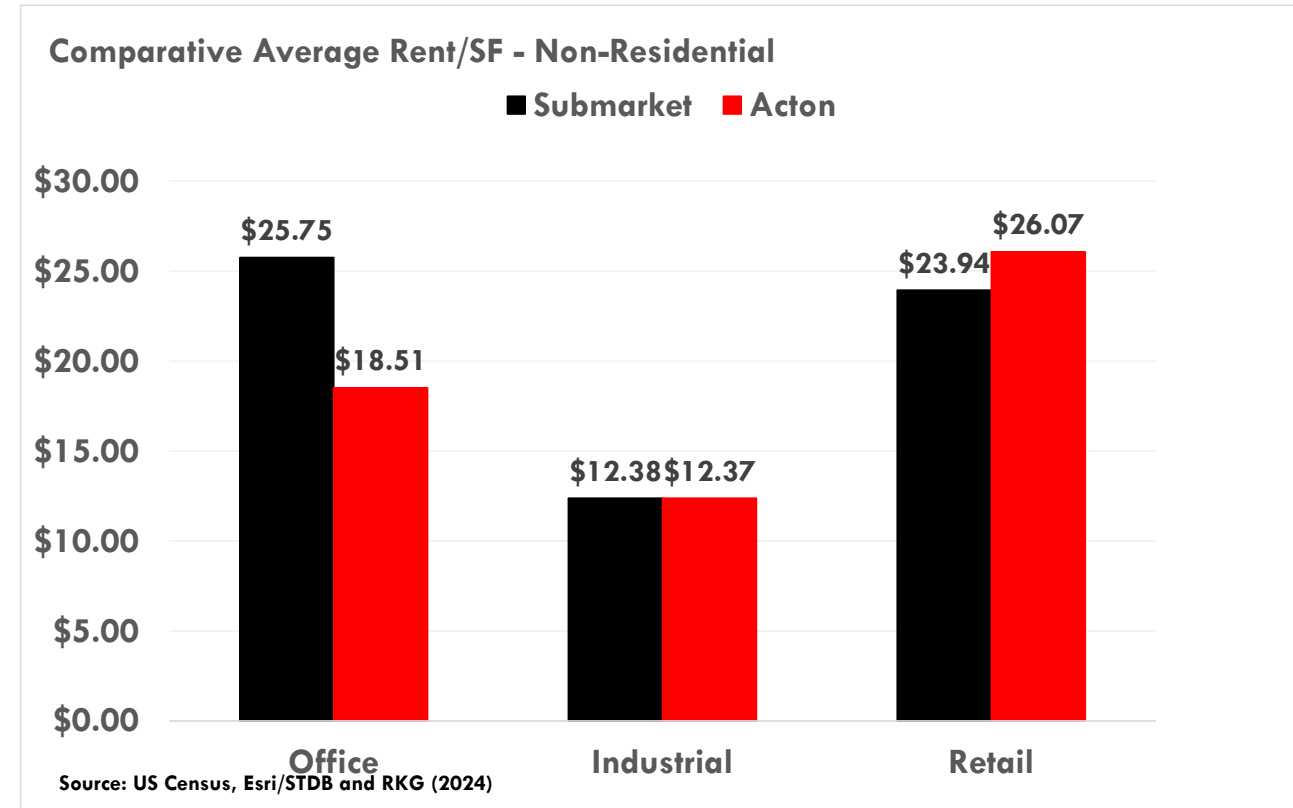
Industrial – The Submarket averaged vacancy of 754,300 SF annually over the last several years or 3.7%,..

Retail – RKG considers that the higher average asking rent/SF in Acton may reflect mix of retail in Acton and generally smaller SF footprints.

For-Sale Residential Single-Family – Current asking price in Acton of \$985,000 compared to \$1,017,000 in sister communities.

