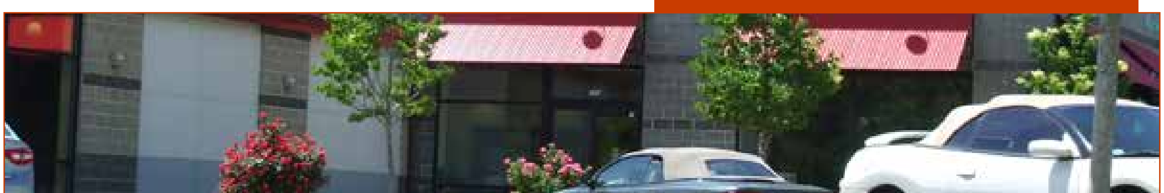
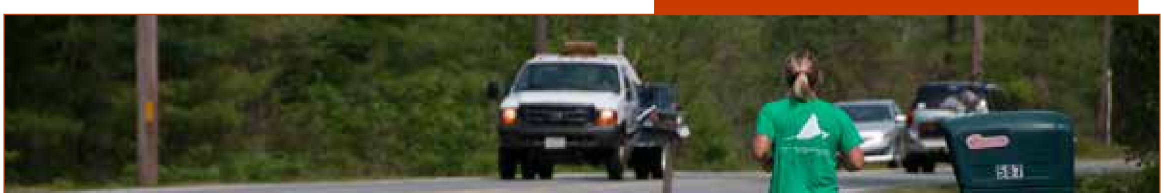
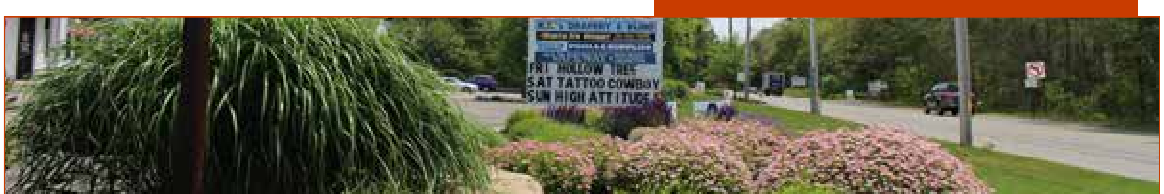
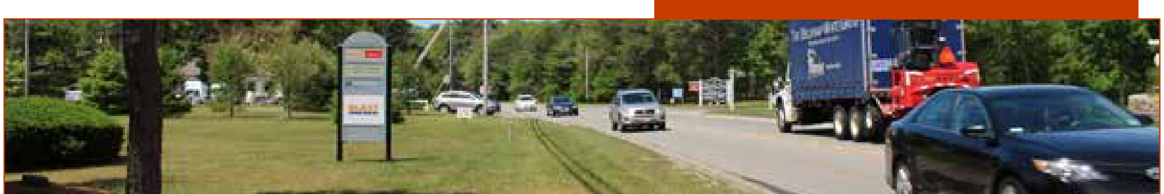
CAPE COD
COMMISSION

MASHPEE RESET









January 2016

Contents

1. INTRODUCTION

Background

On December 5, 2014, the town of Mashpee (town) requested technical assistance from the Cape Cod Commission's (CCC) RESET team (Regional Economic Strategy Executive Team) to complete a variety of research tasks aimed at improving the town's understanding of the economic opportunities for the town's residents and businesses. The RESET program at the Commission is designed to help communities overcome barriers to appropriate economic development and sustainable growth. A RESET team is multi-disciplinary drawing from the range of expertise at the Commission including land use planning, historic preservation, natural resource planning, housing, economic development, community design, transportation engineering and planning, water resources and geographic information systems. Each RESET team is different, designed to meet the specific needs of the community.

The overall goal of this project was to provide the town with suggestions about how the town may achieve appropriate development and redevelopment in Mashpee, and to identify potential sources of funding for infrastructure improvements that may be needed to achieve the town's economic development goals.

Commission RESET Team members	
Jennifer Clinton	Special Projects Coordinator
Phil Dascombe, AICP	Community Design Manager
Garry Meus	Planner (former project manager)
Anne Reynolds	GIS Director
Jeffrey Ribero	Regulatory Officer
Leslie Richardson	Chief Economic Development Officer
Steve Tupper	Technical Services Planner

The specific objectives and deliverables of the project articulated in the scope were:

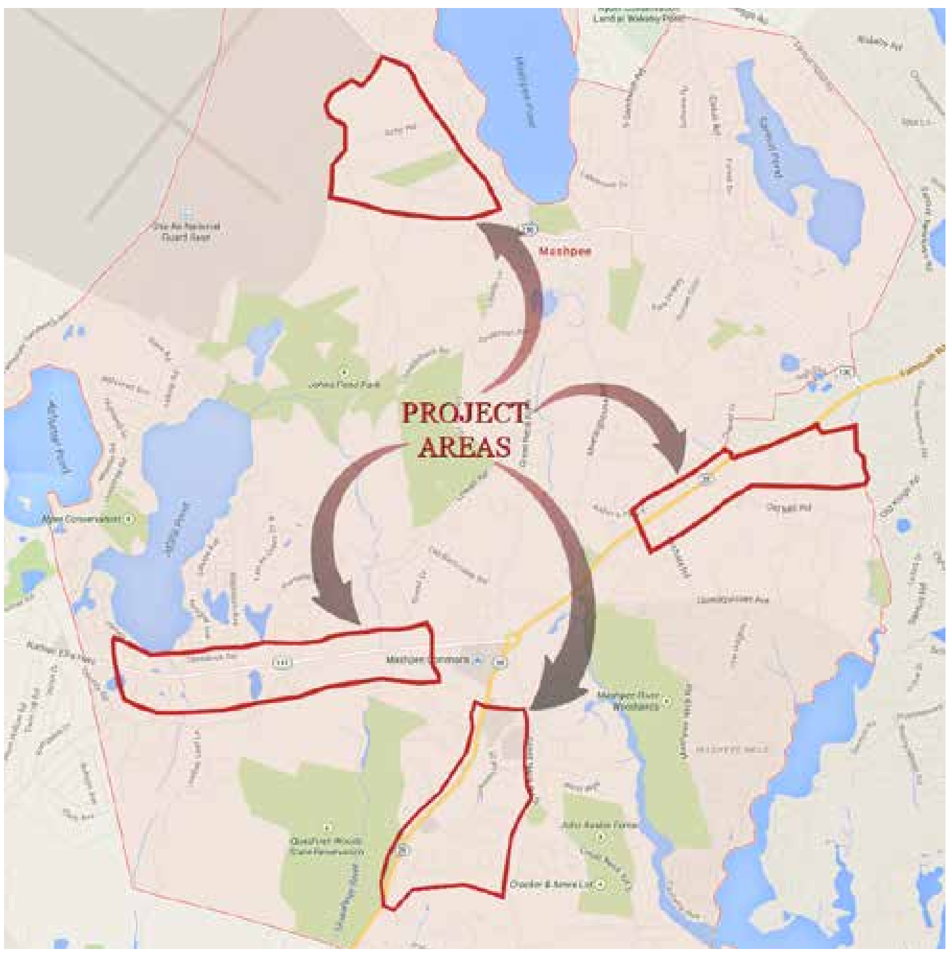
◊ Explore the development and redevelopment potential of four non-residentially zoned districts (Project Areas). The general Project Areas are shown below and include the Mashpee Executive Park, Route 130 industrial area, the John's Pond commercial center and the Route 28 East commercial area adjacent to the Barnstable town line (specific boundaries are shown in Section 2). It should be noted that the scope did not include an analysis of the town's major commercial center in the vicinity of the Pine Tree Rotary (including Mashpee Commons, South Cape Village and Deer Crossing).

◇ Evaluate the suitability of the Mashpee Executive Park for higher Cape Cod Commission review thresholds (Chapter H) for Research and Development uses.

◇ Evaluate the feasibility of new hotel development in the Upper-Cape region, including an inventory of existing hotel/motel stock, a review of current occupancy rates, and an assessment of the quality and price points of existing rooms relative to trends in market demand and market preferences.

◇ Compile the funding options available to provide the necessary infrastructure to encourage development activity in Mashpee.

◇ Build a fiscal impact model to estimate the net benefit of new development to the town in terms of potential property tax revenues and potential demand for public services.



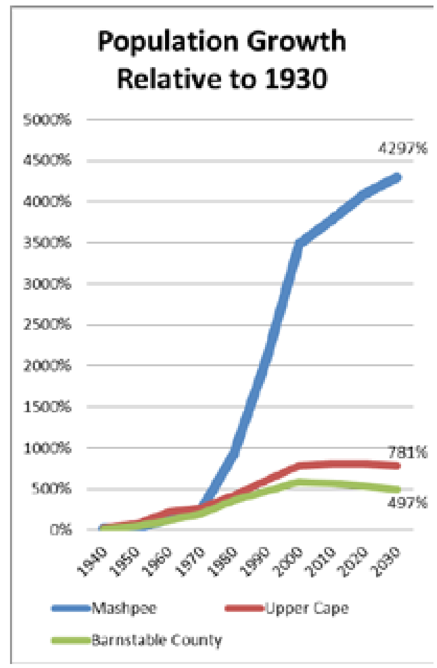
General Project Areas

Context

The first major effort that the RESET team undertook was to gain a better understanding of the Town, its inhabitants and the business activity currently occurring within the town boundaries. This was achieved by a variety of methods including GIS analysis, census analysis and site visits. The following section outlines some of the summary information gathered through this process, and provides comparisons to neighboring Upper Cape towns where appropriate for context.

Population

Mashpee currently has a population of 14,000 people. While development and population growth on Cape Cod has outstripped most other areas in Massachusetts, no other town has seen the level of growth seen in Mashpee. In 1930, the population of Mashpee was 361 people, less than any other town on Cape Cod. Between 1970 and 2000, the population grew by over 900%; the number of people per square mile went from 56 people in 1970 to 563 people in 2000. Recent growth has been much more modest, but in the latest state population projections Mashpee is one of the few towns on Cape Cod still projected to grow over the next fifteen years.



According to the US Census data, Mashpee has the lowest median home value of the Upper Cape towns and smallest labor force but comparable median household incomes . Table A shows some of this demographic and employment information, some of which is discussed in more detail later in this section.

Table A: Upper Cape Comparison

	Mashpee	Falmouth	Sandwich	Bourne
People and Housing				
Population	14,000	31,591	20,615	19,729
Households	6,011	14,138	7,476	8,047
Total Housing Units	9,866	22,039	9,426	11,028
Median Home Value	$323,100	$383,000	$349,900	$337,500
Employment and Income				
Labor Force	7,285	15,160	11,151	10,084
Median Household Income	$63,657	$61,685	$82,617	$62,216

Source: 2010-2014 American Community Survey 5-Year Estimates, US Census Bureau

Local Comprehensive Plan

Mashpee's Local Comprehensive Plan (LCP) was approved by town meeting on May 4, 1998 and certified by the Cape Cod Commission on July 30, 1998. As the LCP is 17 years-old, it likely does not capture all the town's current values and community vision. However, there are a number of issues discussed in the LCP that are still relevant today:

- The LCP acknowledges concerns about the impact of development on water quality, traffic and the character of the community.
- The LCP identifies recommendations for commercial areas in town, including consideration of a "limited Commercial" district in the Mashpee Industrial Park and a focus on highway-oriented/drive-in businesses in the John's Pond and Route 28 East areas.
- The LCP identifies growth centers including the Mashpee Industrial Park and part of the Project Area on Route 28 at the Barnstable line (vicinity of Bowdoin Road).
- The plan references other areas of activity at John's Pond and near Cape Drive as functioning as neighborhood centers.

A recent survey conducted in 2010 asked residents about several town initiatives, one of which focused on development issues. Respondents were asked what additional commercial-industrial business activities would be best suited for the Town and to rank a list of potential uses from high to low priority (full poll results at http://www.mashpeema.gov/Pages/MashpeeMA_Planning/survey.pdf). The most chosen high-priority activities selected were:

- "Technology/Research and Development"
- "Medical Offices/clinics"
- "Assisted Living"
- "Other Professional Offices"

The most chosen low-priority categories were:

- "Large discount stores like Walmart/BJs"
- "Contractors/Landscapers"
- "Full-service resorts/hotels/motels"
- "Specialty Retail"

This more recent feedback gives an indication of the vision of some members of the community for the town.

Zoning

The town of Mashpee has six (6) major zoning districts, but only three of these are located within the Project Areas studied in this RESET project. Table B provides a summary of the major uses allowed in these districts and whether they are allowed by right (Y), Special

Table B: Mashpee Zoning Summary			
	C2	C3	I1
Residential			
Two Family	SP	SP	SP
Apartment/townhouses	SP	SP	SP
Motels/Hotels	SP	SP	-
Non-residential			
Indoor/Outdoor recreation	SP	SP	-
Agricultural	Y	Y	Y
Offices (incl. Professional, medical, business)	PR/SP	PR/SP	PR/SP
Laboratory, Research/Development	PR/SP	PR/SP	PR/SP
Retail	PR/SP	-	-
Eating/Drinking	PR/SP	SP	-
Service Businesses	PR/SP	PR/SP	-
Retail - where merchandise is displayed outdoors	SP	-	-
Commercial Center	SP	SP	SP
Auto sales	SP	SP	-
Auto repair	SP	SP	SP
Printing, binding, bottling plants	-	-	SP
Plumbing/electrical supply	SP	SP	PR/SP
Manufacturing	-	-	SP
Self storage	-	SP?	SP
Contractor yard/bay	-	-	SP

For a complete description of the zoning provisions, including all allowed uses and dimensional standards and exceptions, refer to the Municipal Bylaws (available at http://www.mashpeema.gov/Pages/MashpeeMA_Clerk/General%20and%20Zoning%20Bylaws)

Permit (SP), or are prohibited (-). Any uses identified as "PR" mean that the project must be reviewed by the Plan Review Committee. A complete list of the allowed uses is available in the town's bylaws.

