The Research Bureau

Benchmarking Economic Development in Worcester: 2006

November 2006

CCPM: 06-06

Center for Community Performance Measurement

The Research Bureau

Contents

Dear Citizen,

We are delighted that MassDevelopment is sponsoring this report— the sixth annual Benchmarking Economic Development in Worcester report prepared by The Research Bureau's Center for Community Performance Measurement (CCPM). MassDevelopment has supported numerous economic development initiatives throughout the City and Region as described below.

The CCPM was established in 2001 with support from the Alfred P. Sloan Foundation to measure and benchmark municipal and community performance in the areas of economic development, public education, municipal and neighborhood services, public safety, and youth services. We wish to thank the Sloan Foundation for its continued support of the CCPM. We hope that this report will encourage widespread discussion about Worcester's economic future, serve as a basis for sound priority-setting and decision-making, and promote performance measurement practices at the municipal level.

Sincerely,

Eric H. Schultz
President

Roberta R. Schaefer, PhD
Executive Director

Kimberly A. Hood, MPA
Manager, CCPM

MassDevelopment and The Research Bureau: Promoting Economic Development

On behalf of the entire MassDevelopment team, we are pleased to sponsor the Worcester Regional Research Bureau's 2006 "Benchmarking Economic Development in Worcester" report. For more than 20 years, The Research Bureau has provided important insights into the economic development needs and accomplishments of the state's second largest city. For agencies like MassDevelopment, The Research Bureau's work is invaluable since it allows us to better target our investments and offer support for projects deemed critical by a collective voice representing individuals who live and work in the City of Worcester.

MassDevelopment, the state's finance and development authority, works with businesses, nonprofit organizations and municipalities to support job creation, affordable housing construction and business development in the Commonwealth. Our customized financing products and real estate development services are flexible and solutions-oriented. Our experienced professionals are located in every region of the state and ready to help solve your most pressing finance and real estate challenges.

In Central Massachusetts, MassDevelopment arranged financing for 133 projects totaling more than $508 million in investments over the past three fiscal years. Notable projects include the agency's continued support for Gateway Park in the form of brownfields financing and loan renewals; a $5 million tax-exempt bond for the Boys & Girls Club of Worcester, which used proceeds to construct a new 48,000-square-foot facility as part of the City's Gardner-Kilby-Hammond revitalization effort; and two loans to support Bay State food manufacturer IBS Commodities' relocation from Newton to an underutilized Plantation Street facility. MassDevelopment also staffs a regional team in Worcester, with investment bankers, lenders and community development specialists available to help move projects forward.

Since FY2004, MassDevelopment has partnered with banks, other investors and cities and towns to finance or manage 586 projects in every region of the state. These projects represent an investment of more than $4 billion in Massachusetts' economy, and include marquis redevelopment efforts at sites like Devens, 100 Cambridge Street and Village Hill in Northampton. These undertakings supported the creation of 5,537 new housing units and more than 23,500 permanent and construction-related jobs.

We hope you find this report informative, and we encourage you to contact MassDevelopment for assistance with your business development opportunities.

Sincerely,

Robert L. Culver
President & CEO

INDICATOR 1

Tax Base

Why is it important?

The tax base is the total assessed value of property within a city or town that is subject to local taxation. A municipality sets tax rates according to its annual revenue requirements and the value of all property assessments within its jurisdiction. The tax base is important because local governments are heavily reliant on property taxes to fund municipal services such as public safety, public education, public libraries, and street and sidewalk maintenance.[1]

The 351 cities and towns in Massachusetts receive an average of 53% of their total revenue from property taxes. The relatively widespread dependence on the property tax to fund municipal services has increased public concern about how- and how fairly- the tax burden is distributed across property owners (i.e., commercial-industrial and residential property owners). A tax base is vulnerable to a variety of economic factors, and as such, a tax base that is composed of primarily one property type is particularly vulnerable to any changes in that property type. Furthermore, as the composition of a community's tax base shifts, homeowners may be faced with higher tax bills in order to make up for tax revenues once generated by commercial-industrial properties.

How does Worcester perform?

Worcester's total taxable property value of $11.6 billion in FY06 was $1.2 billion (11.9%) higher than the FY05 value. **Chart 1.1** examines changes in the value and composition of Worcester's tax base between FY01 and FY06, and shows that the City experienced a 95% increase in total assessed values during this time period.

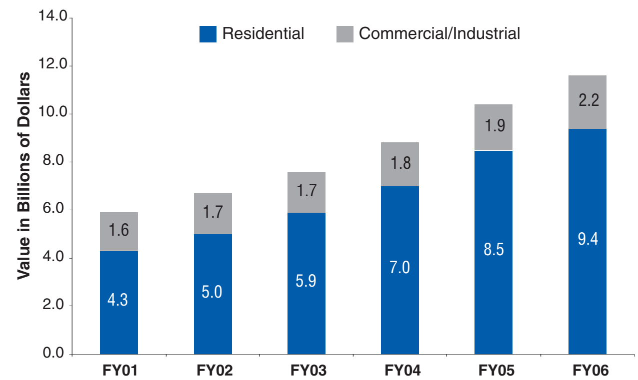
Changes in a community's tax base are due to two main factors: changes in market values of existing properties and value added as a result of new construction (discussed further in **Indicator 3: Private Investment**). The City of Worcester has seen increases in both in the past five years. Residential property values exceeded $9.4 billion in FY06, an increase of more than $900 million or 11% since FY05. $172 million of this growth was due to new construction values.

The value of the City's commercial-industrial property increased by 15.5% from FY05 to FY06 to $2.1 billion. This rate of increase marked the first time since FY89 that the City's commercial and industrial property values experienced double-digit growth. **Chart 1.2** shows the annual percentage change in values by property type for the FY01 through FY06 period.

The 118% ($5.1 billion) increase in residential values from FY01 to FY06 exceeded the 33% ($539 million) increase in commercial-industrial values during the same period. From FY01 to FY06, Worcester's commercial-industrial property value decreased from 27% to 19% of the total value, while Worcester's residential values as a percentage of total value increased from 73% to 81% **(see Chart 1.3)**.[2]

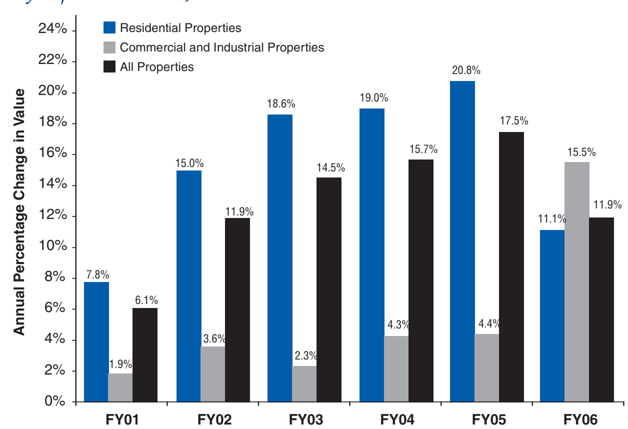
Table 1.1 compares Worcester's FY06 tax base and its rate of increase since FY01 with those of several other cities in New England. In each of the communities examined, the rate of growth of residential values far exceeded the rate of growth of commercial-industrial values. The data also reveal that Worcester has experienced the greatest rate of increase in residential values and the second-highest rate of growth in commercial-industrial values.

***Chart 1.1**: Total Assessed Value of all Properties in Worcester, FY01-FY06*



Data source: Massachusetts Department of Revenue, Division of Local Services

***Chart 1.2**: Annual Growth in Property Values, City of Worcester, FY01 – FY06*



Data source: Massachusetts Department of Revenue, Division of Local Services

[1] See CCPM publication 06-05. *Benchmarking Municipal and Neighborhood Services in Worcester: 2006* for a discussion of these and other municipal services provided by the City of Worcester.

[2] In FY84 (the year in which Worcester adopted dual classification), residential values and commercial-industrial values comprised 65% and 35% of the total tax base respectively.

