

Hull Economic Profile

The Cecil Group

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Introduction

Economic development is a term used to define the ways in which a community can:

- Initiate increases in the commercial tax base from commercial property improvements
- Provide new goods and services to the local or regional populations
- Create new and better jobs with commensurate wages.

The options for these improvements are limited by the geographic areas zoned for commercial uses, supporting infrastructure and accessibility on public ways to these centers of commerce. Therefore, each community makes key decisions for economic development based on the local desire to both create change and improve the quality and quantity of jobs, and to spend public funds to support these changes.

The Town of Hull is looking to improve its overall economy that will maintain civic pride in the commercial areas, and provide a significant quality of life concurrent with financial benefits in the forms of local goods, services, and municipal fiscal stability. The community must address the desires of neighborhoods to maintain a consistent quality of life and mitigate the impacts that may result from the changes necessary to maintain or improve that commercial vitality. These are the issues which economic development plans are meant to address.

The following economic profile provides an overview of the economic conditions and trends in Hull, based on a review of recent town, state, and federal data sources. It also identifies how these various indicators of the local economy affect the economic development and growth patterns in Hull. It is organized to provide information on the geographic data, and then to provide a summary of the commercial uses. It also presents employment statistics as well as development potential.

Overall, the economic conditions within Hull continue to be impacted by regional changes in the economy. However, there are some unique local conditions relative to regional and state information that can be understood from analysis of the data.

Town Demographics

The population in Hull increased 5.6% between 1990 and 2000 (see Table 1). It is similar to the state's average increase of 5.5% for the same period. The population is expected to increase about 3% between 2000 and 2010.

Table 1. Population for the Town of Hull, 1980 - 2010

Year	Population	Increase (%)
1970	9,961	--
1980	9,714	-2.5%
1990	10,466	7.7%
2000	11,050	5.6%
2010*	11,430	3.4%

Source: US Census, 1990, 2000, MA DOR, 2003
 *Estimated population growth based on MADET 2003

There were 157 employers in Hull in 2001, and most of them are service businesses (see Table 2). The family median income is equivalent to 2.5 average wage (local) jobs per family, and this suggests that the major wage earners are commuting to jobs outside of Hull. In fact, more than 60% of workers that lived in Hull commuted more than 30 minutes to work according to US Census 2000 statistics. Additional population demographic information can be found within the Housing section of the Master Plan and this Community Development Plan.

Table 2. Economic Snapshot for the Town of Hull

Income	2000 Per Capita	NA
	1999 Median Family	\$62,294
Wages for Quarter Ending December 2001	Average Weekly Wage	\$477.59
Number of Employers for Quarter Ending December 2001	Goods Producing	26
	Service Producing	131
	Total	157

Source: Massachusetts Department of Employment and Training, March 2003

Geographic Data

The following summary information is used to present certain key characteristics that identify the unique zoning, parcel, and land use information of Hull.

Zoning

Land in Hull is classified under 14 different zoning districts according to the MassGIS (see Table 3). Commercially zoned land comprises a relatively substantial portion of the town property. In comparison, residentially zoned land comprises almost 70% of all properties in Hull. An important aspect of land use in Hull is that no land is zoned for industrial uses. This is due in part to the small land size of the community as well as the town's desire not to use industrial business to support its tax base.

Land Use

Land use in a community represents the existing uses of land, unlike zoning, which represents allowable uses and the community's desire for particular uses of property in

the future. Land in Hull is classified under 14 land-use categories according to MassGIS database (see Table 4). Business and commercial uses comprise approximately 23 % of the total land use. In comparison, residential uses comprise almost 70% of all properties in Hull. Although forests comprise more than 10% of the land area, they include the island properties, which are not connected to the mainland nor are they used for either commercial or residential uses.

Table 3. Land Areas by Zoning Districts in Hull

Zone	Zone Code	Acres	Percent of Total
Business	BUS	46.2	2.6%
Commercial	C	257.0	14.4%
Commercial Recreation A	CR-A	38.6	2.2%
Commercial Recreation B	CR-B	19.4	1.1%
Commercial Recreation C	CR-C	25.9	1.5%
Island	ISLAND	3.0	0.2%
Multifamily A	MF-A	96.1	5.4%
Multifamily B	MF-B	8.0	0.4%
Public Open Space	POS	143.1	8.0%
Single-family A	SF-A	378.4	21.2%
Single-family B	SF-B	543.7	30.5%
Single-family C	SF-C	175.7	9.8%
Townhouse Residence	TR	32.5	1.8%
Waterfront	WF	17.9	1.0%
Total		1,785.4	100.0%

Town of Hull Assessor Data base, 2003

Table 4. Key land uses of parcels in Hull, 2003

Zoning District	Land Use Code	Acres	Percent of Total
Commercial	15	74.4	4.2%
Residential	10 - 13	1,046	58.9%
Forest	3	206.6	11.6%
Other *		450.1	25.3%
Total		1,697.4	100.0%

Sources: MassGIS, Land Use database.