The scope of this project does not allow for an in depth review of the town's zoning bylaws, however, most of the major uses identified in Table B are generally appropriate and consistent with the purpose of the zoning designations as currently outlined. However, there are several uses permitted in the industrial areas that may not fit with the types of development type typically expected in these locations. For example, residential uses, offices and particularly commercial centers are generally less compatible with "industrial uses". However, this is likely a reflection of the mixed nature of the three industrial zoned areas in town.

As is the case in many communities, there are very few uses that are allowed by right; most are required to go through some kind of discretionary review process (Special Permit or Plan Review). While this provides the community with an opportunity to review the specifics of a project, from the development community's point-of-view this discretionary process adds uncertainty and risk. However, this is not particularly unusual situation on the Cape and so is unlikely to make the town a less desirable place to develop relative to its neighbors.

Land use

The Commission staff next looked at land use and the amount of land potentially developable in the town to get a stronger sense of the existing and potential supply and demand. For context, similar information was gathered from neighboring Upper Cape towns. As can be seen in Table C, Mashpee has the lowest acreage of land zoned for either commercial (including the C1, C2 and C3 zones) or industrial (Industrial1) uses in comparison to the four Upper cape Towns. However, Mashpee's land area is considerably smaller than the surrounding towns and so on a percentage basis, Mashpee has approximately 3 percent of its land area zoned for commercial uses and approximately 2%

Table C: Acres of land by zoning

	Acres of land zoned commercial	Percent of town zoned commercial	Acres of land zoned industrial	Percent of town zoned industrial
Mashpee	428	3%	308	2%
Sandwich	638	3%	356	2%
Bourne	1,518	10%	686	4%
Falmouth	557	2%	529	2%

Note: Percentages based on Town boundaries excluding Joint Base Cape Cod

zoned for industrial uses. These proportions are consistent with those of the surrounding towns in the Upper Cape which suggests that the town has not zoned significantly larger areas of commercial/industrial land than their neighbors.

To get a sense of the overall level of demand for commercial and industrial land in the Upper Cape, the Commission staff also looked at the amount of land classified as vacant commercial or vacant industrial using state class codes. Table D shows the relative proportions of commercial and industrial land (both developed and vacant) in Mashpee and in each of the four Upper Cape Towns for comparison. The Commission then compared the area zoned for commercial and industrial uses against the land use classification in these areas to get a more complete understanding of whether the development in the town is following the zoning pattern on the ground. For example, a

Table D: Acres of land by land use category

	Land use category			
	Developed Commercial	Vacant Commercial	Developed Industrial	Vacant Industrial
Mashpee	1035	214	85	120
Sandwich	537	87	305	126
Bourne	589	358	485	4
Falmouth	972	152	533	30

comparison of this kind would be expected to show that the amount of land zoned for commercial or industrial uses would be roughly equal to the total of the vacant or developed land in that same category.

This comparison reveals several things:

1. Despite there being only 428 acres of land zoned as commercial in the town, there is over 1,200 acres of land categorized as vacant or developed commercial. Conversely, there is 308 acres of land zoned as industrial, but only 205 acres categorized as either vacant or developed industrial than there is land zoned industrial. This suggests that there are large areas of the industrially zoned parts of town that are used for non-industrial uses, such as commercial, exempt or municipal uses.
2. In both Bourne and Falmouth, there is very little vacant industrial land remaining which may suggest that Mashpee would be well placed to accommodate any excess demand for industrial land from these Upper Cape neighbors.
3. Mashpee is the only one of the four Upper Cape towns that has a greater share of vacant industrial land than developed industrial land.

Economy

The Commission reviewed a variety of economic data to gain an understanding of the town's economy and its relationship to regional economic trends.

Cape Cod Market Analysis

For context, it is important to understand the regional market setting. The Cape Cod Commission contracted with the Chesapeake Group to complete a Cape-wide Market Study in 2013. The study estimated how much new demand there would be for retail and office development on Cape Cod through 2030. The research included an industry gap analysis, a resident expenditures survey, and interviews with key stakeholders. A proprietary model was used to estimate final demand. The gap analysis looked at opportunity for business and job creation in each town by comparing Cape Cod to similar counties elsewhere in the United States, based on population, household size, income, and transportation, as well as proximity to a metro area, water, visitor activity, and climate.

For the town of Mashpee, the study estimated that retail goods and services sales of $371 million in 2013 supported 1.07 million square feet of commercial space. The consultant projected that sales and space will increase respectively to $393 million and 1.13 million square feet by 2033. That is a net increase of $22 million in sales and 60,000 square feet of commercial space (less than the size of a standard supermarket). The amount of development estimated for the town in this market study is very small in comparison to the land available for development, and in the context of permitted development in the commercial center.

Projected future demand across the region was similarly low which is consistent with population projections that estimate an overall loss of population Cape-wide. The market study also looked at the demand for office space across the region and concluded that 900,000 square feet in new space could be absorbed over the next ten years.

The report concludes with two major policy recommendations – first, to modify traditional land use and development patterns. This should increase the density of housing and commercial development, advance the mix of uses and mixed-use development, and prioritize redevelopment over new development. Secondly, the researchers recommend an increase in inter-jurisdictional cooperation, particularly consistent Local Comprehensive Plans across jurisdictions, the attraction of nationally proven developers, and the establishment of a regional economic development investment fund.

Economic Development Assessment

In almost every case, towns on the Upper and Mid-Cape are in search of ways to increase the number of jobs and business opportunities available to their residents and to increase their commercial tax base. Mashpee is no different. The most desired businesses are in the research, technology, and light industrial sectors because of the skilled jobs these businesses provide. To attract or create new businesses and employment opportunities, communities must consider whether they have the land, business clusters and workforce that businesses seek and need to be successful. For a business serving the local community, the size, wealth, needs and buying patterns of the local population are also a consideration. The following analysis evaluates the potential for future commercial and industrial development in Mashpee within this context.

Availability of Land

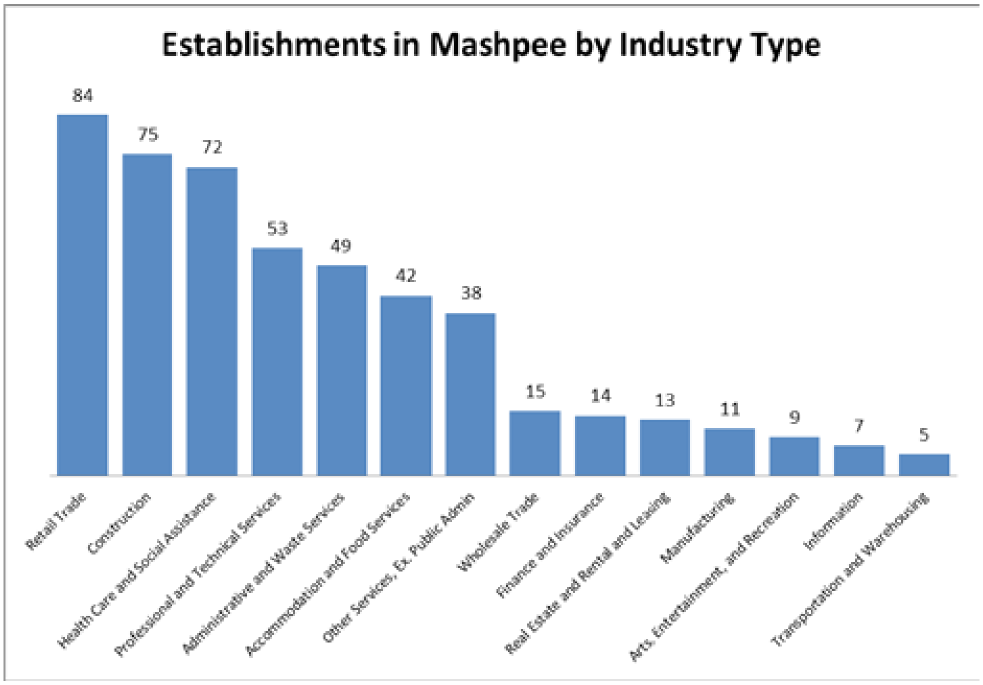
As discussed earlier, Mashpee has zoned five percent of its land for commercial or industrial use, an area equal to 735 acres. Of this area, forty-five percent remains vacant (approx. 300 acres). In the Project Areas of this project (i.e. excluding the major commercial center of Mashpee (Mashpee Commons, South Cape Village and Deer Crossing)), there are 31 acres of commercial land remaining undeveloped and 120 acres of undeveloped industrial land. This represents all of the remaining industrial land in Mashpee and 14.5% of the undeveloped commercially zoned land (the remaining 85.5% of undeveloped commercial land is within Mashpee Commons). Additional development potential could also exist on properties that are “under-developed”, meaning parcels that may be redeveloped more intensively than currently. Thus, there is plenty of land and development potential available in Mashpee for additional commercial and industrial development.

Table E: Non-residential Vacant Land

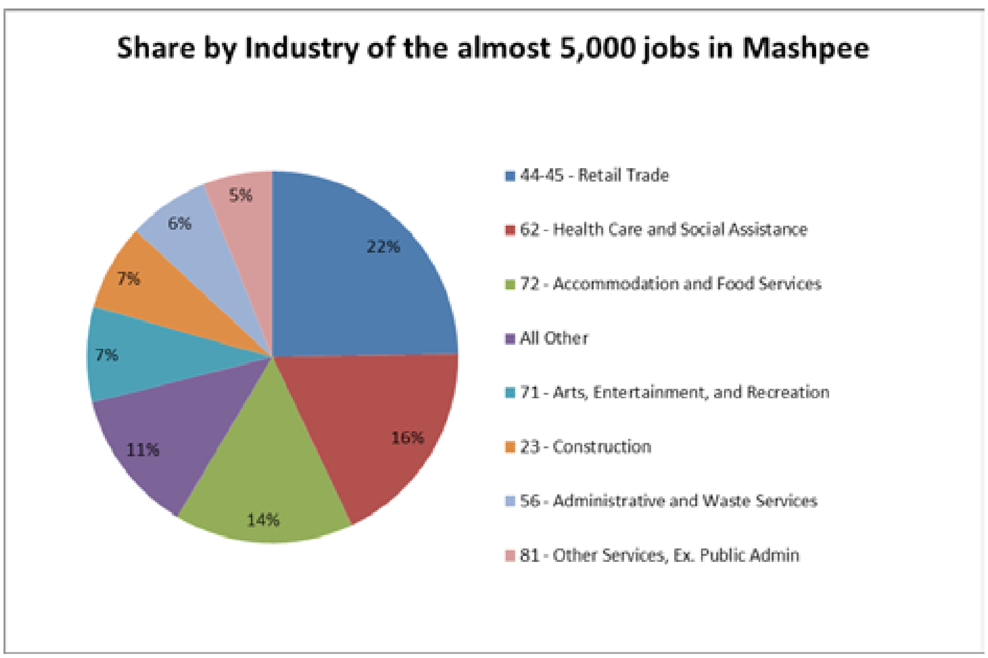
	Vacant and Commercially zoned	Vacant and Industrially zoned
Executive Park	0	47
Route 28 East	4	0
Route 130	25	73
John’s Pond	2	0
Other Areas	183	0
Total	214	120

Business Clusters

Businesses often like to be located in close proximity to similar companies in order to attract a workforce large enough and with the appropriate skills to create a competitive market from which to select employees. This is particularly true in industries

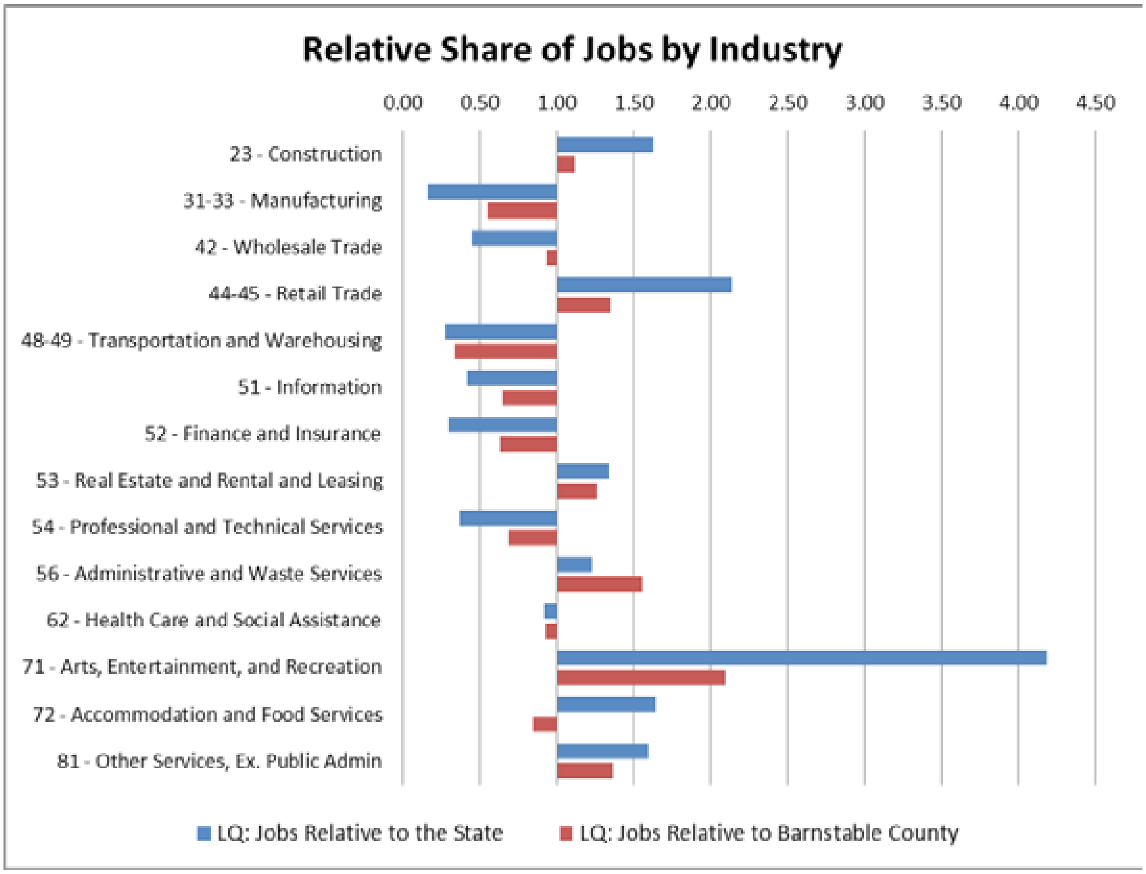


Source: Bureau of Labor Statistics/MA Dept. of Employment & Training (ES202 Dataset)



* All Other includes industries with less than 5% of employment in Mashpee: Professional & Technical Services, Real Estate & Rental, Wholesale Trade, Finance & Insurance, Manufacturing, Information, and Transportation & Warehousing.
Source: Bureau of Labor Statistics/MA Dept. of Employment & Training (ES202 Dataset)

depending on highly skilled workers such as research, technology, health, and other similarly attractive industries. Mashpee's dominant industry clusters are retail trade, construction, and health/social services. These three industries have 45% of the jobs available in Mashpee annually. The food service industry is also a large employer in Mashpee offering 14% of the jobs in town.