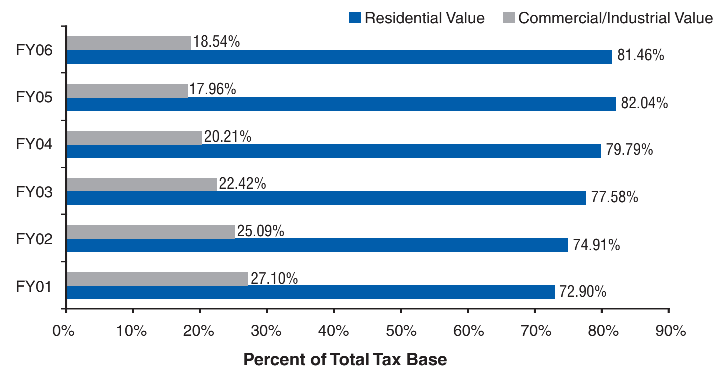
What does this mean for Worcester?

Worcester's tax base has seen strong and consistent growth in recent years. With more than $1.3 billion in planned and proposed public and private investment in the City, the rate of growth in the value of commercial-industrial properties is expected to increase, resulting in the generation of new tax revenues and new jobs in the near future.[3]

In addition to the "bricks and mortar" projects underway, *Choose Worcester Inc.* is a public-private partnership, supported with private funds, established to attract and retain jobs by marketing the City to prospective businesses. The impact of these and numerous other projects on the value of the commercial-industrial tax base, and the extent to which they add new jobs for the region's residents, will be measured in future *Benchmarking Economic Development* reports.

Worcester's expanding tax base has allowed the City to collect more in tax revenues in recent years. However, as the tax base expands, so do the services that the City must provide. Residential, commercial, and industrial property owners require different kinds and levels of municipal services (such as schools, police and fire protection, parks and recreation, sewer and water, and roadway infrastructure). Residential property owners generally require services/expenditures that exceed the value of tax revenues generated by those same properties. This means it is particularly important for urban communities such as Worcester, where the values are so disproportionately distributed among residential and commercial-industrial properties, to try to maintain a balance between those land uses in order to pay for necessary services.

Chart 1.3: *Distribution of Assessed Value by Property Type, City of Worcester, FY01-06*



Data source: Massachusetts Department of Revenue

Table 1.1*: Assessed Values in Comparison Cities FY06*

In thousands of dollars

	Residential	% Change FY01-FY06	Commercial/ Industrial	% Change FY01-FY06	Total	% Change FY01-FY06
Worcester	$9,445,222	117.9%	$2,150,305	33.4%	11,595,527	95.0%
Boston	$50,688,907	73.4%	$24,049,094	13.1%	74,738,001	48.0%
Cambridge	$13,961,700	81.1%	$7,885,198	57.9%	21,846,898	72.0%
Somerville	$6,872,700	87.0%	$1,022,198	24.9%	7,894,898	75.7%
Providence	$6,811,192	86.8%	$2,840,185	10.8%	9,651,377	55.4%

Data Source: Massachusetts Department of Revenue, Division of Local Services

[3] While a number of these projects are highlighted in **Indicator 3**, a more extensive listing and description of the development projects occurring throughout the City may be found at www.worcestermass.org.

Tax Rates

Why is it important?

The tax rate reflects the amount of property tax assessed per $1,000 of assessed property value. For example, in FY06, Worcester's commercial-industrial tax rate was $25.20; hence taxes on a commercial or industrial property with an assessed value of $1 million would total $25,200. The tax rate is determined by dividing the dollar amount required for the taxing district by the total value of property within the district.

A city's tax levy is the amount of money raised through property taxes to support municipal operations. The amount of municipal spending and the availability of other revenues affect the total tax dollars that must be levied. Tax rates will vary from community-to-community depending on the level of services provided. Cities tend to have higher tax rates than towns due to the fact that towns generally have lower infrastructure costs and provide fewer services to their residents. The size and composition of the tax base (discussed in **Indicator 1**) determine the tax levy's distribution among all property owners.

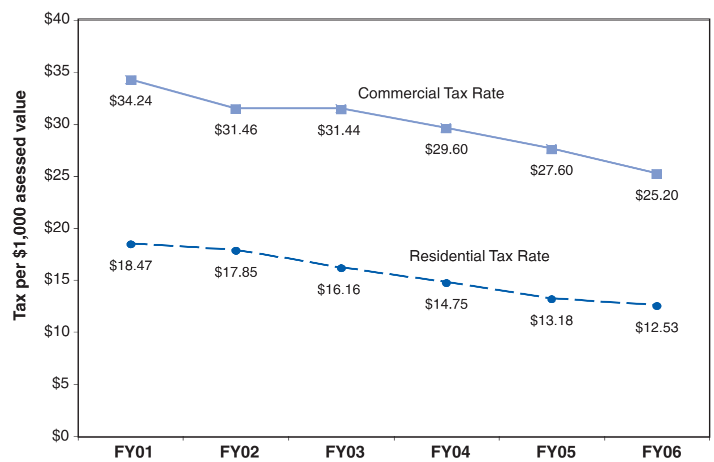
Property taxes are one of many factors that may influence a decision about where to live or conduct business. Individuals are often concerned about the quality of schools, housing costs, neighborhood safety, and the availability of jobs in addition to tax rates. Businesses are typically interested in the skill level of the local labor force, wage rates, energy costs, housing costs, infrastructure, availability of office space or land ready for immediate development, and the degree to which municipal officials are perceived as partners in economic development. Nonetheless, one indication of the importance of the tax rate in influencing business decisions is the popularity of tax incentives such as tax increment financing (TIF), which, in Massachusetts, grants qualified firms tax abatements over a number of years in return for a guarantee that the company will create a certain number of jobs and invest private dollars into the physical improvements or new construction of a facility. In 2003, the state also created the District Improvement Financing Program (DIF), under which a municipality pays for public infrastructure improvements in support of private development with tax revenues that will be generated from a DIF District.[4]

How does Worcester perform?

Under Massachusetts General Laws Chapter 59, cities and towns may choose to adopt property tax classification, which allows different classes of property (residential and commercial-industrial) to be taxed at different rates.[5] The City of Worcester adopted dual classification in FY84. When adopted, dual classification typically shifts the tax burden from residential property owners to commercial and industrial property owners.[6]

Chart 2.1 shows Worcester's commercial-industrial and residential tax rates over the six-year period from FY01 to FY06. In FY06, the commercial-industrial tax rate reached its lowest level since FY93, at $25.20 per $1,000 of assessed value. While the commercial rate has steadily declined over the past five years from $34.24 to $25.20 per $1,000 of assessed value (a 26.4% decrease), the FY06 rate is more than double the residential rate of $12.53 per $1,000 of assessed value.

Chart 2.1: *Worcester's Commercial and Residential Tax Rates, FY01-FY06*



Data source: Massachusetts Department of Revenue, Division of Local Services

[4] Worcester's CitySquare project is the first project in the state to receive approval for its DIF District and DIF financing plan.

[5] According to the Massachusetts Department of Revenue, in FY06, 110 Massachusetts' communities (31%) taxed residential and commercial-industrial properties at different rates.

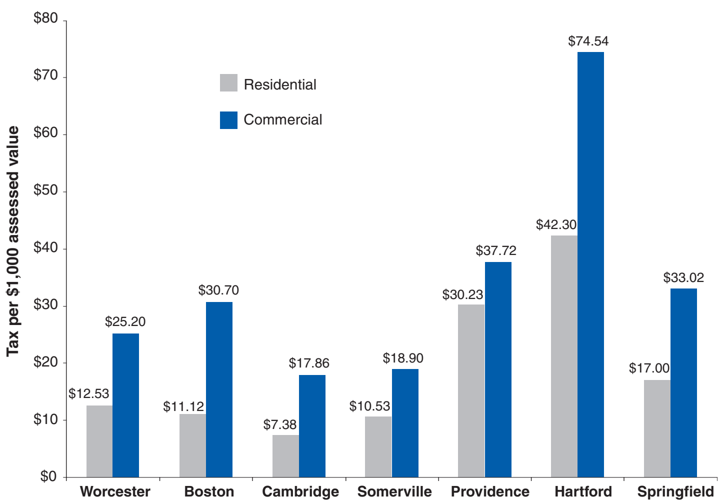
[6] While state legislation allows communities to shift the tax burden from one property class to another, the state does set limits as to how much of the burden a municipality may shift. In FY06, the maximum allowable shift for Worcester was 175% of the single tax rate (the single tax rate is the total tax levy divided by the total assessed value multiplied by one thousand), and the City adopted a commercial-industrial rate at 169% of the value of the single tax rate and a residential rate at 84% of the values of the single tax rate.