* All other land uses are less than 10% each of the total land use

Commercial Development Potential

According to the Assessor database, here are over 15 acres of developable, non-exempt land on 14 properties in Hull (see Table 5). Most of these properties are on George Washington Boulevard and Nantasket Avenue.

There are several parcels of prime undeveloped land that are tax-exempt. The Town of Hull owns the Nantasket Pier, and the Hull Redevelopment Authority owns several acres

of land on and near the waterfront (see Figure 1). Use of these properties has been debated for many years. They are currently being assessed for a variety of uses that could support the town goals for economic development as well as the commercial, residential, and recreational needs of the community.

Table 5. Supply of Non-exempt and Exempt Commercial Sites in Hull

Location	Number of Lots	Total Area (acres)
Non-Exempt		
George Washington Boulevard	4	6.34
Main Street	3	0.78
Nantasket Avenue	5	6.02
Rockland Circle	1	2.11
Kingsley Road	1	0.11
Total Non-Exempt	14	15.36
Exempt		
HRA Parcels	3	13.0
Nantasket Pier	4	2.4
Total Non-Exempt	7	15.5

Source: Town of Hull Assessor Data Base, 2003. Sites are classified as with land use codes 390 and 391.

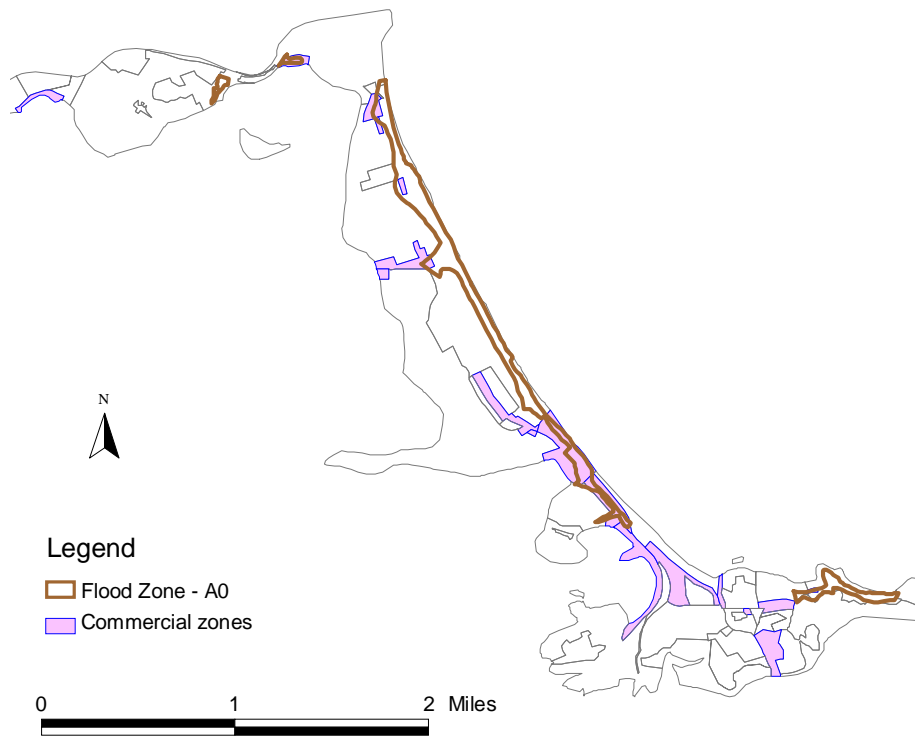
Figure 1. Potential Development Areas along the Hull Waterfront



Source. MAGIS, 2003

The development of commercial zoned land in Hull can be affected by several factors including the proximity of water resources and other environmental constraints to the properties. In Hull, 2.5 acres are assessed as not developable. The Federal Emergency Management Agency (FEMA) provides Flood Insurance Rate Maps (FIRM) that depicts locations of predicted flooding. The following graphic illustrates the locations of commercial zoned land that are also within FIRM zones. There are approximately acres of these areas that are affected by the FIRM zones. New construction on un-built parcels in these zones is either partially constrained or prohibited depending on local conditions.