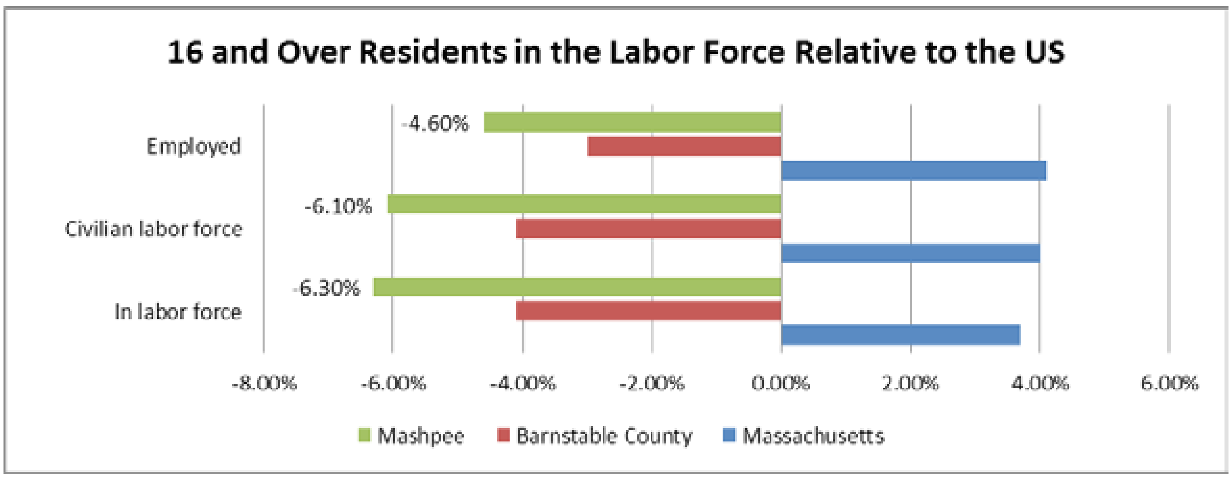


Source: Bureau of Labor Statistics/MA Dept. of Employment & Training (ES202 Dataset)

Table F: Workforce Characteristics	
Total Population	13,988
Population 16 years and over	11,737
In the Labor Force	6,763
In the Civilian Labor Force	6,742
Employed	6,232
Unemployed	510
Civilian Unemployment Rate	7.6%

Source: 2010-2014 American Community Survey 5-Year Estimates, US Census Bureau

By comparing the share of Mashpee employment in each industry to that of the region or state it is possible to see which industries are relatively larger or smaller than expected given regional and state trends. All the sectors that show up as smaller than expected in Mashpee are the same as those under-represented on Cape Cod as a whole relative to the state and the US. The Mashpee share of health care and social assistance is similar to what would be expected in the region and state. Mashpee has relatively large shares of construction, retail trade, arts and entertainment, reflective of the demand created by the region's large number of second-home owners, tourists, and retirees.

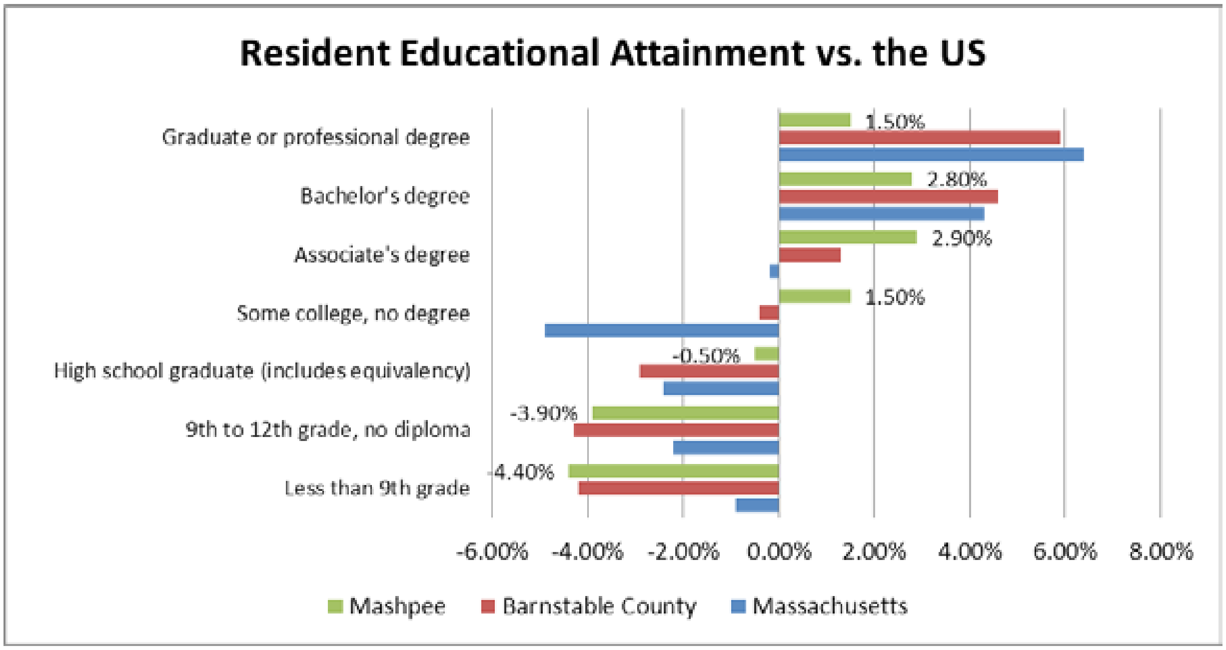


The industries with the most potential for expansion are probably Information, Finance & Insurance, and Professional & Technical Services. Manufacturing and Wholesale Trade are also smaller than expected but are unlikely to expand significantly on the Cape due to its distance from most market centers and its constrained transportation infrastructure. Generally, these uses also pose a greater threat to the Cape's sole source aquifer than the other potential growth industries.

Local Workforce

Businesses looking to locate in an area will look at the local labor pool as both potential employees and potential customers. The current resident labor force (i.e. over sixteen) in Mashpee is 6,763 people (Table F). This equals a labor force participation rate of 58%

in Mashpee, which like the County, is lower than in Massachusetts or the US as a whole because of the larger share of retired residents in this area. However the participation of Mashpee residents in the labor force is about 2% lower than the County average but the distribution of residents by age is statistically the same. Of Mashpee's civilian labor force, 7.6% are unemployed and looking for work. This rate of unemployment is low relative to

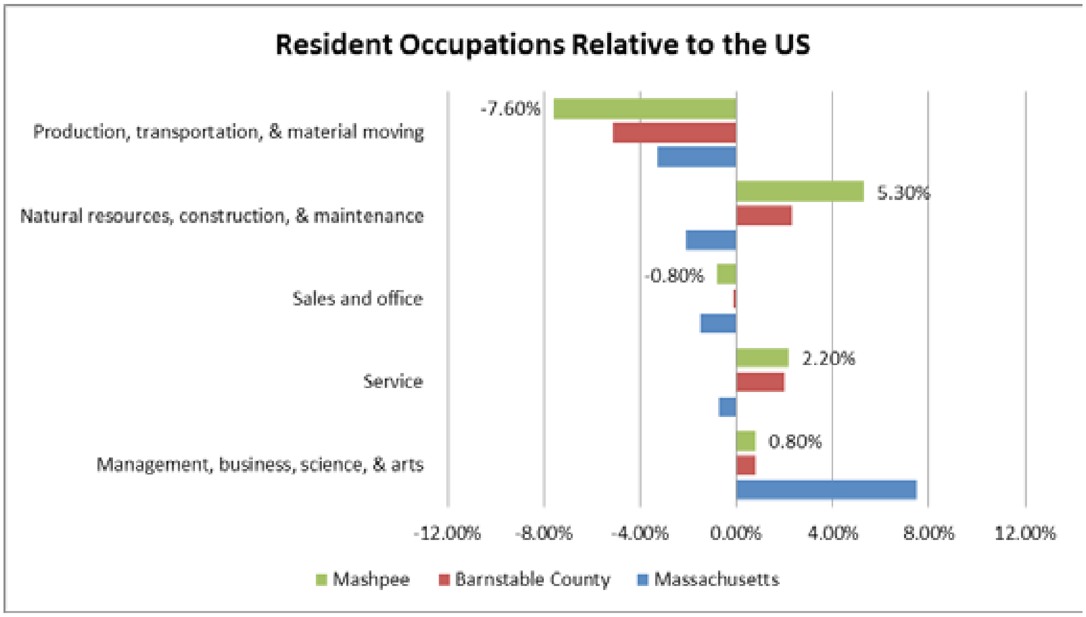


Source: 2009-2013 American Community Survey 5-Year Estimates, US Census Bureau

the State and the US and essentially the same as on the rest of Cape Cod.

Eighty-three percent of employed Mashpee residents work in Barnstable County but the data does not isolate how many of these residents work within Mashpee. The current employers in Mashpee provide jobs for just under 5,000 people on average over the year, but the proportion of these jobs occupied by residents of other Cape towns is unknown. There are almost 1,000 residents of Mashpee working outside Barnstable County and about 85 residents work outside the state.

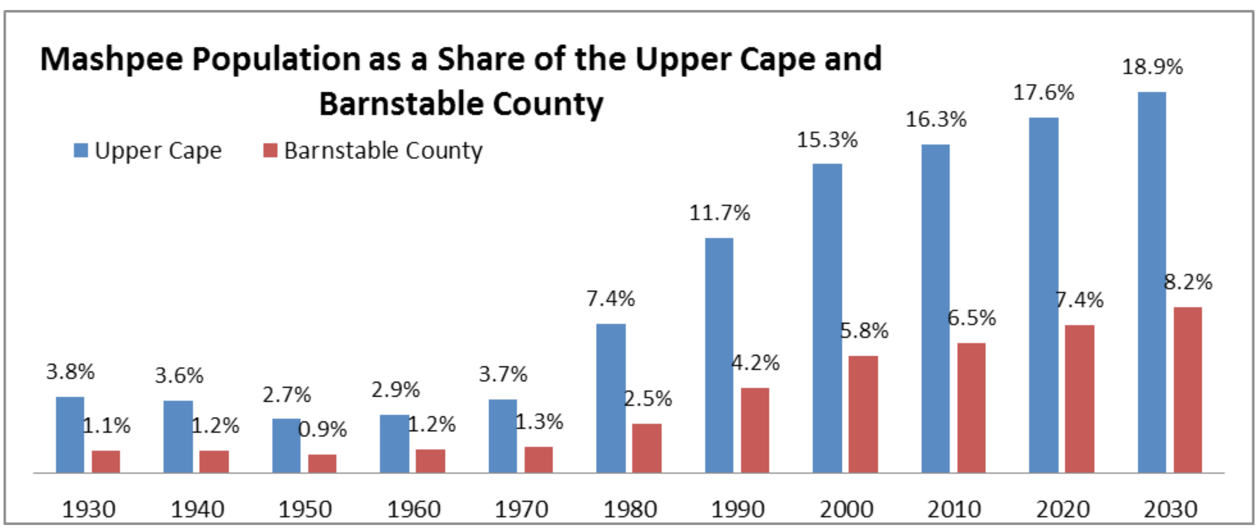
This workforce data suggest that a new business could probably attract local workers since Mashpee has more workers than jobs and many of these workers commute to other towns for work, but only if these workers are trained for the types of businesses the town would like to attract. Based on the industry cluster analysis above, there could be opportunities to expand employment in the Information, Finance & Insurance, and Professional &