Tax Rates (continued)

Although Worcester has experienced a steady and significant decline in its residential tax rate in recent years, homeowners have faced rising property tax bills due to sharply increasing residential property values (as discussed in **Indicator 1: Tax Base**). According to the Massachusetts Department of Revenue, the average value of single-family homes in Worcester increased from $117,769 in FY01 to $229,800 in FY06 (a 95.1% increase). While the residential tax rate fell from $18.47 to $12.53 during this same period, the reduction in the tax rate was more than offset by the increased values. Consequently, between FY01 and FY06, the average single-family tax bill in Worcester increased by about one-third, from $2,175 to $2,879.

As **Chart 2.2** indicates, Worcester's commercial-industrial and residential tax rates compare favorably to those of Boston, Providence, Hartford, and Springfield, but are slightly higher than those of Cambridge and Somerville. Closer to home, however, Worcester's commercial-industrial tax rates are not competitive with those along the I-495 corridor (**Table 2.1**) in part because a number of these communities have adopted a single tax rate. **Table 2.2** shows that despite shifting a portion of the tax levy away from residential property owners to commercial and industrial property owners, Worcester's residential tax rate is higher than the rate established in all but four of the 13 communities along I-495. This is in part because Worcester provides more municipal services than these towns which increases the cost of government.

***Chart 2.2**: FY06 Tax Rates for Worcester and Comparison Cities*



Data Sources: Massachusetts Department of Revenue; Providence Assessor's Office; City of Hartford Assessor.

***Table 2.1**: FY06 Commercial Tax Rates in I-495 Communities*

	Tax Rate	% Change FY01-FY06
Upton	$10.65	-15.5%
Harvard	$10.89	-27.2%
Berlin	$11.78	-18.6%
Northborough	$12.27	-19.4%
Southborough	$12.36	-7.6%
Hopkinton	$12.47	-20.4%
Ashland	$12.66	-29.2%
Boxborough	$13.24	-14.6%
Bolton	$13.56	-15.5%
Westborough	$13.86	-1.2%
Milford	$21.16	-20.0%
Hudson	$22.53	4.4%
Marlborough	$23.95	-8.7%
Worcester	**$25.20**	**-26.4%**

Source: Massachusetts Department of Revenue

***Table 2.2**: FY06 Residential Tax Rates in I-495 Communities*

	Tax Rates FY06	% Change FY01-FY06
Hudson	$10.16	-17.2%
Upton	$10.65	-15.5%
Harvard	$10.89	-27.2%
Milford	$11.35	-23.3%
Berlin	$11.78	-18.6%
Northborough	$12.27	-19.4%
Marlborough	$12.28	-17.6%
Southborough	$12.36	-7.6%
Hopkinton	$12.47	-20.4%
Worcester	**$12.53**	**-32.2%**
Ashland	$12.66	-21.2%
Boxborough	$13.24	-14.6%
Bolton	$13.56	-15.5%
Westborough	$13.86	-1.2%

Source: Massachusetts Department of Revenue

What does this mean for Worcester?

Dual classification and higher commercial-industrial and residential tax rates place Worcester at a competitive disadvantage compared to a number of nearby communities including those along the I-495 corridor. Even though tax rates are only one of many factors businesses weigh when deciding where to relocate, Worcester's higher rates, which increase the cost of doing business in the City, make Worcester a less attractive alternative relative to many of its neighboring communities.

Additionally, over the past five years, because of the much smaller increase in the assessed value of commercial-industrial property compared to residential, the proportion of the tax base derived from residential properties has increased from 73% in FY01 to 81% in FY06. These figures suggest not only the need to attract new business to Worcester, but that efforts to alleviate the tax burden on homeowners by raising the rate on businesses are self-defeating. According to the City Manager's *Fiscal 2007 Budget Message*, the average Worcester single-family homeowner pays a higher share of median income in property taxes (6%) than any other comparable city in the Commonwealth, and that "property owners are justified in questioning why they are paying more in property taxes while City services are diminishing."[7] Further increases in the commercial tax rate would only discourage businesses from locating or expanding in Worcester thus exacerbating the residential tax burden still further. Worcester would be far better served by a focused endeavor to reduce the cost of municipal operations, and evening out the difference between commercial-industrial and residential rates, thus lowering the tax burden for everyone. Suggestions for reducing the cost of operations, detailed in The Research Bureau's Report 06-02, *How Can Worcester Insure its Fiscal Health in FY07 and Beyond?*, include restructuring the 911 medical emergency first response system, reorganizing/outsourcing the City's fleet management, contracting out City and Worcester Public Schools custodial services, controlling collective bargaining costs including salaries, health insurance, and disability pensions.[8]

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[7] City of Worcester, *Fiscal 2007 Budget Message*, p.3.

[8] Report 06-02 is available online at http://www.wrrb.org.

Private Investment

Why is it important?

Private investment, measured here as the value of new construction, reflects a city's ability to attract new development, create new jobs and housing opportunities for its residents, and expand its tax base. New growth is the calculation of the net increase in municipal property values because of new construction/subdivision or a return of exempt property to the tax roll. New growth can be added to a municipality's levy limit as defined by Proposition 2 1/2 and thereby increases taxing capacity. As discussed in **Indicator 1: Commercial and Residential Tax Base**, Worcester's overall tax base increased by more than $1.2 billion (11.9%) from FY05 to FY06. Two factors drove this level of expansion: 1) rising property values in the City, and 2) continued high levels of commercial and residential construction (new growth). This indicator will focus on the portion of the increase that is attributable to commercial-industrial and residential new growth.

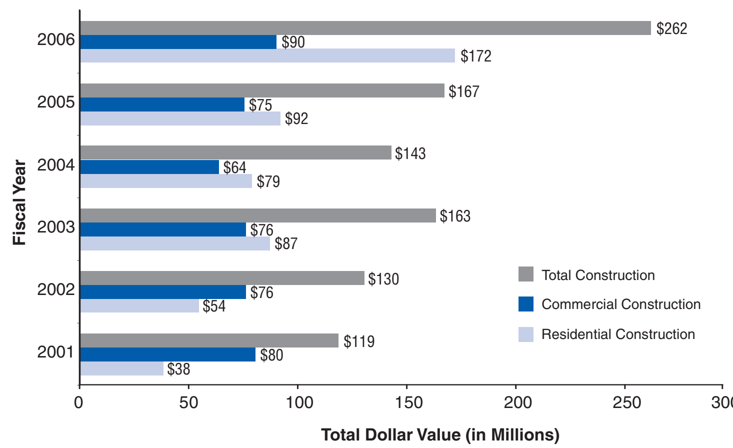
How does Worcester perform?

Chart 3.1 shows that the combined value of commercial and residential new growth in Worcester totaled $262 million in FY06. This amount represents a 56.7% increase from the previous year, and is more than double the FY01 value. The value of new commercial and industrial growth in Worcester increased by 19.7%, from $75.4 million in FY05 to $90.2 million in FY06.[9] The value of residential new growth in the City increased by 87%, from $91.8 million to $171.8 million, during the same period due to new construction of single-family homes and condominium and apartment units.

Chart 3.2 shows the percentage of Worcester's tax base and tax revenues derived from new construction since FY01.[10] While no clear trend has emerged over this period, these proportions have typically fluctuated by less than half a percentage point from year-to-year. The $262 million in new construction in FY06 is approximately 2.3% of the value of Worcester's tax base in the same year, and at the FY06 residential and commercial rates, it would yield about $4.4 million in new tax revenue.