Figure 2. Flood Insurance Zones in Commercial Zoned Land



Source: MassGIS data set, 2003, Flood Insurance Rate Map.

Note: Solid areas represent commercial zoned land. Brown-lined areas represent coastal flood zone areas.

Property Values and Taxes

Property in Massachusetts is taxed according to its uses, and is therefore classified according to standard tax codes. Tax rates for approximately 1/3 of Massachusetts's communities are based on a variety of valuations and percentages for the property classes. However, Hull uses a single-class tax rate, which is currently \$10.88 per \$1,000 of the assessed property value. Residential properties are valued according to sales while commercial properties are valued according to rents.

Tax rates are set each year by the chief elected officials based on the local needs and the allowed increases under Proposition 2½. For Hull, tax rates dropped in 2003 from 2002 levels based on assessed valuations (see Table 6). This has occurred with great frequency in Massachusetts mainly because of the increasing values of residential properties.

The assessed values of commercial land and buildings indicate their relative support to the local economy and tax base. Commercial uses contribute only 3.4% of the total tax base in Hull (see Table 7). This shows that Hull relies mostly on residential property to support the local government and the supply of services to the community.

Table 6. Tax Rates in Hull, Fiscal Years 1999 - 2003

Year	Tax Rates
1999	\$19.03
2000	\$17.12
2001	\$14.48
2002	\$12.51
2003	\$10.88

Source: MA DOR, 2003

Table 7. Land and Building Values in Hull, Fiscal Year 2003

Tax Classification	Assess Values	Tax Levies	Percent
Residential	\$1,459,484,245	\$15,879,189	95.6%
Open Space	\$0	0	0.0%
Commercial	\$51,517,955	\$560,515	3.4%
Industrial	\$0	0	0.0%
Personal Property	\$15,951,300	\$173,550	1.0%
Total	\$1,526,953,500	\$16,613,254	100.0%

Source: MA DOR, 2003

Hotels and motels contribute more that 33% of the total tax base in Hull according to the assessor database (see Table 8). Other major contributors include eating and drinking establishments and small retailers.

Table 8. Commercial Property Values by Land Use Class in Hull

Classification Description	Land Use Code	Land Area	Assessed Value	Percent of Total
Hotels	300	2.04	\$14,415,300	31.7%
Motels	301	0.46	\$1,031,700	2.3%
Other Storage Facilities	316	1.57	\$2,601,500	5.7%
Small Retail - under 10,000 sf	325	4.50	\$5,717,700	12.6%
Eating/Drinking Establishments	326	3.43	\$5,820,400	12.8%
Auto Repair Facilities	332	2.62	\$1,807,600	4.0%
Fuel & Repair Stations	334	0.46	\$404,000	0.9%
General Office Buildings	340	1.54	\$1,806,900	4.0%
Bank Buildings	341	0.79	\$679,000	1.5%
Postal Services Property	350	0.53	\$889,700	2.0%
Educational Properties	351	1.32	\$1,287,700	2.8%
Miscellaneous Public Services	356	20.51	\$2,656,200	5.8%
Fairgrounds & Amusement Parks	368	2.07	\$1,199,600	2.6%
Marinas	384	5.52	\$2,643,100	5.8%
Developable Land	390	12.10	\$2,048,500	4.5%
Potentially Developable Land	391	3.26	\$364,600	0.8%
Undevelopable Land	392	2.58	\$156,600	0.3%
Total		65.3	\$45,530,100	100.0%

Source: Town of Hull, Assessor's Database 2003.

Vacant land in Hull has the potential to contribute substantially to the tax base as well as the local employment if it is developed for commercial purposes. There are more than 15 acres of vacant commercial land that is classified as developable or potentially developable (see Table 9). The average value per acre of all the developed commercial property is \$907,103. If all the vacant, commercial, developable and potentially developable land were developed, this land would be valued at almost \$14 million using the average value per acre for developed property. This would also provide \$151,590 in tax levies using a tax rate of \$10.88.