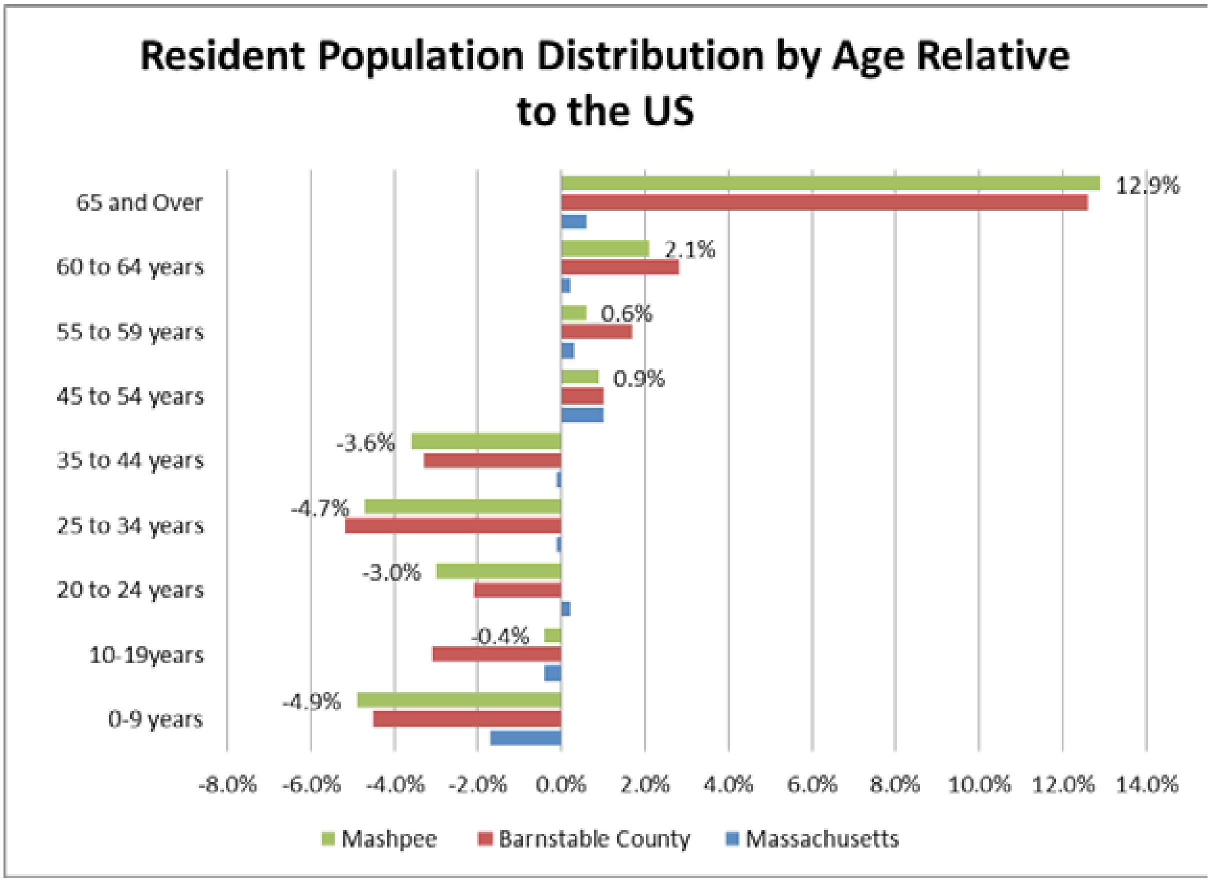
Source: 2010-2014 American Community Survey 5-Year Estimates, US Census Bureau

Technical Services sectors. In each of these industries, over 50% of all employees will require a Bachelor's degree or higher. Mashpee has over 3,500 residents, or 34% of its population, with a Bachelor's or higher degree. This attainment rate is higher than for the US as a whole but less than the rates in either Barnstable County or Massachusetts. The higher education rates on Cape Cod are often attributed to the retiree population but this cannot be confirmed with this data.

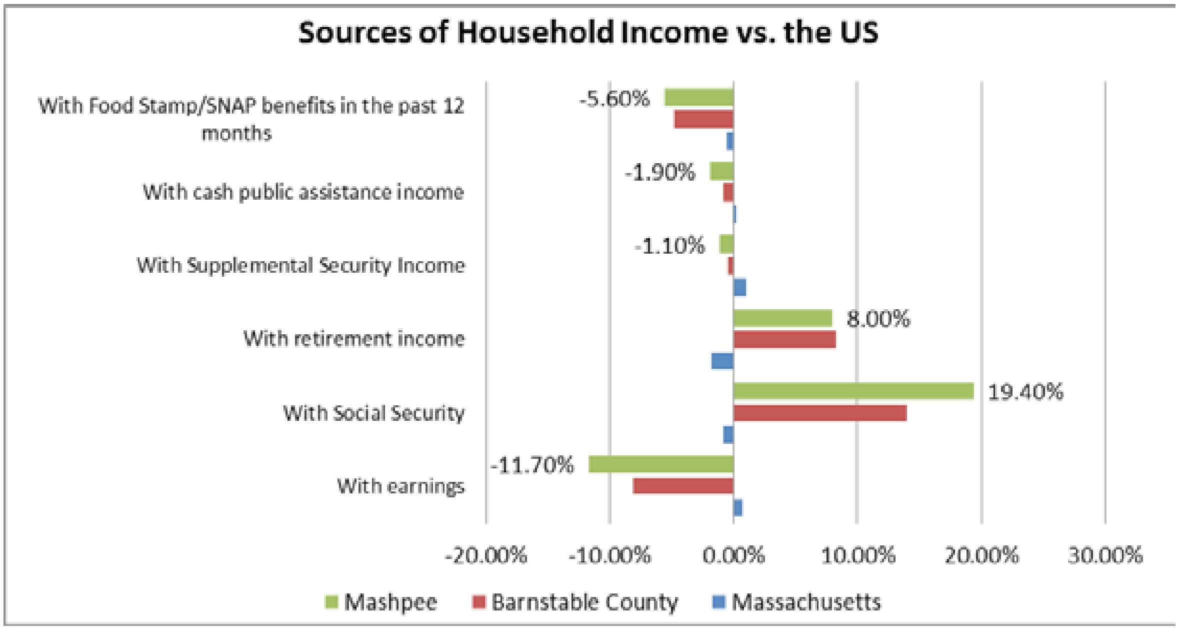
The Commission also looked at the current occupations of the residents to determine if they have the requisite skills to attract businesses in the Information, Finance & Insurance, and Professional & Technical Services sectors. Mashpee has a much higher



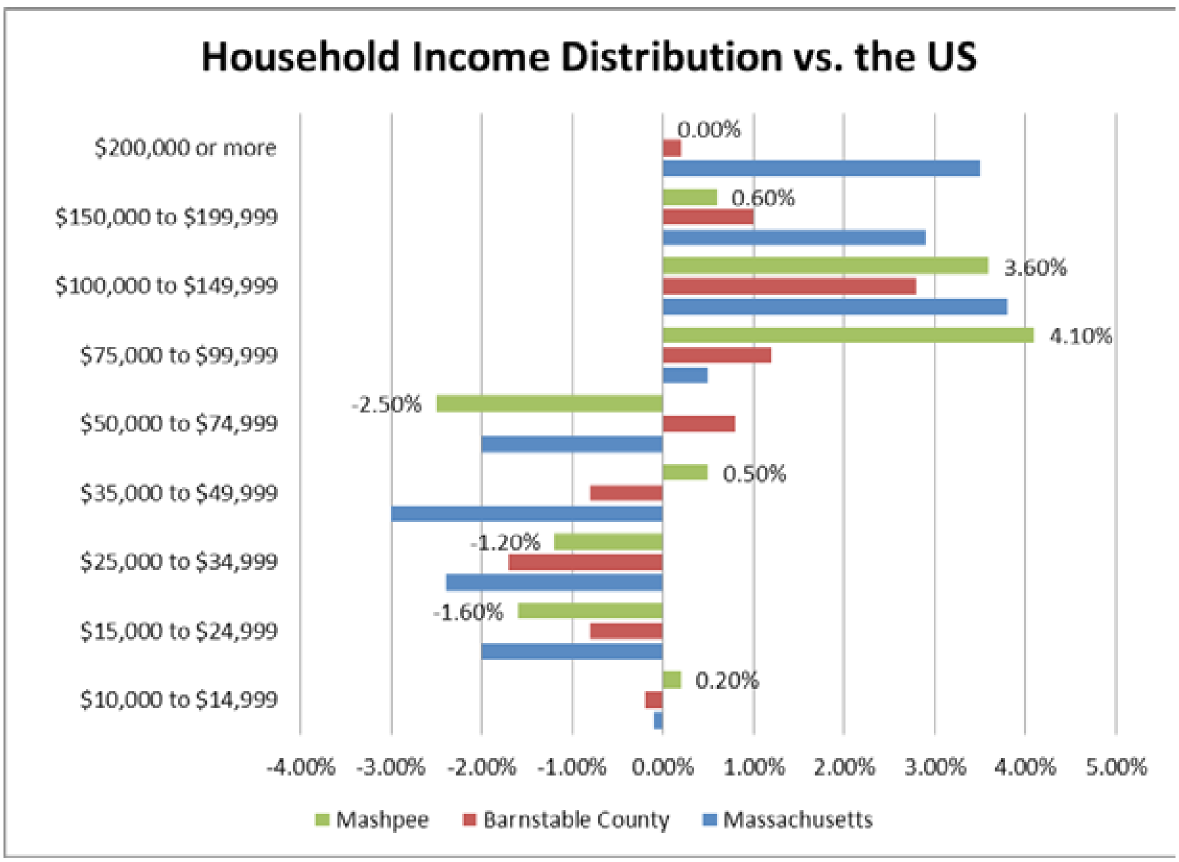
Source: Decennial Census, US Census Bureau; Population Projections, University of Massachusetts Donahue Institute, 2015 than average share of residents working in the construction/maintenance fields and in service occupations, which include public safety workers, food service and cleaning service workers, and health service workers. The low shares of production workers in Mashpee, Cape Cod, and the State all reflect the low level of manufacturing jobs in this area of the country. The Information, Finance & Insurance, and Professional & Technical Services sectors would probably draw most from the pool of workers engaged in management, businesses services, and science which explains why Massachusetts has such a large share of workers in these occupations. These occupations are not nearly as prevalent on Cape Cod or among Mashpee residents. The larger than average share of residents with some higher education or an associate's degree in Mashpee is consistent with the higher share of service and trade occupations.



Source: 2010-2014 American Community Survey 5-Year Estimates, US Census Bureau



Source: 2010-2014 American Community Survey 5-Year Estimates, US Census Bureau



Source: 2010-2014 American Community Survey 5-Year Estimates, US Census Bureau

Local Customer Base

Businesses seeking to sell their goods or services locally will be interested in the demographics and incomes of the resident customer base in order to understand the level of demand they can expect for their product. Mashpee's rapid increase in population has been a major source of customer growth over the past five decades of strong economic growth region-wide. While the population of Mashpee is expected to continue to grow, it will be at a much more modest rate (about 5% versus 187% at its peak) and will not be the engine for development it has been in the past.

Based on resident population, the customer segments that will continue to dominate in Mashpee are families and retirees. The second home owners who occupy 35% of the housing in Mashpee primarily during July and August will also be a very important customer segment.

Relative to the US, Mashpee has a greater share of its population aged 45 and over, with significant proportion over 65 years of age, reflecting Mashpee (and the Cape's) desirability among retirees. This is reinforced by the income data which shows a much larger share of the Cape's households (particularly Mashpee's households) collecting social security income. Nevertheless, there are more people in the higher income brackets here than is typical in the US, suggesting potentially greater buying power, but this is somewhat offset by the higher cost of living on Cape Cod.

Economic Development Outlook

Although uses like high-technology research, development and light manufacturing are desirable and under-represented in Mashpee, attracting these uses to the area may be challenging. They rely heavily on like businesses and local research universities to provide a strong pool of highly skilled labor which is currently not available in the area. However, health care may be a sector that holds the most promise for Mashpee in terms of the creation of quality jobs that also provide wages commiserate with the local cost of living. Health care offices can serve as important anchors for mixed use areas and should be located in areas that have good access.

The low rates of projected future population growth will level off local demand for the retail, restaurant, and other localized service businesses that have historically led commercial growth in Mashpee and Cape Cod. While some additional demand could come from increases in the seasonal population this will reinforce rather than lessen the seasonality in the region's economy and generate more part-time, low wage jobs instead of full-time high-wage high-skill jobs.

2. PROJECT AREA ANALYSIS

Project Area Analysis

The Commission staff studied the development and redevelopment potential of each the four non-residentially zoned districts identified in the scope. This assessment included an analysis of the existing uses, zoning, range of buildout, opportunities and constraints for each of the areas. In addition, The Commission staff looked at the land use patterns surrounding the Project Areas to establish the potential customer base within walking distance of these areas.

This section provides a summary of this analysis for each of the four Project Areas, with accompanying illustrations and maps, and concludes with a discussion of potential alternatives that could be considered development and redevelopment in the areas. For each Project Area, the discussion is broken into three sections:

- Overview
- Existing Uses
- Issues and Opportunities

It should be noted that the scope of the RESET project also included an assessment of the potential in the Mashpee Executive Park for a Chapter H designation under the Commission's regulations. A Chapter H designation could raise the review thresholds for certain uses in this area, which would allow larger developments to proceed without referral to the Cape Cod Commission. This analysis is more in depth than the analysis conducted for the three other Project Areas and therefore the Chapter H assessment (Section 3 of this report) should be read in conjunction with the Executive Park analysis in this part of the report.

Analysis Sources and Data

To avoid significant repetition in this section, the following provides an overview of some of the topics, themes and data used in our analysis.


Staff Site Visits

Throughout the project, the Commission staff conducted site visits to each of the four Project Areas in order to make observations of existing uses and patterns at different times of the day and months of the year. In addition to field observations, significant time was spent reviewing and analyzing the areas using Geographic Information Systems (GIS) and other previous town, county and state analysis.

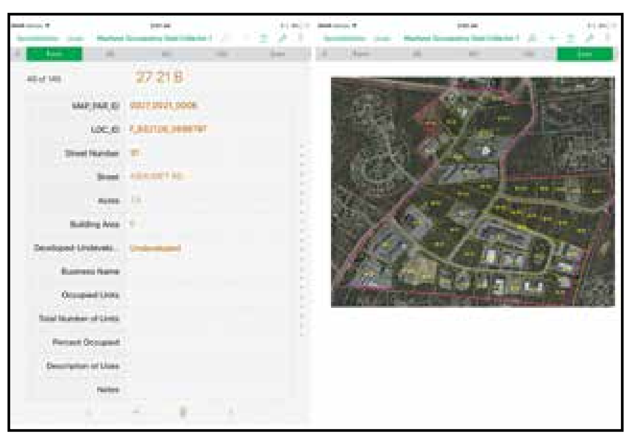
Overview section

The Commission's review of buildout potential primarily relies on two recent analyses, one conducted by the town Planning Department, and one conducted by the Cape Cod Commission. In 2009, the town conducted a parcel based buildout analysis as part of the town's wastewater planning efforts. As the analysis was conducted for wastewater flow purposes, this buildout focused on the residential development in the town and estimated flow from non-residential uses. In 2011, the Commission completed a region-wide buildout that was also mainly for the purpose of regional wastewater planning efforts. This region-wide analysis estimated both residential housing units and non-residential square footage potential based on current zoning. It should be noted that as this was completed at the regional scale, it does not capture the nuance of every local ordinance and bylaw. It should be noted that as part of the Chapter H Assessment (Section 3) a more refined buildout was also completed for the Executive Park.