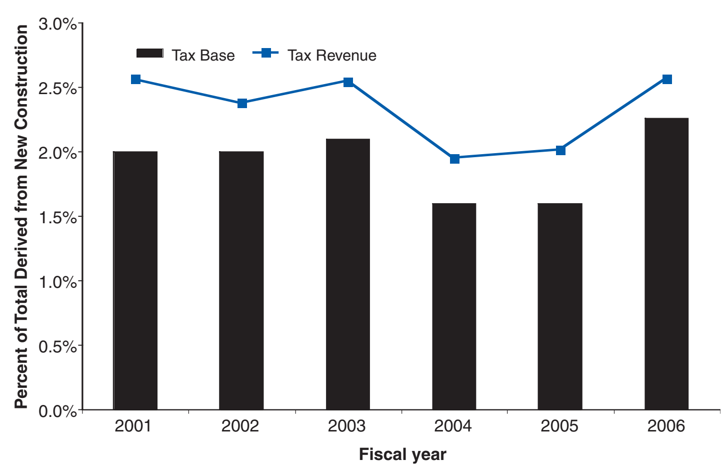
As shown in **Chart 3.3**, until FY03, the value of new construction in the commercial-industrial sector far exceeded the value of growth in the residential sector. In FY96, commercial-industrial growth accounted for 80.6% ($52.3 million) of the value of all new construction in Worcester. However, by FY06, commercial-industrial growth lagged far behind residential growth, accounting for just 34.4% of the value of new construction.

Chart 3.1: *Value of new construction in the City of Worcester, FY01 – FY06*



Data source: Massachusetts Department of Revenue, Division of Local Services

Chart 3.2: *Percentage of Worcester's Tax Base and Tax Revenues Derived from New Construction, FY01 – FY06*



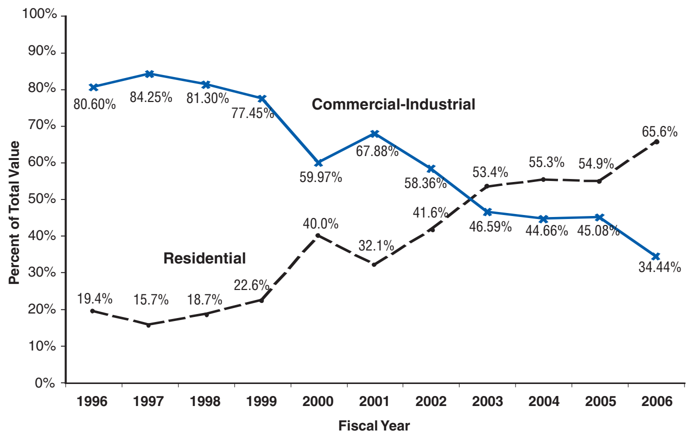
Data source: Massachusetts Department of Revenue, Division of Local Services

[9] As noted in **Indicator 2**, in light of Worcester's dual tax rate, the availability of tax increment financing (TIF) and district improvement financing (DIF) options which effectively reduce a qualified business' tax burden, improve the attractiveness of Worcester as a place to do business.

[10] As discussed in **Indicator 2: Commercial and Residential Tax Rate**, to encourage economic development and new growth, communities may offer tax incentives which effectively lower or defer property taxes for a specified period of time. The calculation of the percentage of revenue derived from new construction depicted in **Chart 3.2** reflects the maximum percentage that could be expected to be derived from new construction, i.e., omitting tax incentives which would reduce tax revenues.

Private Investment (continued)

Chart 3.3: *Distribution of the Value of New Construction in Worcester, FY01 – FY06*



Data source: Massachusetts Department of Revenue, Division of Local Services

What does this mean for Worcester?

As noted in **Indicator 1**, Worcester's tax base, fueled by a combination of increasing values and strong new growth, has seen consistent expansion in recent years. With more than $1.3 billion in planned and proposed public and private investment on the horizon, new growth levels are likely to remain high. The following highlight a number of initiatives that have contributed or are expected to contribute either directly (private investment) or indirectly (public investments that have encouraged further private investment) to strengthening Worcester's economy:

- The recently completed $25-million 200-room Hilton Garden Inn;
- The WPI Life Sciences and Bioengineering Center at Gateway Park (a $35-million joint effort of WPI and WBDC);
- The $563 million CitySquare initiative to turn the property once occupied by the Worcester Common Outlets into a mixed use (residential, retail, office, and entertainment) development;
- The $180-million Regional Justice Center will include District Court, Housing Court, Superior Court, Juvenile Court as well as the Probate and Family Court, and is expected to attract further redevelopment to the Main Street area;
- The Kilby-Gardner-Hammond Project involves the redevelopment of 30 acres for recreational facilities, a new Boys & Girls Club facility, and housing construction in the South Main Street area of the City;
- City officials also recently announced their intent to develop a master plan for economic development in the North Main Street and Lincoln Square area;
- Wyman-Gordon has engaged an outside brokerage firm to seek developers for 17 acres of its Madison Street site;
- Plans for the redevelopment of Washington Square will make it more transit and pedestrian friendly;
- Completion of the Route 146 Connector project in 2007 will provide greater access to the City from the south, as well provide recreational opportunities and the area will be home to the new visitors center;
- The Arts District is a public/private partnership promoting the reuse of several underutilized and vacant properties that would be suitable for artist live/work space, performance venues, college centers, cafes and eateries, art supply shops, galleries and other creative commercial and retail enterprises.

Sustained growth is key to Worcester's long-term economic vitality, and while growth levels in the City have remained high from a historical perspective, future efforts to attract private investment to the area may be stymied by the following: higher tax rates may make Worcester less attractive to do business when compared to some of the surrounding municipalities; unfavorable tax rates shift the tax burden to the commercial-industrial sector; and less land is available for new housing and industry than in surrounding communities. Eliminating or reducing these barriers will be critical as City officials and community and business leaders continue their efforts to attract private investment to Worcester.

Employment and Labor Force Growth

Why is it important?

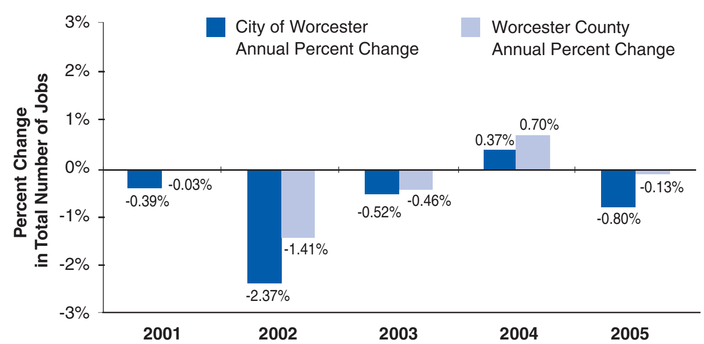
Low unemployment, high labor force participation, and job growth are key indicators of the health and stability of a local economy. Higher unemployment rates may reflect fewer employment opportunities and the potential need for employment and training services. Labor force participation measures individuals' willingness to work outside the home. Job growth reveals how much an economy is expanding, and the distribution of workers across various industries is a measure of economic diversity.

How does Worcester perform?

As **Table 4.1** and **Chart 4.1** illustrate, from 2001 to 2005, the City lost 3,330 jobs (a 3.3% decline), and average monthly employment in the City during 2005 was well below 2001 levels. 2004 was the only year during this five-year period in which any net job growth was reported. Like the City, Worcester County has also experienced overall job loss, losing more than 4,000 jobs between 2001 and 2005. Again, 2004 was the only year the County experienced net job growth.

Chart 4.2 shows the percentage of the labor force employed in various sectors of the economy in the City of Worcester. In 2005, 87% of Worcester's jobs were in the service-providing sector, with the remaining 13% in the goods-producing sector.[11,12] This distribution has been unchanged since 2003. More than one out of three jobs (38%) in Worcester were in the education and health-services fields (up 1 percentage point from 2004). **Table 4.2** shows 2005 average monthly employment by industry for both the City of Worcester and Worcester County. The proportion of jobs countywide in the education and health-services sectors has remained constant at roughly one in four jobs (26.1%). This table also shows that the City's and County's manufacturing job base continued to erode between 2001 and 2005, with manufacturing job losses totaling 21.4% in Worcester and 19.7% countywide.[13] Losses in manufacturing jobs have been partially offset by increases in other sectors, such as leisure and hospitality and education and health services.