Table 9. Vacant Commercial Land and Potential Value in Hull

	Developable and Potentially Developable	Undevelopable	Total
Acres	15.36	2.58	17.94
Existing Value	\$2,413,100	\$156,600	2,569,700
Potential Value	\$13,933,103	\$156,590	
Potential Tax Levy	\$151,592	\$1,710	

Source: Town of Hull, Assessor Database, 2003

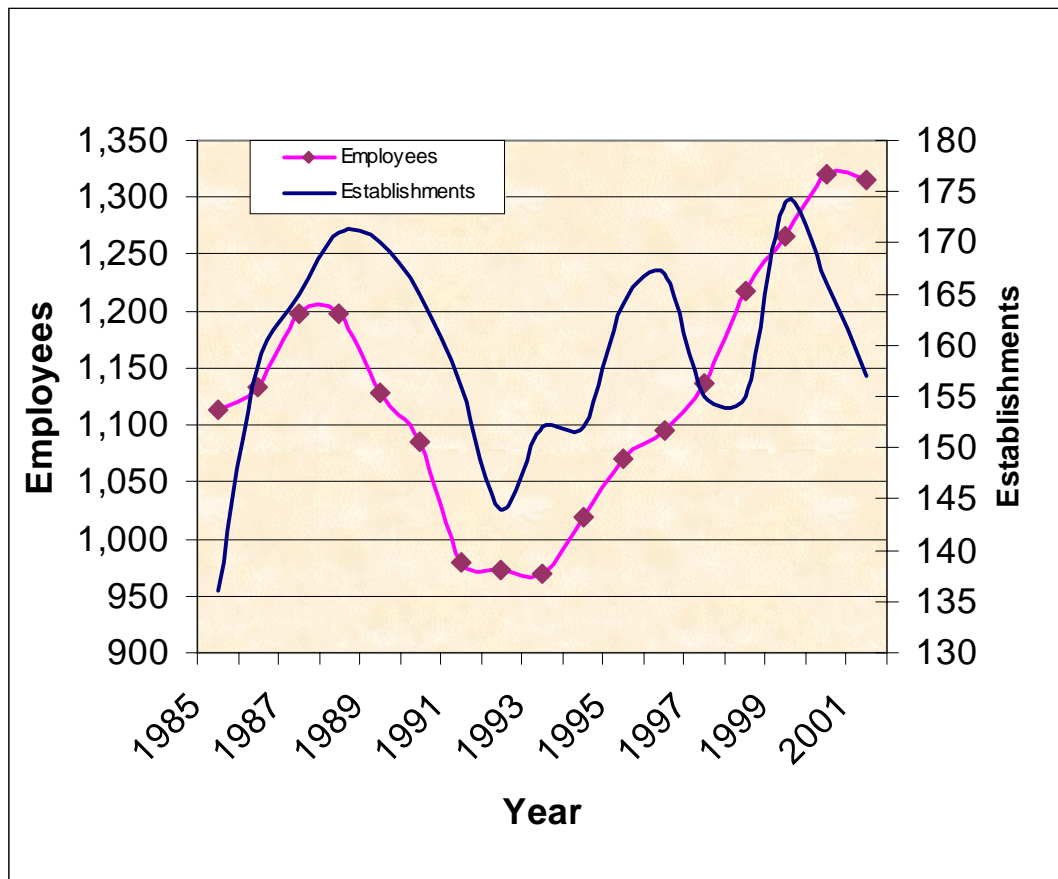
Employees and Establishments

Employee levels have steadily climbed since they were below 1,000 in the early 1990s (see Figure 3). The number of business establishments and has changed dramatically over the past 16 years, although they have ranged between 175 and 145 establishments during this period. As shown in the next section, this growth can be attributed to increases in the government, trade, and services sectors.

Sector Employment

A review of the employment levels over the various commercial sectors provides some insight to the employment trends in Hull. These levels remained relatively constant over the past 15 years (see Figure 4). There have been significant changes in employment within the different sectors, however. The town's largest employment sector is and has been the government. As the chart shows, the drop in government employment was responsible for most of the drop in local jobs during the middle 1990s. Although this sector has increased over 35% in the past 6 years, it has the same number of employees now that it had 15 years ago. Only the government, trade, and services sectors have had employment increases. The other sectors have remained relatively flat.