Existing uses section

When conducting a land use analysis, it is common to use property type classification codes created by the Massachusetts Department of Revenue, Division of Local Services. These codes, commonly called state class codes, are used to assist the town Assessor in determining the proper classification of property according to its use for tax purposes. Each property in the town is assigned a code that matches a classification in this system and that most appropriately identifies the use of a piece of property. These classifications codes are grouped and subdivided in several ways, firstly into broad categories (such as "Residential", Commercial" and "Industrial"), and then further subdivided into very specific categories (for example "Single-family", "Two-family" and "Vacant developable" residential). For a complete list of these codes, visit [http://www.mass.gov/dor/docs/dls/bla/classificationcodebook.pdf.](http://www.mass.gov/dor/docs/dls/bla/classificationcodebook.pdf) While these state class codes provide a good overview, there are some limitations for their use in conducting a land use study. For example, state class codes capture the most appropriate land use of a property, but sometimes this assignment fails to quantify the complexity of existing uses on a property, particularly if the uses there are mixed between categories (i.e. between commercial and light manufacturing). Also, many properties fall into a broad category of "Exempt Properties" that includes all property which is totally exempt from taxation under various provisions of the law. This includes properties held by the federal government, State, County, Municipalities, educational, charitable, and religious groups. In addition, the assigned state class codes does not always capture the current use, as they are not usually updated frequently enough to follow changes in tenants in a given space. Nonetheless, it is still useful to use both the broad categories and some of the more specific categories to gain an understanding of the overall uses in an area, and therefore each Project Area includes a general land use map and a more specific land use map focused on residential, commercial, and industrial land that is either developed or vacant.

Given the limitations of using state land use codes for determining current trends and occupancy, the Commission staff created an application for gathering basic information in the field about existing uses, occupancy and



Screenshot of collector application

development. This information was used to generate a more complete picture of the uses currently occupying buildings in the Project Areas.

Issues and opportunities section

This section includes a review of the road network connectivity and access to the surrounding towns and regional road network. Each Project Areas is located on a major regional roadway, either Route 28, Route 151 or Route 130. Route 28 and Route 151 provide the best access to destination markets within Mashpee, Falmouth, or Barnstable but these roadways do experience significant congestion issues, particularly in the summer months, providing a challenge for certain businesses. The intersection of Routes 28 and Route 151 at the Mashpee Rotary is also problematic in terms of both congestion and safety issues. Route 130 offers the best access to Sandwich, Bourne, and off-Cape destinations and markets and is generally less congested than Route 28 or Route 151.

The proximity of the Project Areas to the Open Cape network is also discussed in this section. Open Cape is a 350 mile fiber optic network operating with the latest technologies and highest speeds available. The OpenCape network is an open access network, meaning other service providers can utilize the network to launch other services in the area, including residential or voice services. The capacity of the network and data center is a unique opportunity for other service providers to offer additional services to local governments, business, and residents of Southeastern Massachusetts and enable them to be competitive. For more information, visit http://opencape.org/.

This section also includes an assessment of the population density within the pedestrian-shed of the Project Areas (1/4 and 1/2 mile radius). This analysis is important for several reasons:

- ◇ By defining a pedestrian-shed, the Commission is able to get a sense for the possibilities for improving the walkability of the Project Areas for current or future uses. Improving options for pedestrians can potentially reduce the vehicle trips and therefore reduce congestion and emissions.
- ◇ The Commission used census data for household size to generate maps that visually represents the density of people in each census block. These maps do not show the actual location of people in the census block, but show a point for each person in the census block evenly distributed throughout the census block area. The purpose of identifying the number of people nearby is to evaluate the potential labor and customer pool in close proximity to the Project Areas.
- ◇ Higher population density nearby can also indicate a potential need for safe connections, such as sidewalks and crosswalks, and improved bicycle access to neighborhood services in these locations.

The Commission conducted a summary assessment of the Project Area's proximity to sensitive water resources, including drinking water supply. The location of the following water resource related areas has been reviewed for each Project Area:

1. Massachusetts Department of Environmental Protection Zone II's, which is a

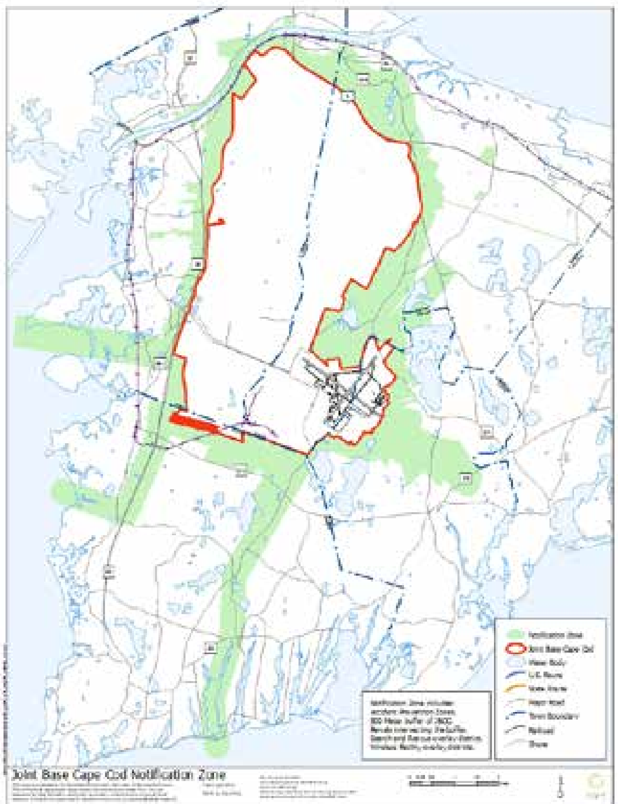
Wellhead Protection Area or zone of contribution, approved by the Massachusetts Department of Environmental Protection that is the area of land receiving the rainfall that replenishes the portion of the aquifer from which a well derives its water.

2. Potential Public Water Supply Areas (PPWSA) are areas mapped by the Cape Cod Commission and that are tracts of land that are suitable for future water supply exploration.
3. Groundwater Protection District Overlay, a Mashpee designation for the purpose of protecting public health from the contamination of existing and potential public and private water supplies and to protect the general welfare by preserving limited water supplies for present and future use.

In addition to these water resources, it should be noted that each of the Project Areas will have to address wastewater and stormwater treatment to avoid nutrient loading to the Cape's coastal waters. Cape Cod has a well documented water quality issue, specifically the degradation of Cape Cod's water resources from excessive nutrients. For over a decade the Massachusetts Department of Environmental Protection (MassDEP), the Cape Cod Commission (Commission) and the Massachusetts Estuaries Project (MEP) at the University of Massachusetts-Dartmouth have worked with the 15 Towns on Cape Cod to research and diagnose the problem. Nutrients arriving in our marine waters, particularly nitrogen from septic systems, can destroy habitat and result in frequent violations of water quality standards. The MEP program has also established Total Maximum Daily Loads (TMDL) that are calculations of the maximum amount of a pollutant that a waterbody can receive and still meet water quality standards. TMDL's are useful in quantifying goals for reducing or eliminating pollutants that degrade conditions in a waterbody. Several efforts are underway to address this pressing problem. In 2015, the Cape Cod Commission updated the 1978 Water Quality Management Plan for Cape Cod to address the degradation of Cape Cod's water resources. In June 2015, the Town of Mashpee submitted the Final Environmental Impact Report (FEIR) for the final piece of the Mashpee Comprehensive Wastewater Management Plan (CWMP) to the state. The CWMP outlines how the town intends to meet TMDLs for watersheds in the town and a monitoring program aimed at establishing the effectiveness of the their water quality strategies. The town of Mashpee is almost entirely contained within either the Waquoit or Popponesset Bay embayment system. Both of these watersheds have established Total Maximum Daily Loads (TMDLs) from the Massachusetts Estuaries Project (MEP), and have embayments that have been identified as significantly impaired. According to the CWMP, the town will have to remove between 35% and 100% of the nitrogen from existing development in these embayments to meet water quality standards set in the TMDLs. Notwithstanding this removal percentage, the town will have to remove 100% of any nitrogen resulting from new or additional development in the town.

In 1995, Congress established the Mashpee National Wildlife Refuge, defining the boundaries of the refuge, but not funding the acquisition of the land. The Town and many partners have worked to acquire and protect many acres within the refuge, however, there is no specific limitation on development occurring within the boundaries and consequently several locations have seen development since 1995.

Mashpee is one of four towns that directly abuts Joint Base Cape Cod (JBCC), formerly known as the Massachusetts Military Reservation, which poses additional considerations for future development in the four Project Areas. A Joint Land Use Study (JLUS), a collaborative effort among the Commission, the Upper Cape towns and JBCC leadership, was completed in 2005 and updated in 2013. The purposes of the JLUS program, initiated by the U.S. Department of Defense, Office of Economic Adjustment, are twofold: to ensure that future community growth and development are compatible with the training or operational missions of the installation; and, to seek ways to reduce the operational impacts of military installations on adjacent land.



JLUS Notification Zone

The JLUS studies included several recommendations aimed at reducing conflicts between base operations and adjacent land uses. In particular, the 2013 JLUS update recommended changes to current notification procedures to ensure that base personnel are aware of and have the opportunity to comment on proposed development projects in a timely manner. The JBCC Model Notification Procedures report prepared by Commission staff in October, 2015 recommended adoption of a JBCC notification zone and changes to administrative procedures in the four Upper Cape towns to ensure notification of base personnel of proposed development projects. In the figure to the left, this notification zone is shown in green. This recommendation would apply to two of the four Project areas.

Periodically, the Air National Guard evaluates aircraft noise and accident potential related to all flying operations taking place at JBCC. The resulting Air Installation Compatible Use Zones (AICUZ) are "designed to aid local planners in establishing land-use guidelines which ensure public safety and health and preserve the operational capabilities of Otis Air National Guard Base". The goal of the AICUZ is to "promote compatible land-use development around military airfields by providing information on aircraft noise exposure and accident potential." AICUZ reports prepared by the Air National Guard describe three basic types of constraints that affect, or result, from flight operations:

1. The first involves areas that the Federal Aviation Administration and Department of Defense have identified for height limitations.
2. The second constraint involves noise zones resulting from aircraft operations. The AICUZ contains noise contours plotted at increments of 5 decibels (dB), ranging from 65 dB Day/Night Average Sound Level (Ldn) to 80 dB Ldn. Nearly all studies on residential aircraft noise compatibility recommend against residential uses in noise zones above 75 dB Ldn. Usually no restrictions

are necessary below noise zone 65 dB Ldn. Between noise zones 65 and 75 dB Ldn, residential use is discouraged, and noise level reduction measures should be considered. For commercial/industrial uses, the AICUZ study recommends that noise reduction measures be incorporated for office or transient lodging above 75 dB Ldn. Cultural, entertainment and recreational uses except golf and riding stables should be prohibited above 75 dB Ldn. Residential uses, food services, cultural, entertainment, auto sales or general retail should be prohibited above 80 dB Ldn.

3. The third constraint involves accident potential zones that are established based on statistical analysis of past Department of Defense aircraft accidents. These include areas immediately beyond the ends of runways and along the approach and departure flight paths that have the greatest potential for aircraft accidents. The Department of Defense developed three zones to identify aircraft accident potential, depending on the distance from the runway:
    a. Of the three zones, the Clear Zone (CZ), the area closest to the end of the runway, has the highest potential for aircraft accidents. The CZs encompass areas 3,000 feet wide by 3,000 feet long at the end of each runway. The Department of Defense generally acquires the land within CZs through purchase or easement to prevent development. The AICUZ study recommends that no residential use, places of assembly, or hospitals/ nursing homes be allowed within the CZ.
    b. The Accident Potential Zone 1 (APZ1) encompasses an area 3,000 feet wide by 5,000 feet long where land- use controls and density restrictions are generally recommended. The AICUZ study recommends that no residential use, places of assembly, or hospitals/nursing homes be allowed within the APZ1. In addition, wholesale and retail trade or eating establishments should not be allowed with the exception of building material, marine or automotive sales.
    c. The Accident Potential Zone 2 (APZ2) encompasses an area 3,000 feet wide by 7,000 feet long where land- use controls and density restrictions are generally recommended. Within the APZ2, single-family residential uses is recommended to be limited to a density of 1 or 2 dwelling units/acre and most commercial uses are acceptable, with the exception of eating/ drinking establishments, hospitals/nursing homes, churches, group camps, or outdoor sports facilities.

The Town of Mashpee adopted the Otis A.N.G.B. Accident Prevention Zone as a zoning overlay district in 1987 encompassing all of the Accident Potential Zones listed above, prohibiting schools, hospitals, theaters or places of public assembly. In addition, no portion of any structure located within this zone may exceed thirty-five (35') feet in height.

For each Project Area, the relationship of these various areas is discussed in the context of potential development options.

Mashpee Executive Park

Overview

The Mashpee Executive Park Project Area is show in Figure 1, and includes the industrial zoned land surrounding Industrial Drive, Mercantile Way and nearby sections of Route 28 (Falmouth Rd). The Project Area is approximately 121 acres.

The Project Area is currently used by a mix of commercial and industrial uses, with the development pattern consisting of larger structures surrounded by generous setbacks and parking fields (Figure 2). The vast majority of the Executive Park is zoned Industrial (99%), with a single parcel adjacent to Route 28 zoned Commercial 2 (See Figure 3). The area is located immediately to the south of the Commercial 3 zone that incorporates the major commercial center of Mashpee (including Mashpee Commons, South Cape Village and Deer Crossing). To the east and south, single family homes predominate, with a mix of residential subdivisions and open space to the west.