Chart 4.1: *Annual Rate of Job Growth*



Data Source: Massachusetts Department of Workforce Development

Table 4.1*: Average Monthly Employment*

	City of Worcester		Worcester County	
	Average Monthly Employment (#)	Annual Percentage Change	Average Monthly Employment (#)	Annual Percentage Change
2001	100,977	-0.39%	321,043	-0.03%
2002	98,584	-2.37%	316,503	-1.41%
2003	98,073	-0.52%	315,037	-0.46%
2004	98,434	0.37%	317,251	0.70%
2005	97,647	-0.80%	316,849	-0.13%

Data source: Massachusetts Department of Workforce Development

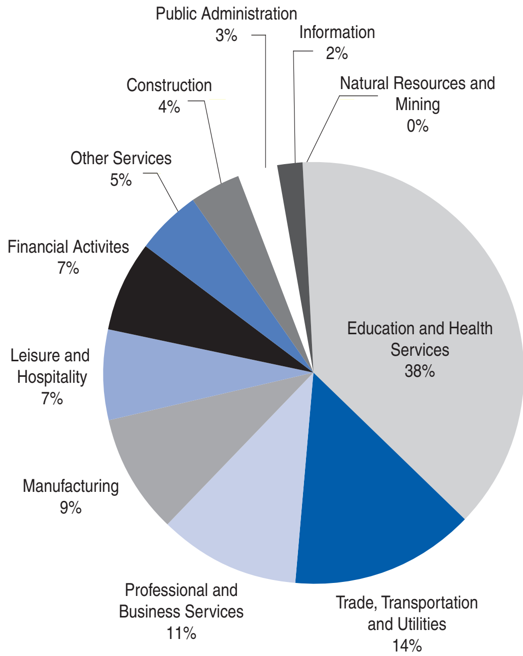
[11] The service sector is composed of the following industries: Trade, Transportation, and Utilities; Information; Financial Activities; Professional and Business Services; Education and Health Services; Leisure and Hospitality; Other Services; and Public Administration.

[12] Mining, construction, and manufacturing industries comprise the goods-producing sector.

[13] These declines have followed national trends. According to the Bureau of Labor Statistics, in 2005, there were 2.2 million fewer manufacturing jobs nationwide compared to 2001 (a 13.4% decline).

Employment and Labor Force Growth (continued)

***Chart 4.2:** Employment by Industry, City of Worcester, 2005*



Data Source: Massachusetts Department of Workforce Development

As shown in **Chart 4.3**, Worcester's average annual unemployment rate, or the number of unemployed residents per 100 persons in the labor force, decreased slightly from 2004 to 2005 to 5.7% (2006 preliminary data, which reflect the monthly average unemployment for January – July, show the unemployment rate approaching the 2004 level).[14] From 2001 to 2005 the unemployment rate for the City of Worcester was, on average, about half a percentage point higher than the countywide rate. Since 2001, Worcester's unemployment rates have been below those of Lowell, Springfield, Hartford, and Bridgeport.

Worcester's labor force, or the total number of residents age 16 and older who are employed or looking for work, decreased by 1.6% from 84,074 individuals in 2004 to 82,762 in 2005 **(Table 4.3)**.[15] Countywide, the labor force also decreased slightly from 400,729 in 2004 to 395,133 in 2005. 2006 data for the period January through July also show further decreases in the labor force for both Worcester City and County. According to Census Bureau population estimates, both the City of Worcester and Worcester County have experienced annual increases in population since 2000.[16]

Compared to the City of Worcester, Worcester County has historically had a higher proportion of its residents participating in the labor force. In 2005, the County's labor force participation rate was 68.8% compared to 61.3% in the City.

***Table 4.2**: Employment by Industry, 2005*

	City of Worcester		Worcester County	
	Average Monthly Employment (#)	Percent Change 2001-2005	Average Monthly Employment (#)	Percent Change 2001-2005
Education and Health Services	37,789	4.4%	83,980	4.4%
Trade, Transportation and Utilities	13,606	1.1%	62,758	-2.1%
Professional and Business Services	10,858	-14.5%	36,636	-0.1%
Manufacturing	8,349	-21.4%	41,808	-19.7%
Leisure and Hospitality	7,281	8.5%	28,632	10.9%
Financial Activities	7,002	-12.5%	16,857	2.9%
Other Services	4,520	10.0%	11,794	10.0%
Construction	3,649	-9.3%	16,065	7.9%
Public Administration	3,038	-7.5%	12,100	-4.6%
Information	1,514	-15.7%	5,419	-16.1%
Natural Resources and Mining	21	-8.7%	800	3.2%

Data source: Massachusetts Department of Workforce Development

[14] Job growth and employment-by-sector data are based on the number of jobs in a defined geographic area, and do not distinguish between jobs held by residents and non-residents of that particular locality. In contrast, unemployment data based on the Local Area Unemployment Statistics (LAUS) data series are based on the individual's place of residence, thus reflecting the proportion of Worcester City residents who are unemployed.

[15] The labor force participation rate indicates the proportion of the available working age population that is willing and able to work and is either employed or actively seeking employment. This rate represents an economy's labor supply, and is calculated by dividing the total number of employed and unemployed persons by the total noninstitutionalized population age 16 and over.

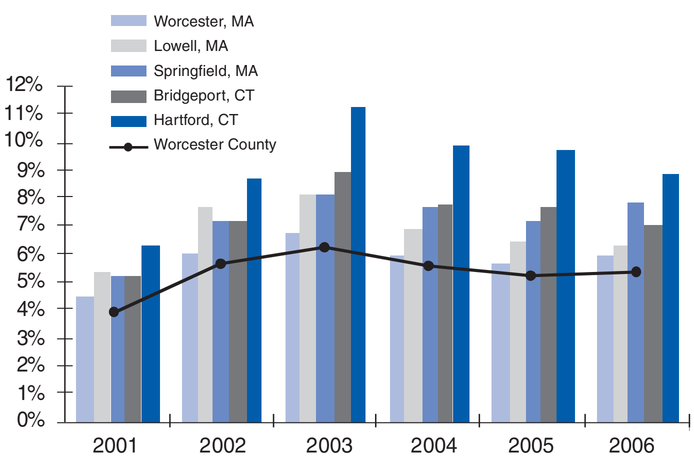
[16] The Population Estimates Program of the U.S. Census Bureau publishes population estimates each year. Estimates for July 1, 2005, show population growth in both the City of Worcester and Worcester County when compared to Census 2000 population data. The City's population increased 1.8% from 172,648 residents in 2000 to 175,898 residents in 2005, and the County saw a 4.3% population increase (from 750,963 to 783,262 residents) over the same period.

What does this mean for Worcester?

The data presented for this indicator signal several significant shifts on the labor and employment front in recent years. Similar to the statewide trend, Worcester has experienced several years of job losses, resulting in a net loss of 3,300 jobs from 2001 to 2005. As manufacturing jobs continue to disappear, Worcester's economy has become predominantly service-oriented. At the same time jobs were disappearing, the City's population was increasing, suggesting that more individuals are choosing to live in the City while commuting to jobs in outlying areas. There is in fact evidence that some of the employment decline in the City has been offset by higher levels of job growth in outlying areas of the County. Data from the 2000 Census show an increase in the proportion of Worcester's population working outside the City compared to 1990 (43% vs. 31%).

Efforts to attract jobs to the area would likely be bolstered by better utilization of the area's transportation network. Specifically, City officials should continue to seek expansion of commuter rail service in Worcester, particularly the expansion of reverse-commuting options. Increasing both the inbound and outbound commuter rail service between Worcester, Framingham, and Boston during peak commuting hours could make Worcester a more attractive location to employers looking to locate outside the metro Boston area, as well as making Worcester a more attractive place to live for individuals working in the Boston and MetroWest areas.[17] The combination of fewer jobs in the City, population increases and an expanding residential tax base, and increasing numbers of workers commuting to jobs in outlying communities fuels the perception that Worcester has become a bedroom community for the Boston and MetroWest areas.

Chart 4.3: *Unemployment Trends for Northeastern Cities and Worcester County, 2001 – 2006*



Source: Bureau of Labor Statistics, Local Area Unemployment Statistics

Table 4.3*: Labor Force Participation Rate*

	City of Worcester		Worcester County	
	Labor Force (#)	Labor Force Participation Rate	Labor Force (#)	Labor Force Participation Rate
2001	83,053	60.9%	392,563	67.8%
2002	84,035	61.7%	399,097	69.0%
2003	84,184	61.8%	401,453	69.4%
2004	84,074	61.7%	400,729	69.2%
2005	82,762	61.3%	395,133	68.8%
2006*	82,689	60.7%	394,255	68.1%

**January-July Average*

Data source: Bureau of Labor Statistics, Local Area Unemployment Statistics; Labor Force Participation Rates calculated by WRRB using US Census Bureau 2000 population data

[17] See Mayor Timothy Murray's February 2005 report *Commuter Rail West of Boston: The Demand and The Dilemma* available at http://www.ci.worcester.ma.us/may/white_papers/commuter_rail.pdf for further discussion of the need for expanded commuter rail service in Worcester.

