

## CAN BEDFORD DO ANYTHING ABOUT TAX INCREASES?

Since the recession, the contribution of the business sector to the town's tax revenues has declined, putting a greater burden on residents. About 20 years ago, the town also began modernizing or replacing many of its major facilities, including DPW, schools, the library, Town Hall, Old Town Hall, and what is now the yellow Town Center building. Unlike many surrounding communities, Bedford funded these projects with tax surcharges rather than tax overrides. Under "debt exclusion" provisions, this means that when the projects are paid off, the taxes dedicated to those projects will disappear, rather than become a permanent part of the tax levy. Overall, Bedford's taxes remain somewhat lower than in many towns with comparable services and school systems.

State law limits a community's tax levy annual increase from exceeding 2.5% after accounting for new growth, and that Bedford has never exercised an override of this provision. No particular actions or policies in Bedford are driving up the tax levy beyond historical norms; rather, the disproportionate increase in residential taxes is largely a function of a smaller commercial tax base, which we hope to improve in future years.

Bedford is taking active steps to strengthen its business base to raise the tax contributions from that sector. These include participating in the Middlesex 3 Coalition, hiring an economic development coordinator, and trying to revitalize aging jobs centers—by working cooperatively with developers who want to upgrade properties, and by modifying zoning to give the market incentives to invest. The Comprehensive Plan is full of strategies and actions for achieving those objectives.