Table G shows potential buildout numbers for the Project Area. The buildout results indicate that there is significant potential for non-residential development in this area, due to significant amount of vacant and undeveloped land. Although neither buildout indicated that there is any potential residential development, the current Industrial 1 zoning does allow residential uses. Therefore, it is conceivable that residential development could also occur on any of the existing parcels in the Executive Park.

Table G: Executive Park Statistics	
Area	~121 acres
Zoning	Mostly Industrial, with small area of Commercial 2
Zoned Commercial	1%
Zoned Industrial	99%
Buildout Potential (2009 town analysis) - Residential Units	0
Buildout Potential (2011 County analysis) - Residential Units	0
Buildout Potential (2011 County analysis) - Non-residential sf	614,497

Figure 1: Executive Park Project Area

This map is produced by the Community Design department of the Cape Cod Commission, a division of Barnstable County. The information depicted on this map graphic is for illustration and planning purposes only. It is not adequate forlegal boundary definition, regulatory interpretation, or parcel level analysis. It should not substitute for actual on-site survey, or supercede deed research. Produced using Adobe Creative Suite by PD. 11/24/2015.

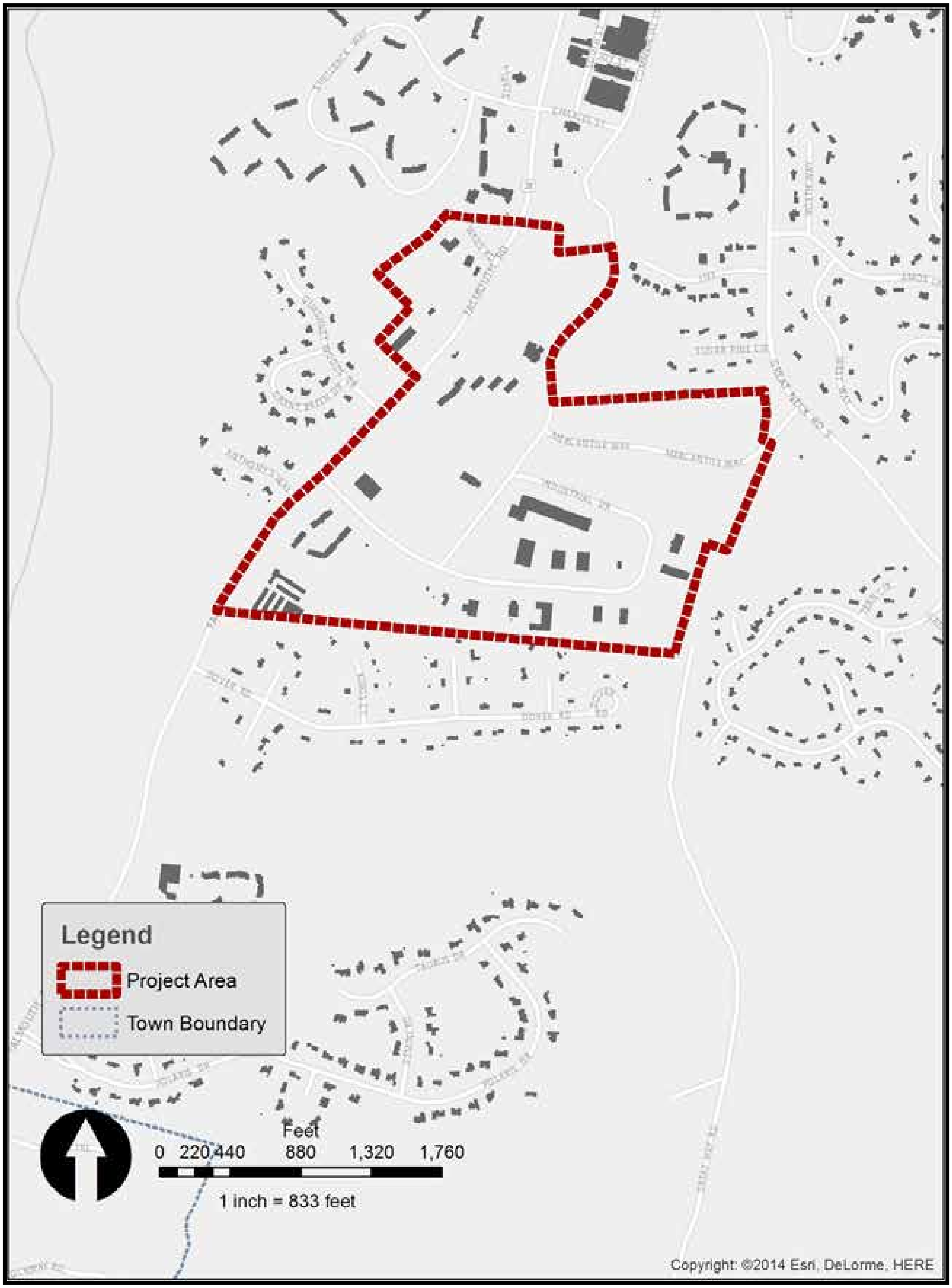


Figure 2: Executive Park Figure Ground

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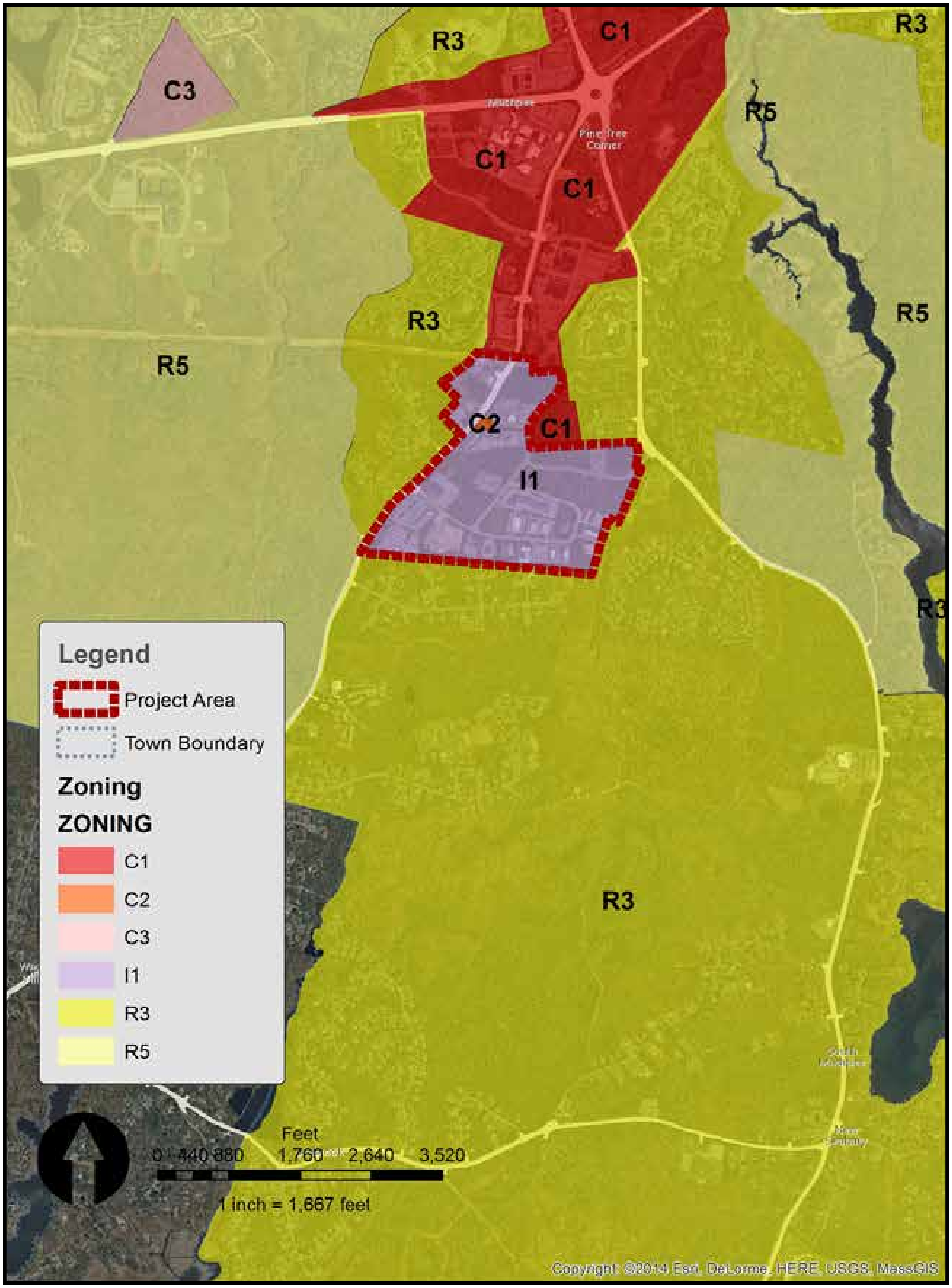

Figure 3: Executive Park Existing Zoning

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Existing Uses

Figure 4 shows that the Executive Park is predominantly industrially used, with a mix of commercial and exempt (mostly municipal) uses interspersed, however, a more granular view of the situation currently on the ground can be seen when the developed and undeveloped categories of land use are mapped. Figure 5 show the four main use classifications, Commercial, Industrial, Residential and Mixed Use, broken down between developed and vacant use categories. What this figure illustrates is the large proportion of the Executive Park that is currently vacant and undeveloped. In addition to using the state land use codes for analysis, the Commission staff also visited each site and recorded the actual uses and occupancy of all parcels. The results of this suggest that some of the parcels classified as "industrial" may be more appropriately referred to as mixed uses (i.e. containing multiple tenant spaces used by a variety of service). For example, the property at 168 Industrial Drive is classified as developed industrial, but the building is used for a combination of office and recreational uses (occupied predominantly by CrossFit). The site visits also revealed that there was a relatively large amount of space available within the executive park as shown by the 84% occupancy rate.

Table H: Executive Park Development and Vacancy		
Mix of uses (based on state class codes)		
Vacant Industrial (acres)	47	
Developed Industrial (acres)	15	
Vacant Commercial (acres)	0	
Developed Commercial (acres)	26	
Other	33	
Mix of Existing Uses (based on field visits)		
Use	**Square feet**	**Percent of total**
Office	7,650	2%
Industrial	14,474	4%
Services	6,528	2%
Mixed	292,555	75%
Retail	0	0%
Other	7,524	2%
Recreation	0	0%
Medical Services	61,686	16%
Restaurant	0	0%
Residential	920	0%
Occupancy		
Building SF	397,481	
Occupied	333,754	
Vacant	63,727	
% Occupied SF	84%	