Downtown Office Occupancy Rate

Why is it important?

Office occupancy rates are a key indicator of a downtown area's economic vitality. Typically, areas with high office occupancy rates also have strong business and retail economies, while low or declining occupancy rates may signal business and retail flight and an ensuing weakening of a downtown core. Nationwide, the suburbs have outpaced central cities in terms of both job growth and population growth over the past decade. The resulting "exit ramp economy," in which new office space and retail facilities are increasingly located along suburban freeways, continues to have a detrimental effect on many of our nation's once-vibrant urban cores.[18]

How does Worcester perform?

During the summer of 2006, CCPM staff conducted site visits and telephone interviews to gather information from property owners and leasing agents to determine the total amount of office space in Worcester's Central Business District (CBD) and the proportion of that space that is currently occupied. Information was also obtained from a commercial real estate website and from the City's Assessing Division.[19] The CCPM documented 82 properties containing office space in the CBD.[20] Survey respondents, who were primarily building owners or leasing agents, were asked to provide the following information: the total amount of office space in the building, the amount of office space that was vacant at the time of the survey, current rental rates, parking availability, and other comments about the space.

Downtown Worcester's Central Business District contains about 4.65 million square feet of office space, of which 89.4% was occupied as of August, 2006.[21,22] As shown in **Table 5.1**, office occupancy in the CBD has increased slightly from 88.7% in 2005 to 89.4% in 2006. Class "A" buildings (considered "premier space," either newly constructed buildings or office space that has undergone extensive renovation) account for almost 2 million square feet (43%) of office space.[23,24] The occupancy rate for Class "A" office space was 91.1% in 2006, a slight increase from 2005 (88.9%). The 39 Class "B" buildings (older renovated buildings considered to be in fair to good condition) comprised 1.67 million square feet (36%) of downtown office space, of which 87.7% was occupied, the lowest occupancy rate among the three building classes. Finally, the almost 1 million square feet of Class "C" space (older unrenovated buildings offering "functional space") had an occupancy rate of 88.8%. 2006 was the first time since 2002 that Class "C" did not have the lowest occupancy rate among the three classes. Also, in 2006 occupancy rates for Class "C" buildings reached a 5-year high after steadily increasing since 2003.

Table 5.1: *Occupancy Rates for Downtown Office Space, 2002-2006*

		2002	2003	2004	2005	2006	Change '02-'06
Class A	Total Office Space	2,248,736	2,256,536	1,792,033	1,695,889	1,987,253	-11.6%
	Occupied Space	2,009,996	2,055,925	1,586,186	1,507,585	1,810,043	-9.9%
	Occupancy Rate	89.4%	91.1%	88.5%	88.9%	91.1%	
Class B	Total Office Space	1,233,540	1,278,478	1,436,083	2,082,157	1,667,653	35.2%
	Occupied Space	1,111,064	1,181,944	1,325,158	1,856,772	1,462,126	31.6%
	Occupancy Rate	90.1%	92.4%	92.3%	89.2%	87.7%	
Class C	Total Office Space	1,555,576	1,553,508	1,392,614	918,665	985,335	-36.7%
	Occupied Space	1,338,837	1,315,865	1,185,524	799,304	875,335	-34.6%
	Occupancy Rate	86.1%	84.7%	85.1%	87.0%	88.8%	
Total	Total Office Space	5,037,852	5,088,522	4,620,730	4,696,705	4,645,674	-7.8%
	Occupied Space	4,459,897	4,553,734	4,096,868	4,168,133	4,155,237	-6.8%
	Occupancy Rate	88.5%	89.5%	88.7%	88.7%	89.4%	

[18] Bruce Katz, "A Progressive Agenda for Metropolitan America," The Brookings Institution, May 2004.

[19] Every effort has been made to ensure the accuracy of the data collected; however, they are point-in-time and subject to change.

[20] While medical office space is counted as office space in this survey, not included are medical practice space, government buildings, and retail space.

[21] This figure has changed from year-to-year because building usage can change from year-to-year (e.g., several buildings that were formerly office space have been converted to residential space in recent years or office space may have become retail and vice versa).

[22] The occupancy rate is determined by dividing the total amount of occupied office space by the total square footage of office space in the CBD. The vacancy rate represents the amount of space that is vacant and available for lease divided by the total square footage of office space in the CBD.

[23] Office space is grouped into three classes, representing a subjective quality rating of buildings which indicates the competitive ability of each building to attract similar types of tenants. The Building Owners and Managers Association provides additional detail about building classification at http://www.BOMA.org. A building's classification may change from one category to another over time (e.g., following renovation, space that had been class "C" space may be listed as class "A" space).

[24] The last major office building constructed in the CBD (Chestnut Place) was completed in 1990.

Downtown Office Occupancy Rate (continued)

As shown in **Table 5.2**, in 2006 almost half (49%) of the office buildings in the downtown area contain available vacant space (in 2005 this number was slightly higher at 53%). Among these, 24 buildings have vacancies of 10,000 square feet or less, twelve have between 10,001 and 25,000 square feet of available space, and four buildings contain more than 25,000 square feet of vacant office space. Class "B" space (older renovated buildings considered to be in fair to good condition) constitutes the greatest proportion of vacant space (205,527 square feet, or 41.7 %).

Property owners and agents provided information on rental rates for slightly more than half (56%) of the properties included in the survey, reporting monthly rental rates ranging from $5 per square foot to $30 per square foot. Nationwide, as reported by Colliers International, rental rates for office space have been steadily increasing.[25]

What does this mean for Worcester?

Since 2002, downtown Worcester has experienced only slight year-to-year changes in its office occupancy rate. Nonetheless, the 492,737 square feet of vacant office space if occupied, could potentially support more than 2,500 additional workers/jobs in the downtown area.[26]

The City needs to be concerned not just with attracting new businesses to downtown, but retaining those that are already here. One question that needs to be answered is why businesses are opting to locate elsewhere. Among the factors that influence businesses' location decisions, there are some (e.g., proximity to a major city like Boston, or the availability of undeveloped land) that are beyond the influence of City leaders. There are others, however, over which the City has considerable influence, including tax rates (see **Indicator 2**), the overall "user-friendliness" of the permitting process (see **Indicator 7**), and infrastructure issues including water and sewer systems and transportation.[27]

***Table 5.2**: Distribution of Vacancies by Size and Building Class*

	Number of Buildings with Vacancies	Total Space Vacant
Class A		
1-10,000 Sq. Ft	4	7,650
10,001 -25,000 Sq. Ft.	3	42,960
>25,000 Sq. Ft.	3	126,600
Total	10	177,210
Class B		
1-10,000 Sq. Ft	13	58,328
10,001 -25,000 Sq. Ft.	4	76,170
>25,000 Sq. Ft.	1	71,029
Total	18	205,527
Class C		
1-10,000 Sq. Ft	7	35,800
10,001 -25,000 Sq. Ft.	5	74,200
>25,000 Sq. Ft.	0	0
Total	12	110,000
Total (A, B, C)		
1-10,000 Sq. Ft	24	101,778
10,001 -25,000 Sq. Ft.	12	193,330
>25,000 Sq. Ft.	4	197,629
Total	40	492,737

[25] Colliers International, "North America Office Real Estate Highlights." (http://www.colliers.com/Corporate/MarketReports/UnitedStates/).

[26] This is based on the standard of allocating 200 square feet of office space per worker.

[27] See CCPM report 06-05, *Benchmarking Municipal and Neighborhood Services in Worcester: 2006* for further discussion of the performance of several municipal agencies (including the Department of Public Works and Parks and the Department of Health and Human Service's Division of Code Enforcement) and the condition of neighborhoods.

Vacant and Abandoned Buildings

Why is it important?