Figure 3. Employees and Establishments in Hull 1985 - 2001

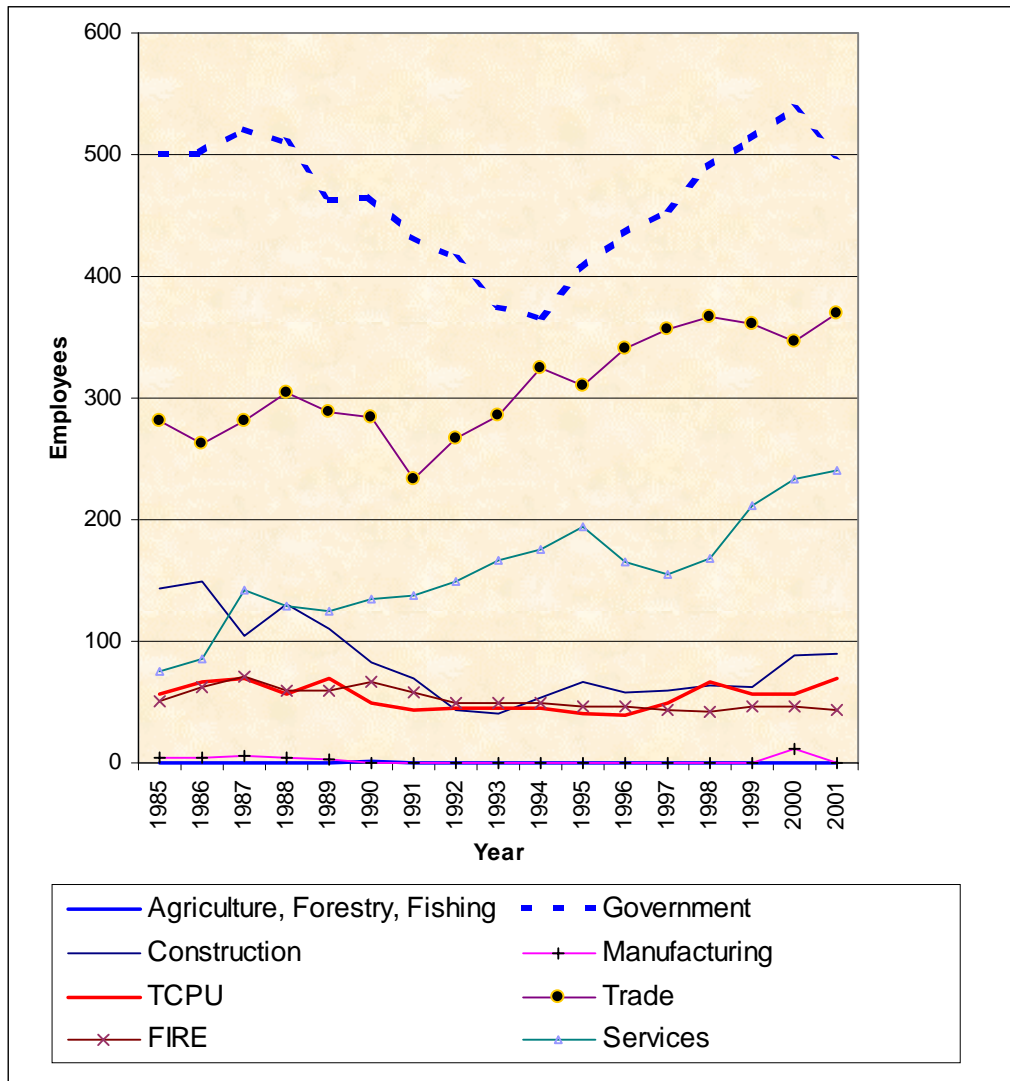


Source: MADET, 2003

Employment and Wages

Businesses in Hull provide a range of employment opportunities across a diverse employment base. Both educational and accommodation services support the largest employee base (see Table 10). Although retail accommodation services provide a significant number of jobs, their weekly wages are low- almost half of the average weekly wage (\$477.59). Other business services that have low weekly wages means that a more significant wage or more than two wage earners are needed for each household to meet the average yearly family income of \$66,294 in Hull.

Figure 4. Employment in Hull, 1985 - 2001



Source: MADET, 2003
 TCPU = Transportation, Communication and Public Utilities
 FIRE = Finance, Insurance and Real Estate

Hull top employers include mainly food and hospitality related business (see Table 11). However, Hull top employer, the Town of Hull, has more than four times as many employees as any other business.