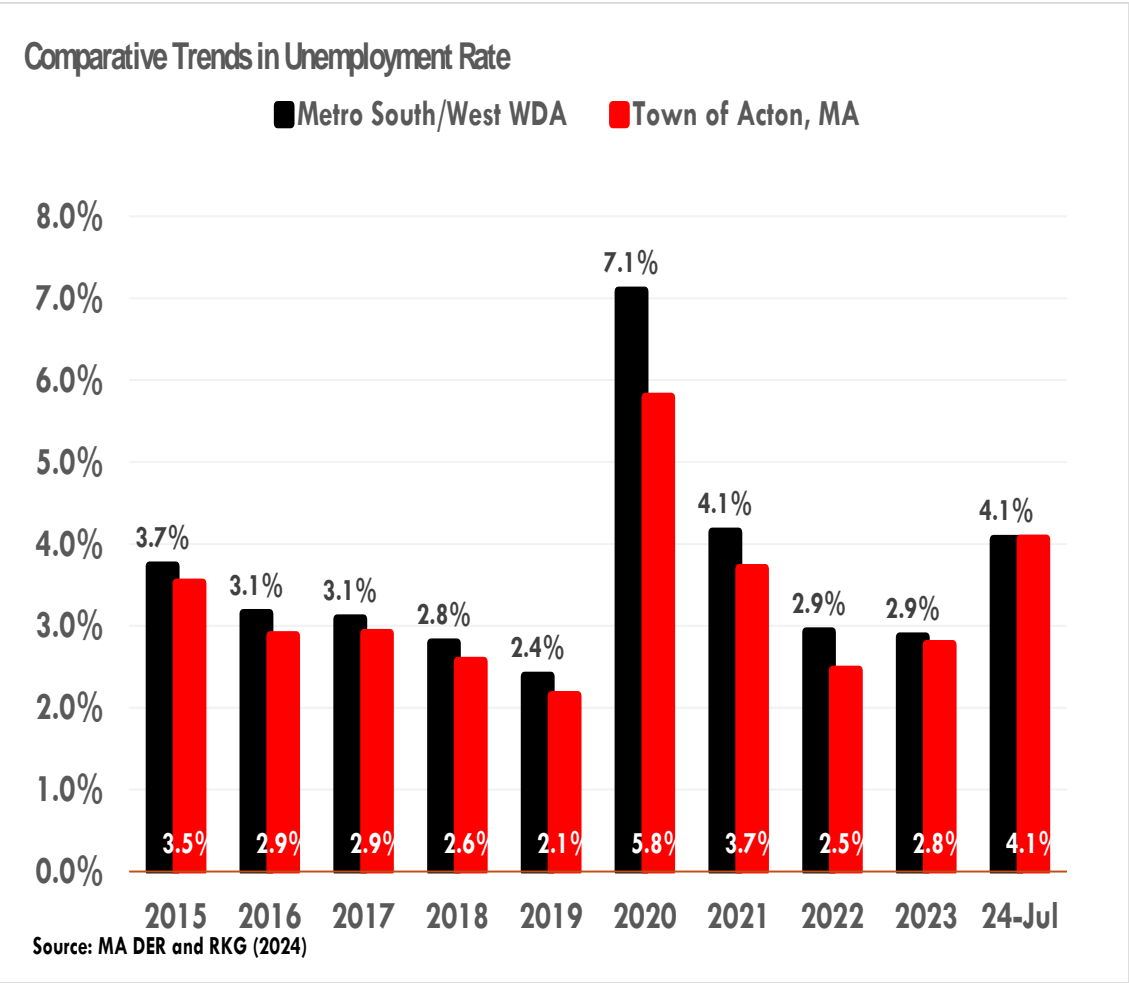
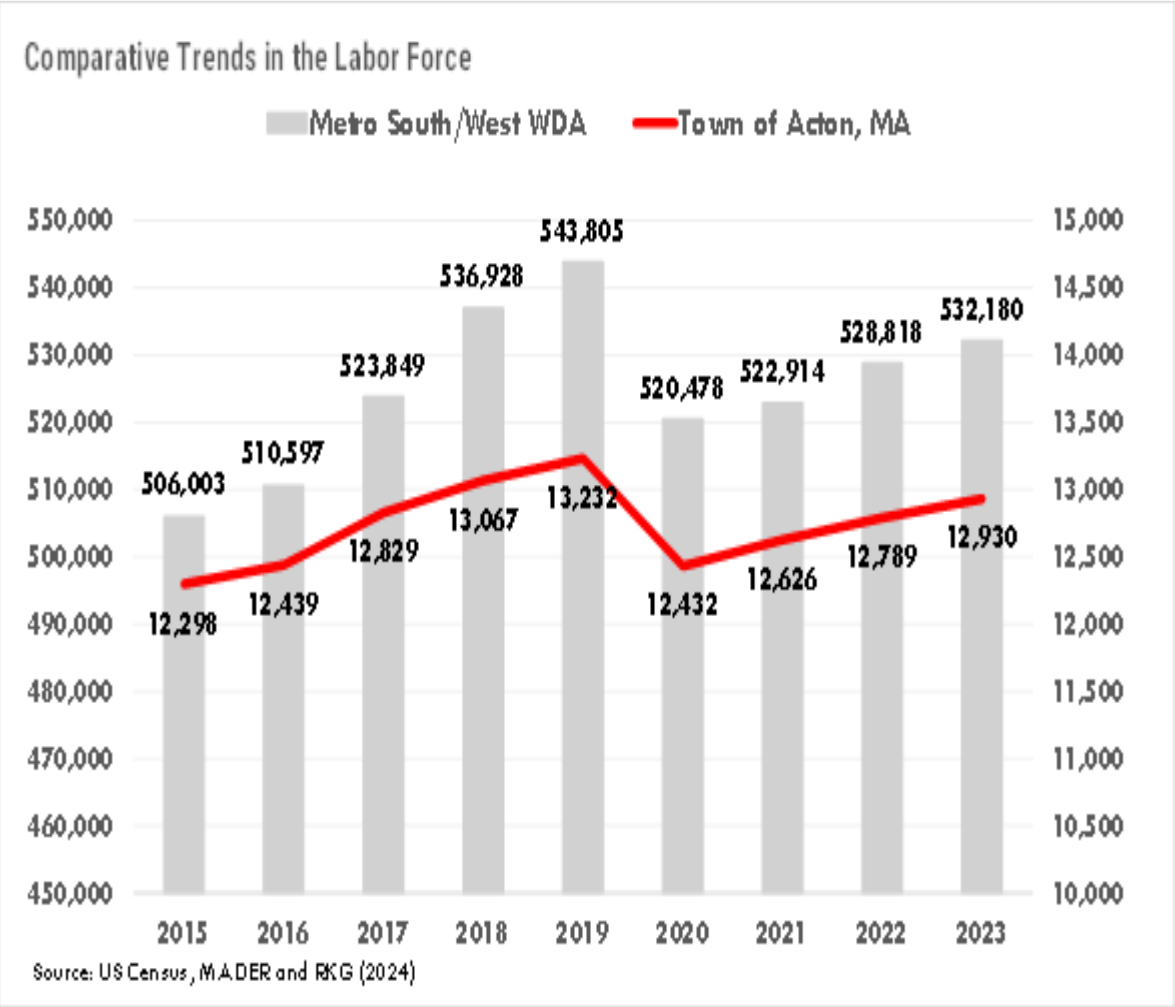
For-Sale Residential Condominiums – Current asking price in Acton of \$500,000 compared to \$579,680 in sister communities.