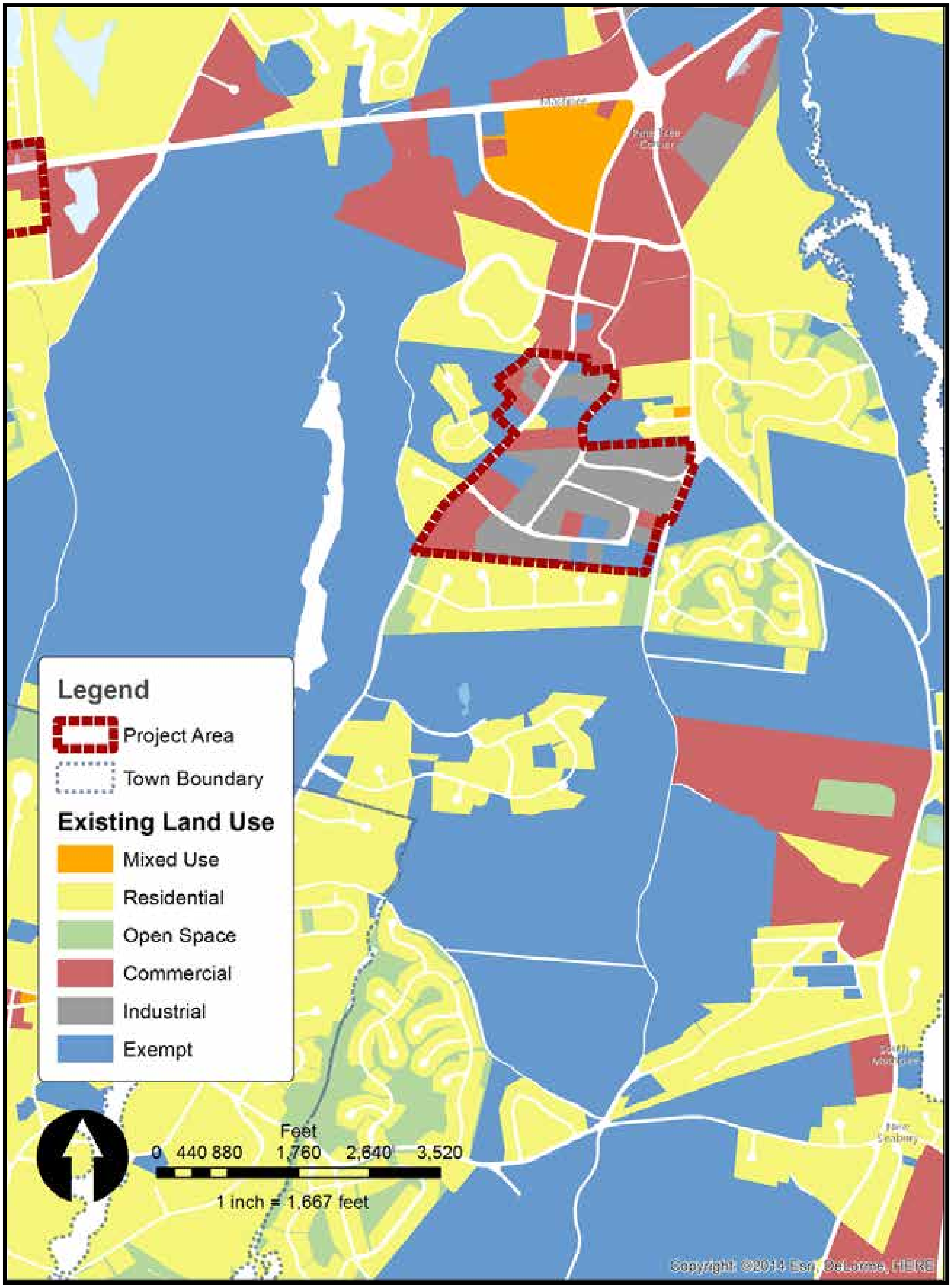

Figure 4: Executive Park General Land Use

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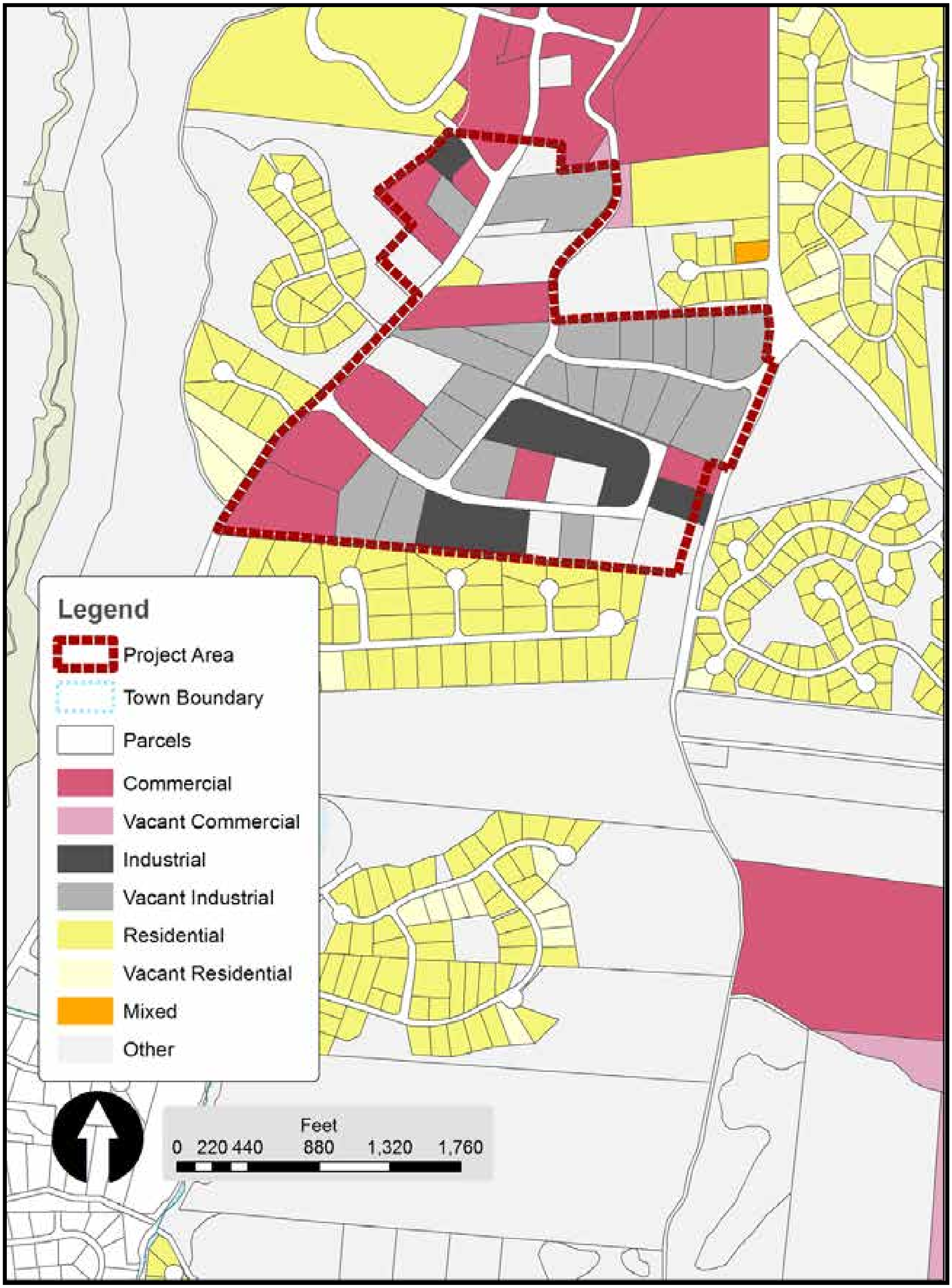

Figure 5: Executive Park Commercial/Industrial/Residential Use Mix

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The large amounts of vacant industrial land and significant non-industrial uses in an area zoned for industrial uses seems to support the notion that demand for industrial uses at this location is fairly week. The data also suggests that office uses may be in much higher demand, especially for medical uses that make up 37% of the uses in the Executive Park.

Issues and Opportunities

The Executive Park is well situated to take a advantage of several nearby opportunities, while being free of many of the resource limitations commonly encountered by development. For example:

- ◊ Located on Route 28, the area is good access to adjacent towns of Barnstable and Falmouth.
- ◊ The Project Area is located within easy walking distance of several activity areas immediately to the north (Deer Crossing, South Cape Village and Mashpee Commons) and there is an existing roadway connection (Commercial Street) to these areas that does not require access onto Route 28.
- ◊ A third access also exists along Mercantile Way to Great Neck Road South, providing another alternative to Route 28 access.
- ◊ The OpenCape Fiber network runs along Route 28 and is available for uses needing high bandwidth.
- ◊ A Massachusetts Department of Environmental Protection Zone II covers a larger part of the southern portion of the Executive Park (see Figure 5), however, most of the properties within the Zone II are currently developed. Many of the vacant properties are also mapped as within the Priority Public Water Supply, and these areas may be further considered by the Town for its drinking water needs. If it is determined by the Town there are no current plans to pursue the area or public water supply, the designation as a PPWSA may be released by the Commission. The Town's Groundwater Protection Overlay district does not cover any portion of the Project Area.
- ◊ Although current uses rely exclusively on Title V Septic Systems, the town's Comprehensive Wastewater Management Plan has identified the potential for utilizing nearby private wastewater treatment plants as an option to encourage and facilitate development in this location.
- ◊ The Mashpee National Refuge boundary does coincide with a small part of the eastern boundary of the Project Area (See Figure 5). However, the town may wish to clarify whether this part of the Executive Park is a priority for open space acquisition.
- ◊ Figure 6 shows that the Executive Park is not within either the Accident Prevention Zone, Notification Zone or within noise contours associated with JBCC.

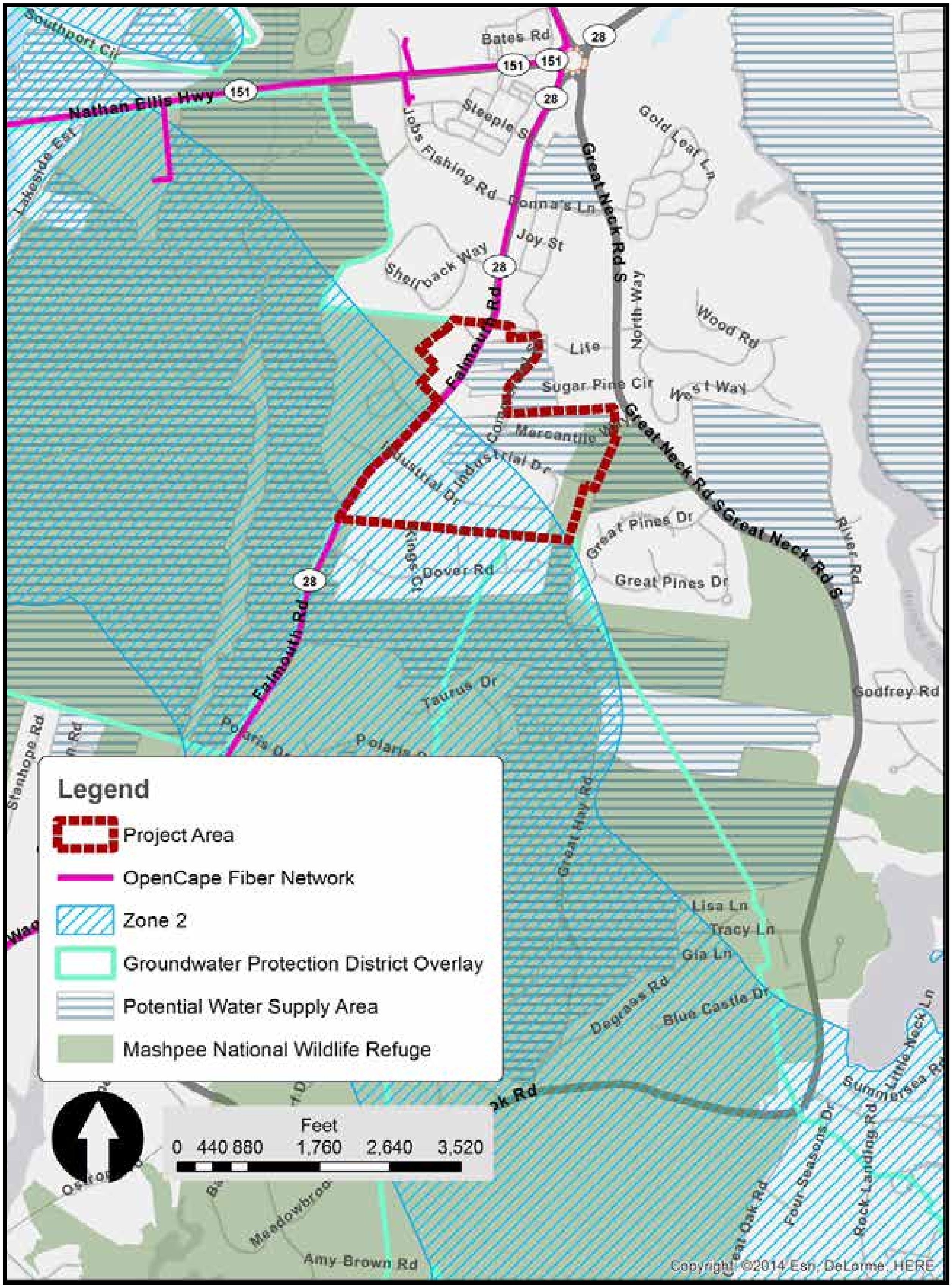

Figure 6: Executive Park Resources

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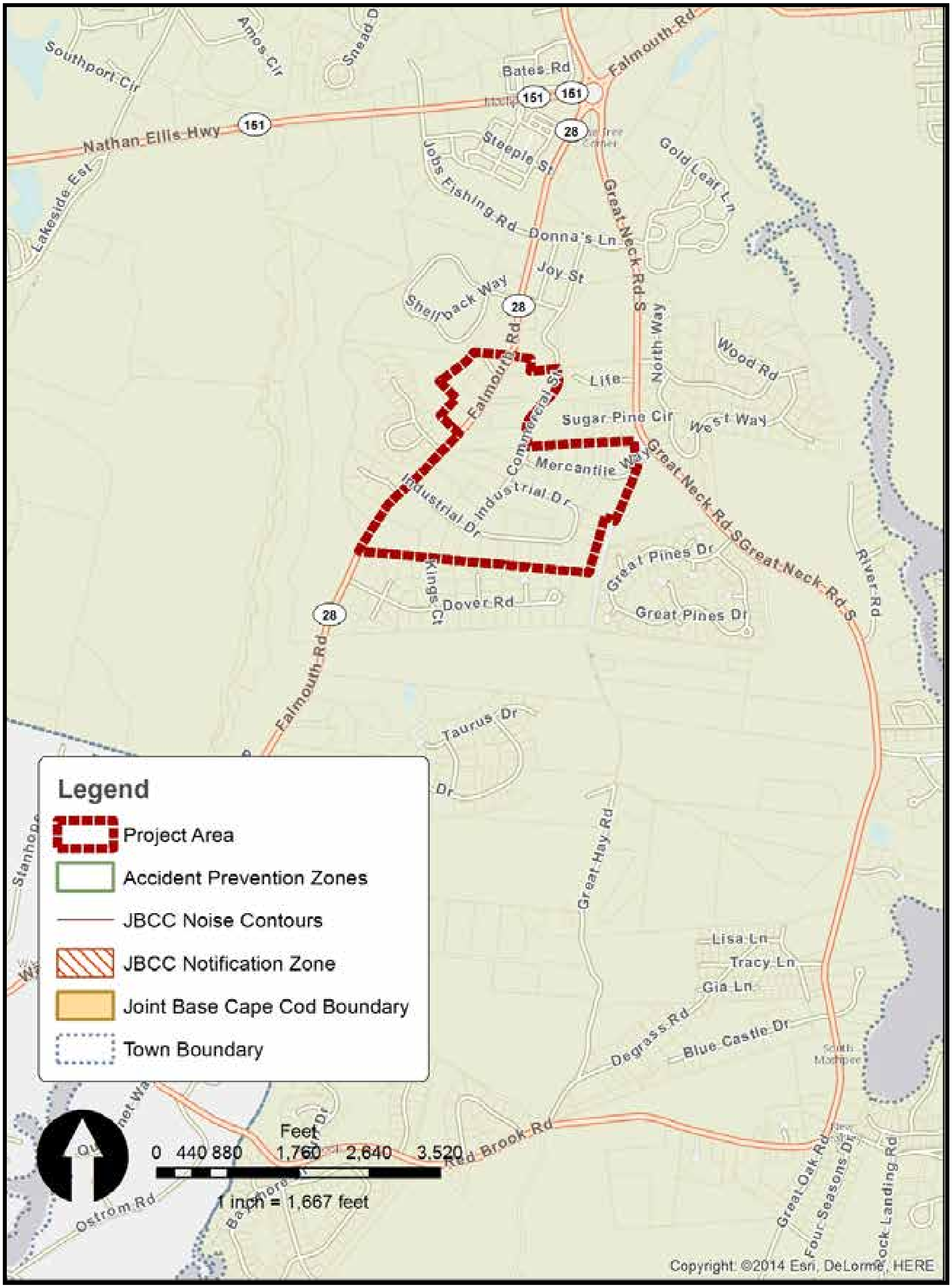

Figure 7: Executive Park Joint Base Cape Cod Relationship

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Walkability and Pedestrian Access

Figures 7 and Figure 8 show the pedestrian-shed and the density of people within a quarter and half-mile radius. These figures show that the area is well placed to allow walking or bicycle connections between the major commercial centers just to the north, and that there are also relatively high densities of people just to the north in the Deer Crossing neighborhood. Perhaps more importantly, Figure 8 does not show the additional residential potential that may be realized by the continuing buildout of the Mashpee Commons area. Parts of Mashpee Commons are located within a 5-minute walk (quarter mile) of the Executive Park and Mashpee Commons has a permit for an additional 482 housing units and so there is potential for significant additional residential units on the remaining undeveloped land in the vicinity. Looking at this area with a view to alternatives, the Executive Park's proximity to this potential development seems to indicate a significant future opportunity for this Project Area.