Table 10. Employment and Wages Report, December 2002

NAICS ¹	Description	No. of Establishments	Employees (Dec. 2002)	Total Wages	Average Monthly Employment	Average Weekly Wages
23	Construction	28	88	\$3,329,137	110	\$583
44-45	Retail Trade	15	107	\$2,132,312	109	\$376
48-49	Transportation and Warehousing	7	71	\$2,334,294	73	\$616
52	Finance and Insurance	7	30	\$1,206,843	33	\$707
53	Real Estate and Rental and Leasing	5	16	\$612,058	15	\$789
54	Professional and Technical Services	14	57	\$1,973,767	48	\$791
56	Administrative and Waste Services	13	50	\$1,466,843	47	\$602
61	Educational Services	6	325	\$11,139,986	285	\$752
62	Health Care and Social Assistance	10	43	\$1,092,140	47	\$445
71	Arts, Entertainment, and Recreation	9	24	\$648,550	37	\$337
72	Accommodation and Food Services	29	373	\$5,485,082	391	\$270
81	Other Services, Ex. Public Admin	25	45	\$452,613	43	\$203

Source: MADET 2003

1. NAICS: North American Industry Classification System

Table 11. Hull's Top Employers

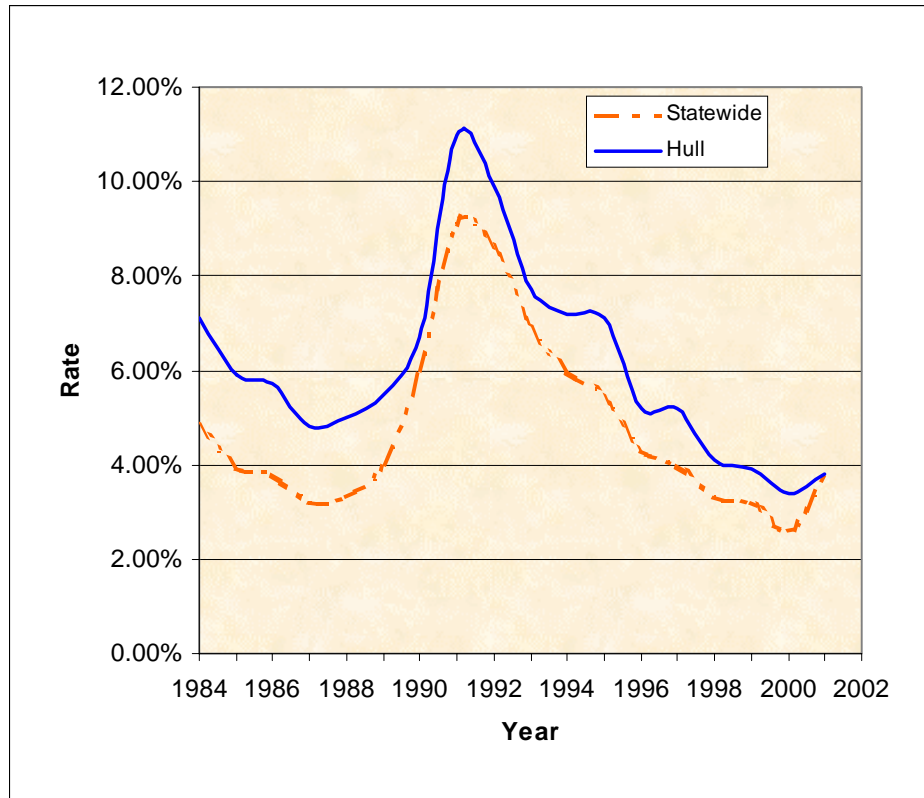
Community	Product/Function	Approximate. No. of Employees
Town of Hull	Government	400
Jake's Seafood	Restaurant	85
Red Parrot	Restaurant	78
Clarion Hotel	Hospitality	45
Schooners	Restaurant	40
Riddles Supermarket	Food market	33
South Shore Catering	Catering	29

Source: Town of Hull

Unemployment

Although the unemployment rate in Hull has paralleled the state rate over the past 18 years, it has consistently remained higher than the state levels (see Figure 5). The 1.23% average rate gap between Hull and the state closed to almost 0.1% in 2001.

Figure 5. Unemployment Rate in Hull, 1984 - 2002



Source: Massachusetts Department of Revenue, Division of Local Services., ES-202 Series, 2003

Conclusions

From this assessment, several issues are recognized which will be important in Hull's future economic programs and overall planning.

Land Use

- Hull is essentially built out.
- Hull does not have land that is classified for industrial uses.
- Commercial land comprises only 4% of the total land in Hull.

Existing Industries

- Although there is a wide range of businesses in Hull that helps to stabilize employment opportunities as well as contribute to the local economy, one industry, government services, comprises more than 37% of the employment base.

- The educational services is the largest and highest paying wage industry in Hull.

Employment

- The State has had a better unemployment rate than the Town of Hull for the past 15 years.
- Employment by numbers of jobs has largely been focused in government services.

Future Development

- New construction on developable land would add a substantial amount of dollars to the tax roll. However, there are only 15 acres of developable land, and some of this land is partially constrained from development due to environmental factors.