Multi-Family Rental – The Submarket current vacancy is 2.9% with an average rent of \$2.87/SF as compared to a sample of Acton listings at \$2.71/SF.



Acton Economic Development Strategy

Labor Market Trends



Acton Economic Development Strategy

Target Industry Clusters

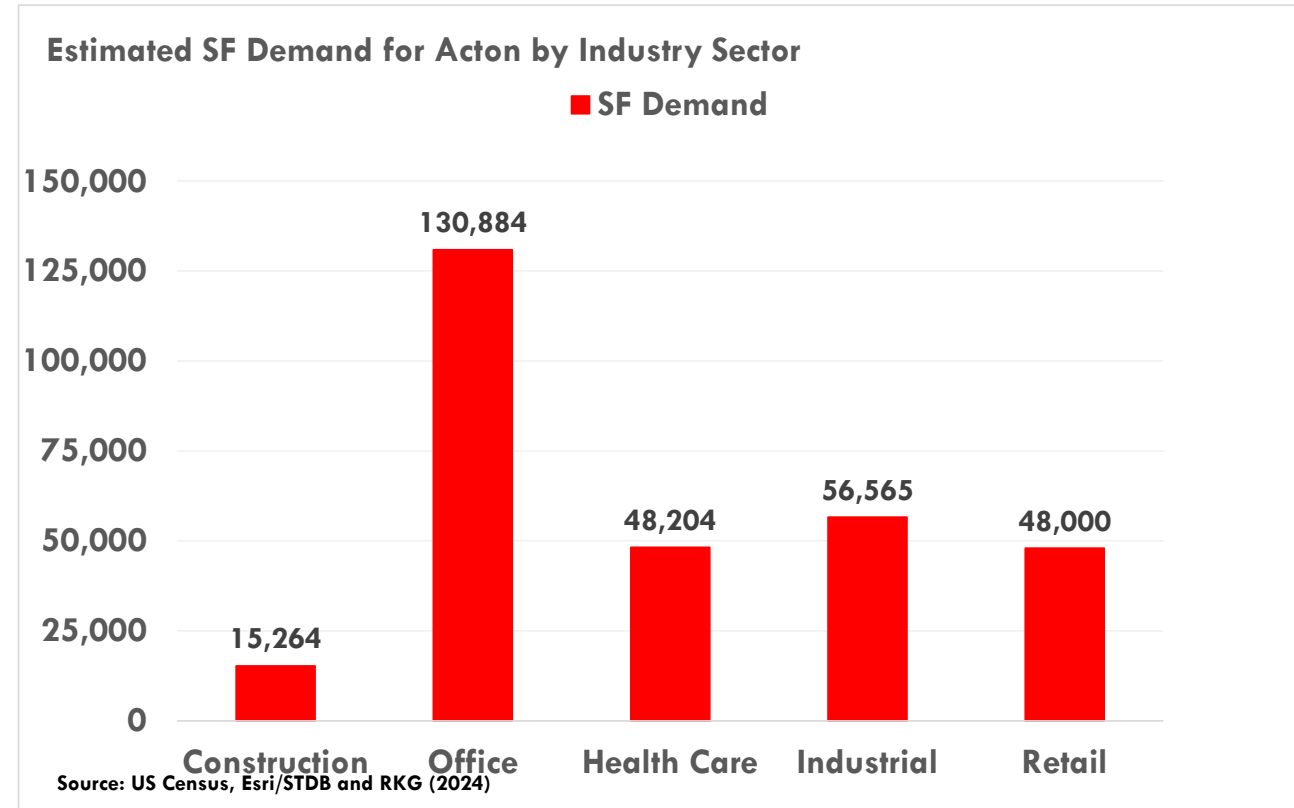
Construction Sectors – Influenced across the specialty trade contractors including HVAC contractors, electricians, roofing, plumbing and masonry work.

Office Use Sectors – Influenced by professional services at 42.0% of the demand. Average annual wage is just under \$180,000. Presents opportunities for ground floor in mixed-use developments and for Acton to improve prevailing LQ ratios.

Health Care Sectors – Influenced by the ambulatory health-care sub-sector and social assistance services and noting changing demographics.

Industrial Sectors – Demand is present across all sub-sectors. This sector is a strength in the local economy, worth maintain and expanding, as possible.

Retail Sectors – A 20% re-capture of sales leakage could support Food and Beverage, Restaurants, Health/Personal Care and General Merchandisers.



Acton Economic Development Strategy -Stakeholder Inputs (1)

West Acton Village

- This center serves as a destination hub for consumer activity, with activity drawing from Acton proper, but also from towns to the west.
- Approximately 50,000 SF of existing and assorted non-residential development (many locally owned).
- Initial planning and permitting covered the 2007-2010 time-period, with the first delivery of inventory in 2011 and incrementally thereafter.
- Future development is hampered by (1) available land/sites, (2) a lack of sewer infrastructure and (3) an inadequate parking.

To summarize – destination location with 50,000 SF of non-residential uses supporting a variety of consumer activity. Future growth is hampered by lack of sites, lack of sewer services and inadequate parking infrastructure.

Kelley' Corner

- This area of Town is currently a focus of expanded development opportunities, however, given its location it may have “less of a feel” as a walkable and compact area.
- Potential development at this location, over time, may transition more to “chain” development as opposed to “local development.

To summarize – repositioned Kelley's Corner could attract new development but densely built environment and FAR allowances could detract.

South Acton (Village) MBTA Station Area

- Although the Town of Acton is served by the MBTA commuter rail, this area is currently somewhat isolated with respect to pedestrian accessibility.
- While there may be land available for future development, the issues of compactness and connectivity may hamper transitioning to a town center development.

To summarize – densely developed and populated area, the former a possible negative to new development and the latter a positive.