Vacant and abandoned buildings continue to be a serious concern in the City of Worcester.[28] While buildings become vacant or abandoned for various reasons, the deleterious social and economic effects of these properties are well documented: they decrease the values of surrounding properties, reduce municipal tax revenues, pose serious fire safety hazards, and may become havens for crime. A single vacant building can create perceptions of an unsafe and decaying neighborhood and ultimately trigger neighborhood disinvestment and destabilization. Their redevelopment may prove to be a key component of various neighborhood revitalization efforts, since these properties are potential sites for new affordable housing or locations for new businesses. The return of these properties to productive use will help the City reclaim lost revenue, stem future tax losses, and enhance the overall economic vitality of its neighborhoods.

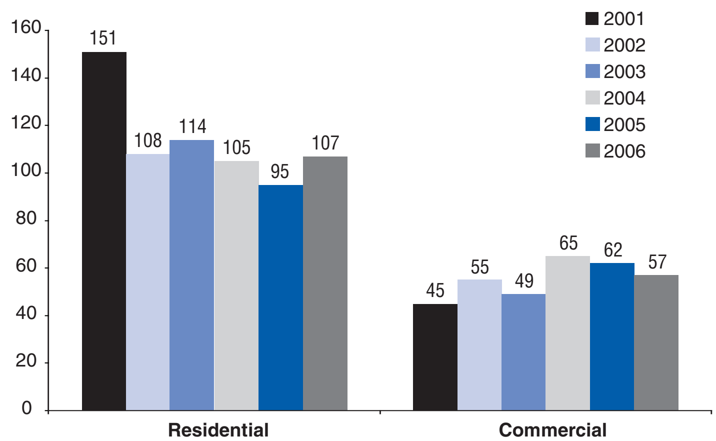
How does Worcester perform?

Comparing point-in-time data from 2001 to 2006, the total number of vacant residential and commercial buildings in Worcester has declined 16.3%, from 196 to 164.[29] As shown in **Chart 6.1**, in July, 2006, there were 107 vacant residential buildings (44 fewer than in 2001) and 57 vacant commercial buildings (12 more compared to 2001) in the City. The assessed value of these 164 properties totaled $42,575,100.

As reflected in **Table 6.1**, more than two-thirds (71.3%) of the vacant properties were current with their taxes as of July 2006, while 28.7% either owed FY05 taxes or had had a tax lien placed against the property.

In July, 2004, tax liens totaling $979,072 had been placed against 24 vacant or abandoned properties in the City.[30] In contrast, a year later, in July 2005, the total value of tax liens placed against 10 properties totaled $87,003. According to the City Treasurer's Office, foreclosures and brownfield abatement efforts led to the payment of more than $800,000 in back taxes owed to the City. Although the total value of tax liens then rose to $130,190 in 2006, this amount is substantially below historical levels. **Charts 6.2 and 6.3** show trends for both the number and value of tax liens by property type.

Chart 6.1: *Number of Vacant Buildings, City of Worcester, 2001 – 2006*



**These data reflect a point-in-time count of vacant buildings.*
Data source: City of Worcester Fire Department, and City of Worcester Office of the Treasurer and Collector

Table 6.1*: Assessed Value and Tax Status of Vacant and Abandoned Properties, City of Worcester*

	Residential	Commercial/ Industrial	Total
Number of Vacant and Abandoned Properties	107	57	164
Assessed Value (FY06)	$21,535,500	$21,039,600	$42,575,100
Delinquency - FY06 Taxes	30 (28.0%)	6 (10.5%)	36 (22.0%)
Properties with Tax Liens	6 (5.6%)	5 (8.8%)	11 (6.7%)
Total Value of Tax Liens	$63,595	$66,595	$130,190

Data source: City of Worcester Office of the Treasurer and Collector (data as of June, 2006)

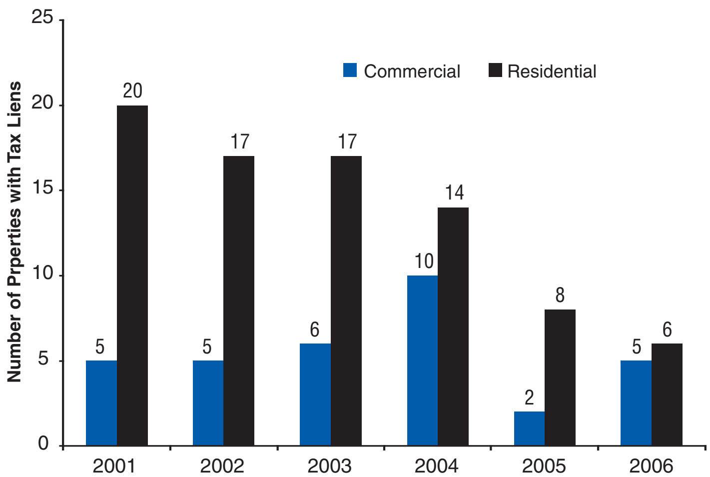
[28] The Research Bureau discussed many of the issues surrounding vacant and abandoned buildings and options for addressing them in the City of Worcester in its 1997 report *Distressed Property in Worcester: The Problems and the Options* (Report No. 97-2).

[29] The Worcester Fire Department, working in conjunction with the Division of Code Enforcement, maintains an up-to-date vacant and abandoned building inventory. Since this database is regularly updated as properties move on and off the list, the data presented here reflect a single point in time.

[30] This dollar figure represents the cumulative principal total of all back taxes for which the City has perfected a tax lien against said property.

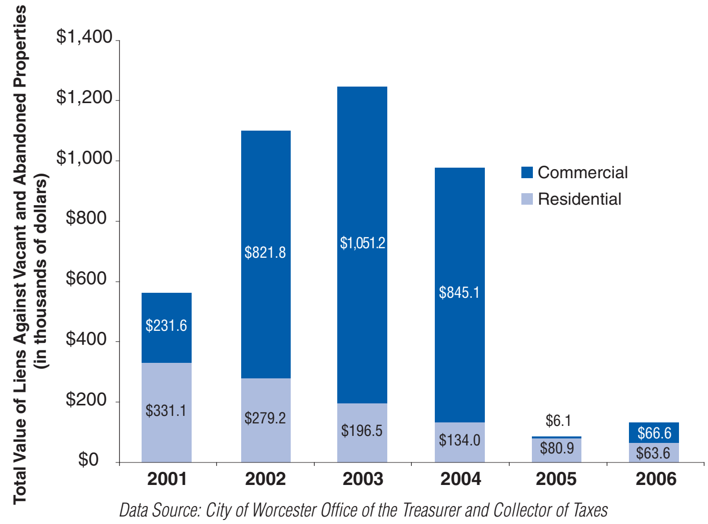
Vacant and Abandoned Buildings (continued)

Chart 6.2: *Vacant and Abandaned Properties with Tax Liens, City of Worcester, 2001 – 2006*



Data Source: City of Worcester Office of the Treasurer and Collector of Taxes

Chart 6.3: *Property Tax LiensAgainst Vacant and Abandoned Properties in the City of Worcester, 2001 –2006*



Data Source: City of Worcester Office of the Treasurer and Collector of Taxes

What does this mean for Worcester?

Some of the structures that are currently vacant are in the process of being renovated or rehabilitated, and will undoubtedly be reoccupied in the future. Other properties have been completely abandoned by owners, who may have felt these properties had little or no productive value. The return of these abandoned properties to productive use is much less certain due to the fact that typically, the longer a building is abandoned, the more likely it is to suffer serious damage from neglect and/or vandalism, and therefore the greater the investment required to repair it. Analysis of the vacant property listings obtained from the Worcester Fire Department for each of the years from 2002 to 2006 reveals that 46% of the commercial properties and 29% of the residential properties vacant in 2006 have been vacant for at least four years.

One of the most critical components of any economic development plan for the City of Worcester should involve addressing the problem of vacant and abandoned properties. There are many strategies municipal and community leaders can implement to return these properties to productive use a number of which were detailed in a report issued on November 21, 2000 by the City Manager's Community Task Force on Vacant and Abandoned Buildings: [31]

- Require property owners to notify the City of their intentions to vacate or abandon a building.
- Before abandonment, require property owners to provide the Fire Department with space utilization floor plans and arrange for the property to be inspected by code and fire officials.
- Establish and maintain an up-to-date inventory of vacant and abandoned buildings.
- Ensure that abandoned and vacant buildings are well-secured.
- Allow for tax abatements when vacant or abandoned properties are rehabilitated into residential properties.
- Adopt policies that encourage Brownfields development.

To date the City has met with success in implementing each of the above listed recommendations contained in the task force's report. We urge City leaders to continue to identify strategies that will prevent properties from becoming vacant or abandoned (e.g., better use of early-intervention strategies such as aggressive code enforcement) as well as strategies to more quickly return vacant and abandoned properties to productive use, including continued collaboration with and support of Community Development Corporations' housing development efforts.

[31] Final Report of the City Manager's Community Task Force on Vacant and Abandoned Buildings. November 21, 2000.

Local Permitting Process

Why is this important?

Communities with efficient and user-friendly permitting processes have a competitive advantage in attracting business and private investment. In a study released in April, 2004, researchers at Northeastern University's Center for Urban and Regional Policy identified a number of barriers that prevent older industrial cities from competing successfully for private-sector investment and economic development.[32] Among the barriers or "deal breakers" cited by researchers is a cumbersome permitting process that "can create a sense of added risk and cost for businesses considering urban sites." Additionally, the authors note that a key factor in successful economic development is "the extent to which municipal officials are perceived as partners in the economic development system and, more importantly, can manage the review process fairly, effectively, and efficiently." The data presented in this section measure customer satisfaction with the regulatory review process in Worcester.

How does Worcester perform?

In July 2006, the Center for Community Performance Measurement, working in partnership with the City of Worcester's Planning and Regulatory Division, administered a survey of individuals who had submitted building permit applications between July, 2005, and June, 2006, which required the approval of at least one of the City's four regulatory boards or commissions (Planning Board, Zoning Board of Appeals, Historic Commission, and Conservation Commission). Respondents were asked to provide feedback about a number of aspects of the regulatory review process (e.g., availability of information, timeliness, and assistance provided) as well as provide specific recommendations for improvement. Eighty-three surveys were completed and analyzed, for a response rate of 34.0%.

Respondent Characteristics

As shown in **Table 7.1**, more than half (58.9%) of the projects for which respondents applied for a permit were residential projects, while 41.1% were commercial projects. Seventy-one percent of respondents identified their primary role in the project as "Homeowner/Property Owner," and 17% stated "Builder/Contractor."

More than three-quarters of respondents indicated that they had visited or contacted the Division of Code Enforcement prior to or during the permitting process. Seventy percent had contacted Planning & Regulatory Services, and over a quarter had also contacted the City Clerk, the Assessor's office, and the Water and Engineering divisions of the Department of Public Works. On average, respondents contacted 3 different municipal offices during the permitting process.

Thirty-nine percent of respondents indicated that the application was reviewed and approved or denied within two months of filing, while about forty-three percent indicated that the process was completed within 2-4 months. Although 46% of respondents indicated that the review process had taken about the length of time they'd expected, 43% said the process took longer than they had expected, and nearly 30% indicated that they were dissatisfied with the length of the process.

Overall Satisfaction with the Regulatory Process

Overall, 76% of respondents reported being "somewhat satisfied" or "very satisfied" with their overall experience obtaining a permit. Respondents whose projects were commercial were more likely to be "very satisfied" with their experience compared to respondents whose projects were residential (50% and 33% respectively). Respondents who had applied for a permit in the past were asked to rate their most recent experience compared to their previous experience(s). Forty-six percent of those who had applied in the past reported that their most recent experience was "better" or "much better" than their previous experience(s). About thirty percent felt it was "about the same," ten percent rated their most recent experience as "worse," and twelve percent rated it "much worse" when compared to their previous experience(s). While more respondents in 2006 judged their most recent experience as better (compared to just 25% last year), more respondents thought their most recent experience was worse than before (22% in 2006 compared to 14% in 2005).

Respondents overwhelmingly judged that City staff were knowledgeable about the overall permitting process (86%), and were satisfied with the courtesy and respect shown to them by City staff (83%) and board or commission members (80%). Respondents were also asked about their satisfaction with several other aspects of the application and review process, and indicated they were "satisfied" or "very satisfied" with the ease of obtaining (84%) and completing (77%) application materials. However, 30% of respondents were "somewhat dissatisfied" or "very dissatisfied" with the amount of information that was required by the boards or commissions.

[32] Soule, David, Joan Fitzgerald, and Barry Bluestone. *The Rebirth of Older Industrial Cities: Exciting Opportunities for Private Sector Investment.* April 2004. Northeastern University Center for Urban and Regional Policy.

Local Permitting Process (continued)

Respondents also provided the following comments/suggestions related to improving the regulatory review process:

- The public meeting process could be more efficiently run. Giving applicants a time that they are on the agenda instead of having everyone required to be there from the start would save time and money for all applicants. I got to the meeting at 5:45 and was heard after 9pm.
- Provide review comments with sufficient time before hearing to address, to reduce continuations.
- Permitting required 3 separate applications & meetings. Figure out a way to coordinate the process to allow simple projects to be more expediently completed.
- Building permit application materials should be listed in detail, otherwise only individuals with substantial experience with the permitting process would know what to include. I believe the permitting process should be clear to any interested individual.
- Put all these offices together - I went to Meade St., City Hall, and 418 Main Street. Difficult to do when you work during the day. Extended hours would be helpful.
- Need to refine inspection process. Too many separate inspections required before moving on to next step, i.e. inspect the hole, inspect the footing, inspect the foundation, etc. Combine them when possible and stream line the process.

What does this mean for Worcester?

Adequate support and investment in this process can contribute to job growth and expansion of the tax base. Therefore the City should undertake a careful examination of the resources it currently dedicates to these activities and determine whether they are adequate.

In 2005, the Governor proposed comprehensive permitting reform legislation to provide municipalities with incentives and new options for adopting expedited permitting. Signed into law on August 2, 2006, Chapter 205 of the Acts of 2006 (*An Act Relative to Streamlining and Expediting the Permitting Process in the Commonwealth*) is intended to reduce delays in the permitting process while providing incentives for municipalities to participate in the expedited process. Participation is site-specific; the legislation allows for the designation of single parcels of land or buildings for expedited permitting. Once a property is designated as a "priority development site," the municipality is committed to completing the review process within a 180-day period. The law makes technical-assistance grants available to communities that adopt expedited permitting, and also gives priority consideration to these sites for a range of state grants. In addition, the legislation establishes a special session of the land court that will have jurisdiction over land use and environmental permitting appeals.

Local Permitting Process (continued)

***Table 7.1**: 2006 Survey Highlights*

Type of Project:	Commercial	41.1%
	Residential	58.9%
Respondent's Role:	Home/Property Owner	70.5%
	Builder/Contractor	16.7%
	Engineer/Architect	10.3%
	Attorney	2.6%
Length of time from filing to approval or denial:	Less than 2 months	38.7%
	2-4 months	42.7%
	5 or more months	17.3%
	Other	1.3%
Length of time for application and review process to take place was:	Longer than expected	43.2%
	About the expected	45.7%
	Less time than expected	11.1%
Municipal offices visited/contacted prior to or during the permitting process:	Code Enforcement	78.8%
* Percentage does not sum to 100 due to the fact that most applicants contacted several municipal offices	Planning & Regulatory Services	70.0%
	Assessor's Office	31.3%
	Public Works- Water	26.3%
	Public Works- Sewer	23.8%
	Public Works- Engineering	28.8%
	City Clerk	27.5%
Overall Satisfaction		
Have you applied for a building permit from the City in the past?	Yes	49.4%
	No	50.6%
If yes, how would you rate this experience compared to your previous experience(s)?	Much better	4.9%
	Better	41.5%
	About the same	31.7%
	Worse	9.8%
	Much worse	12.2%
Overall, how satisfied were you with your experience obtaining a building permit?	Very satisfied	39.0%
	Somewhat satisfied	36.6%
	Somewhat dissatisfied	8.5%
	Very dissatisfied	15.9%

Mission Statement:
The Research Bureau serves the public interest of the Greater Worcester region by conducting independent, non-partisan research and analysis of public policy issues to promote informed public debate and decision-making.

The Research Bureau

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