Acton Economic Development Strategy - Stakeholder Inputs (2)

General Real Estate Market Observations

- In broad terms, the office market is over supplied and competes with flex type space, which enjoys a price advantage in terms of lease rates, also noting that for office development (other than smaller-scale entrepreneurial space), the market is more of a “tenant” market as contrasted to an “owner” market.
- Some office park landlords are seeking more high-tech and STEM related tenants, in part to further capitalize on the employment base in Acton and surround region.
- New office park development may be constrained by a lack of land, as some are seeking to expand and re-purpose on-site. (or otherwise infill).
- There is a perceived increase in Townwide retail vacancies as noted by the smaller scale neighborhood and strip retail..
- The lack of Townwide sewer infrastructure has deterred some retail development, especially restaurants.
- Although Town property tax rates have declined (FY 2020 at \$19.24 to FY 2025 at \$17.15)) they remain high compared to neighboring communities.
- Townwide industrial expansion opportunities are hampered by a lack of land, inadequate sewer infrastructure, property taxes and a local desire for “clean ” industry.

To summarize – projected employment growth presents development opportunities but varies by industry sector – with local constraints from lack of sewer and available sites (properly sized and zoned).

Zoning and Development Approval Process

- At times, there has been the perception of some level of internal Town conflict between various Town departments and committees in reviewing and approving development initiatives., although improving as of late.
- There is the perception of limited local initiatives (also statewide) for new business development and/or expansion. These are more prevalent in regions outside of Massachusetts (the Carolinas as an example).
- The cost of utilities and the tax rate serves as disincentives to development. The town is not perceived as “big business” friendly. Relations and working with some Town departments have improved, others not so much.
- Townwide development opportunities need to be more of a set of pro-active initiatives as opposed to “case-by case” responses.
- The Town needs to consider an approach to extension of sewer service which a Townwide shared expense.

Strategic Planning and Regulatory Issues

- Reportedly, the Town of Acton “lost” its local Chamber of Commerce and is now served by the broader Nashoba Valley Chamber of Commerce. Perhaps a more local and “self-serving” Chamber of Commerce is a possibility.
- To further economic development the Town requires a strategic plan and direction from the top down, including a co-ordination of efforts/inputs from all local regulatory commissions/committees, working in a cohesive fashion.
- There is a need for further review of the zoning bylaws and regulations to better “define” the development process and make the process more seamless (i.e., less overlap).
- Although not limited to, but including, a review of FAR (floor-area-ratio) requirements, the signage bylaws and the applicability of banner signs.
- There is a distinction between “well said” and “well done”, with the Town performing the former but falling short on follow-through and execution of the latter.

Acton Economic Development Strategy - Stakeholder Inputs (5)

Biggest Economic Development Opportunities

- Perceived economic development opportunities for Acton to further capitalize on include fostering growth in local/large arts community, which could encourage the Cultural District designation.
- Further preserving and/or utilizing (as appropriate) Townwide historic properties.
- Taking initiatives to support and grow home-based businesses, for example, revisit the number of employees permitted on-site in a home-based business.

Biggest Economic Development Challenges

- Lack of parking and traffic are problems for increased economic development opportunities.
- Concentration of commercial property ownership among a limited few, such as along Great Road.
- Commercial rents are perceived to be high, but compared to where and what?
- The Town has, at times, been opposed to such development proposals as drive-throughs, expanding childcare centers and cannabis dispensaries.
- The need for water conservation efforts to protect the aquifer may limit the ability of the Town to attract high-water use businesses such as restaurants and bio-tech labs. (The lack of Townwide sewer is also an influencing factor).
- Acton is too far removed from I-495, as compared to Boxborough or Littleton, as examples, presenting a possible location disadvantage for businesses requiring proximity and easy access to the interstate.
- There is no hospitality space in Acton, proper, to provide accommodations for business guests and other overnight visitors who may be in Acton to work with area businesses.
- The Town of Acton may benefit from an Office of Tourism, akin to Concord (although, isn't the Concord location a visitor's center?).

Public Workshop – Discussion and Input

Thoughts on preliminary components of the Strategic Plan Action matrix. What is missing? What should be expanded?

Review of potential Opportunity Sites and desires for new development. What are desired developments? What could improve the opportunities for new development? What is hampering new development?

Consideration for initiating a Cultural District designation for Acton? Where and what?

General discussion and comments.