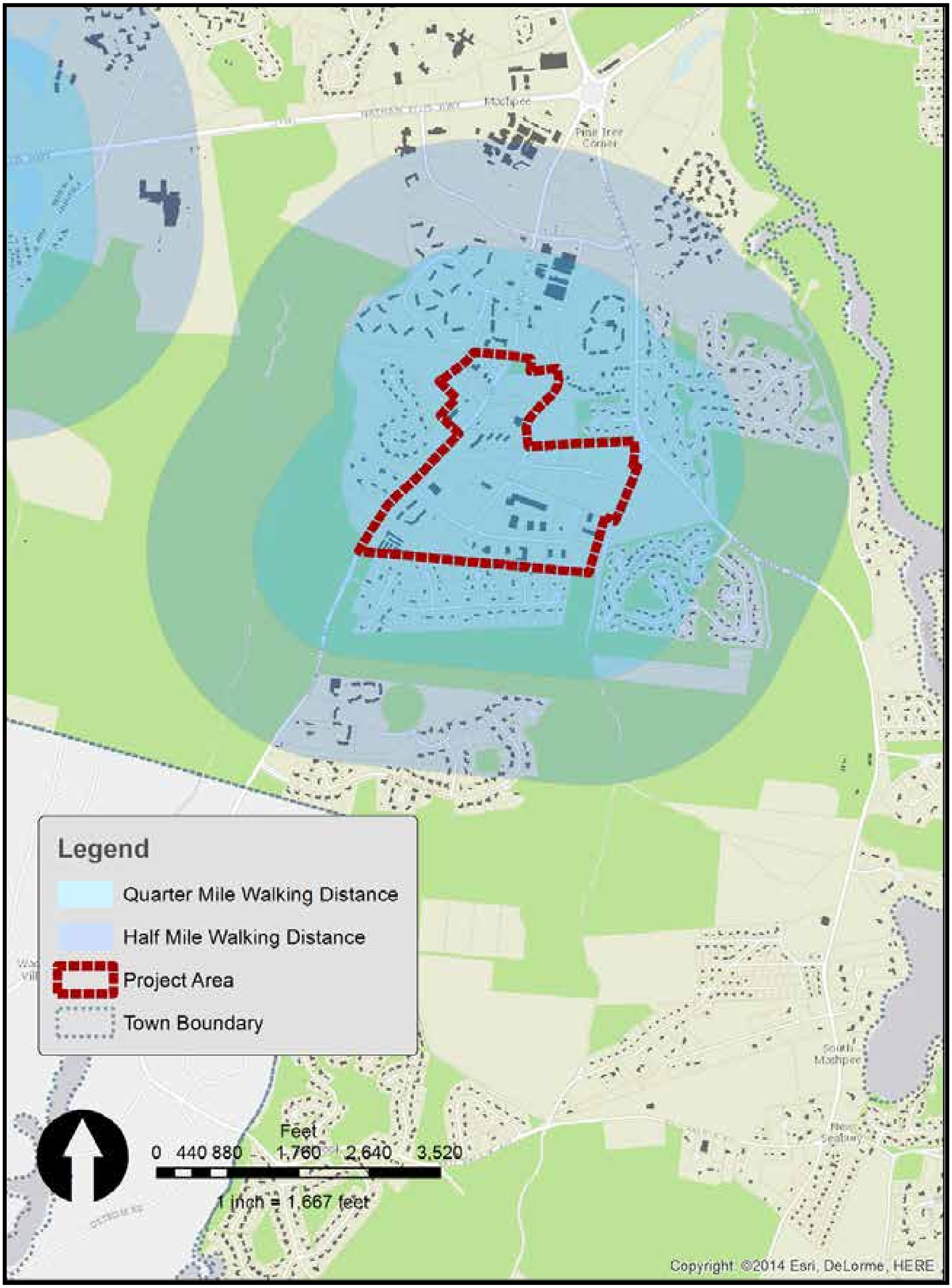

Figure 8: Executive Park Pedestrian-shed

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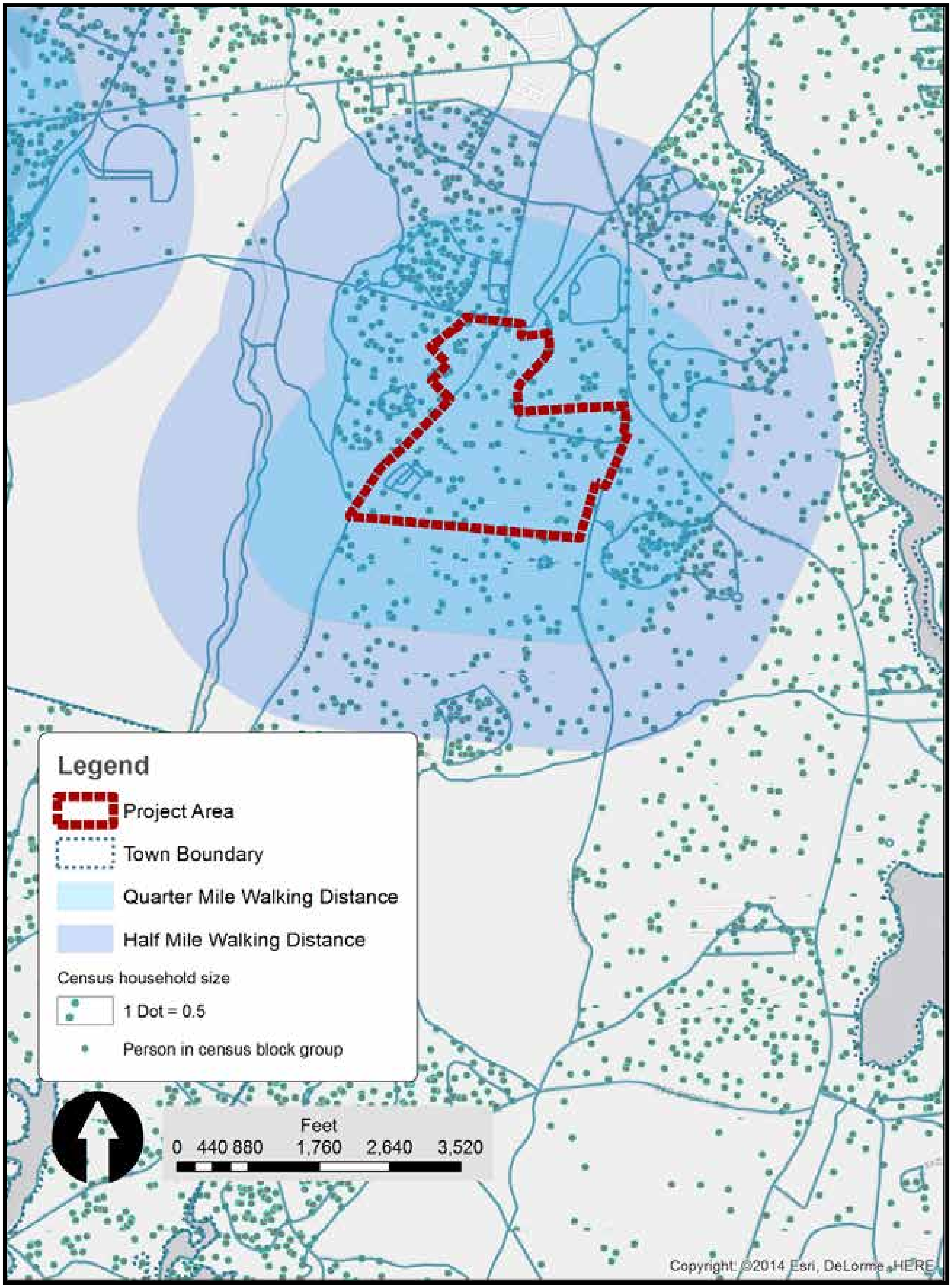

Figure 9: Executive Park Population Within Walking Distance

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John's Pond Area

Overview

The John's Pond Project Area is show in Figure 10, and includes the commercially zoned land along Route 151 approximately between Old Brickyard Road and Algonquin Avenue. The Project Area is approximately 38 acres.

The Project Area is mostly used for commercial purposes, consisting of modest structures and several multi-tenant commercial structures. The structures in this area are setback from the street with parking fields located between the buildings and the street (Figure 2). The area is exclusively zoned for commercial purposes (Commercial 2) and is completely surrounded by residentially zoned land (both Residential 5 and Residential 5). The majority of the surrounding uses are single-family residential, Southport and the Mashpee High School are located approximately half a mile to the east, . Mashpee Commons is approximately 1.5 miles to the east along Route 151, and the Barnstable County Fairgrounds around a mile to the west.

Table I shows potential buildout numbers for this Project Area. Both the town and capewide buildout indicate that there is no residential development potential within the Project Area (given the Commercial zoning). However, there appears to be non-residential development potential, most of which (80%) is focused on the vacant commercially zoned lots in the area. There are three vacant lots on Algonquin Avenue (to the south of Route 151) and a vacant lot at the corner of Route 151 and Ninigret Avenue that is the former eating and drinking establishment which was destroyed in a fire. Furthermore, there are two large lots (one of which extends outside the commercially zoned area) on the south side of Route 151 that account for 70% of this development potential.

Table I: John's Pond Statistics	
Area	~ 38 acres
Zoning	Commercial 2
Zoned Commercial	100%
Zoned Industrial	0%
Buildout Potential (2009 town analysis) - Residential Units	0
Buildout Potential (2011 County analysis) - Residential Units	0
Buildout Potential (2011 County analysis) - Non-residential sf	378,678

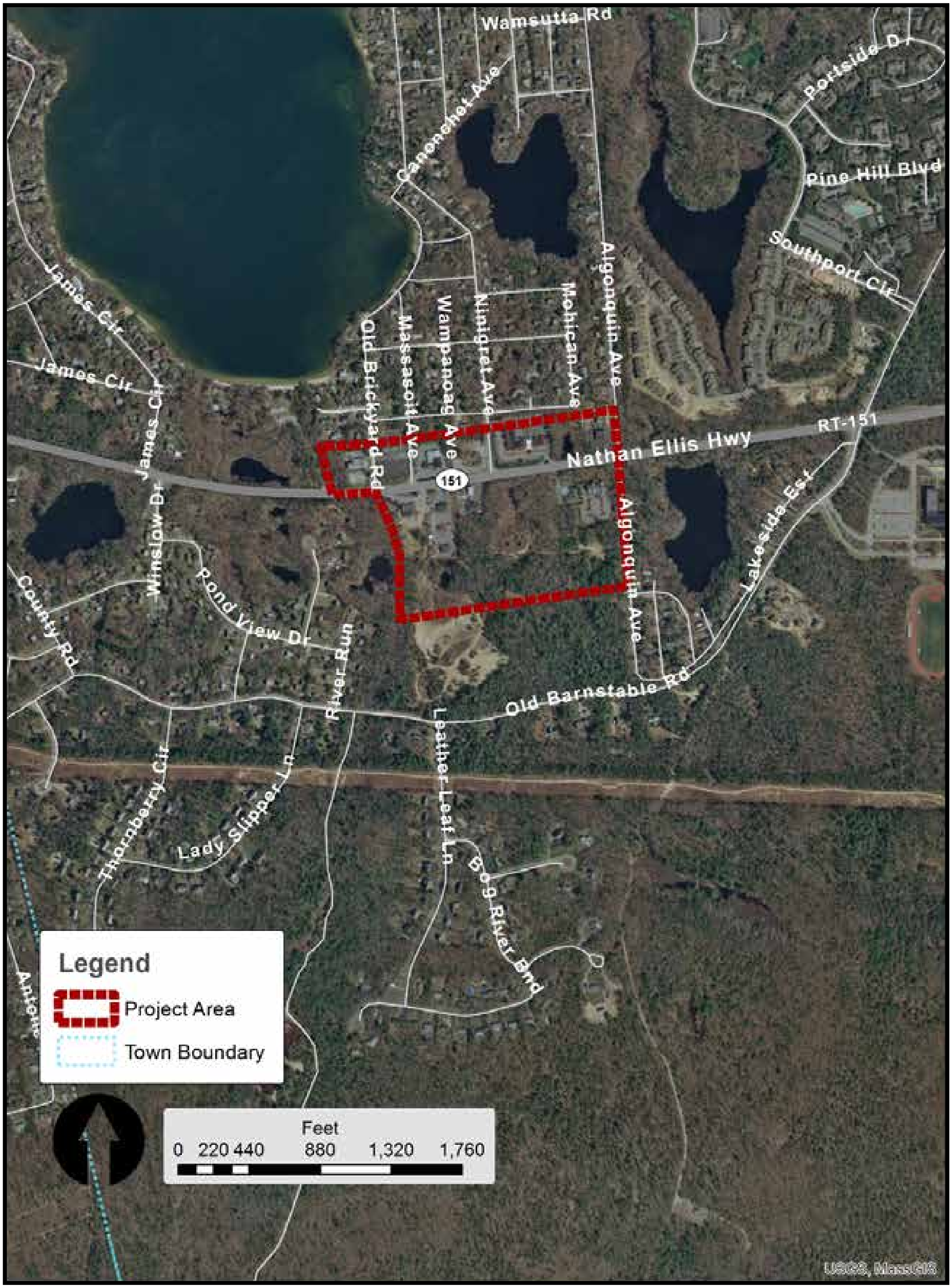

Figure 10: John's Pond Project Area

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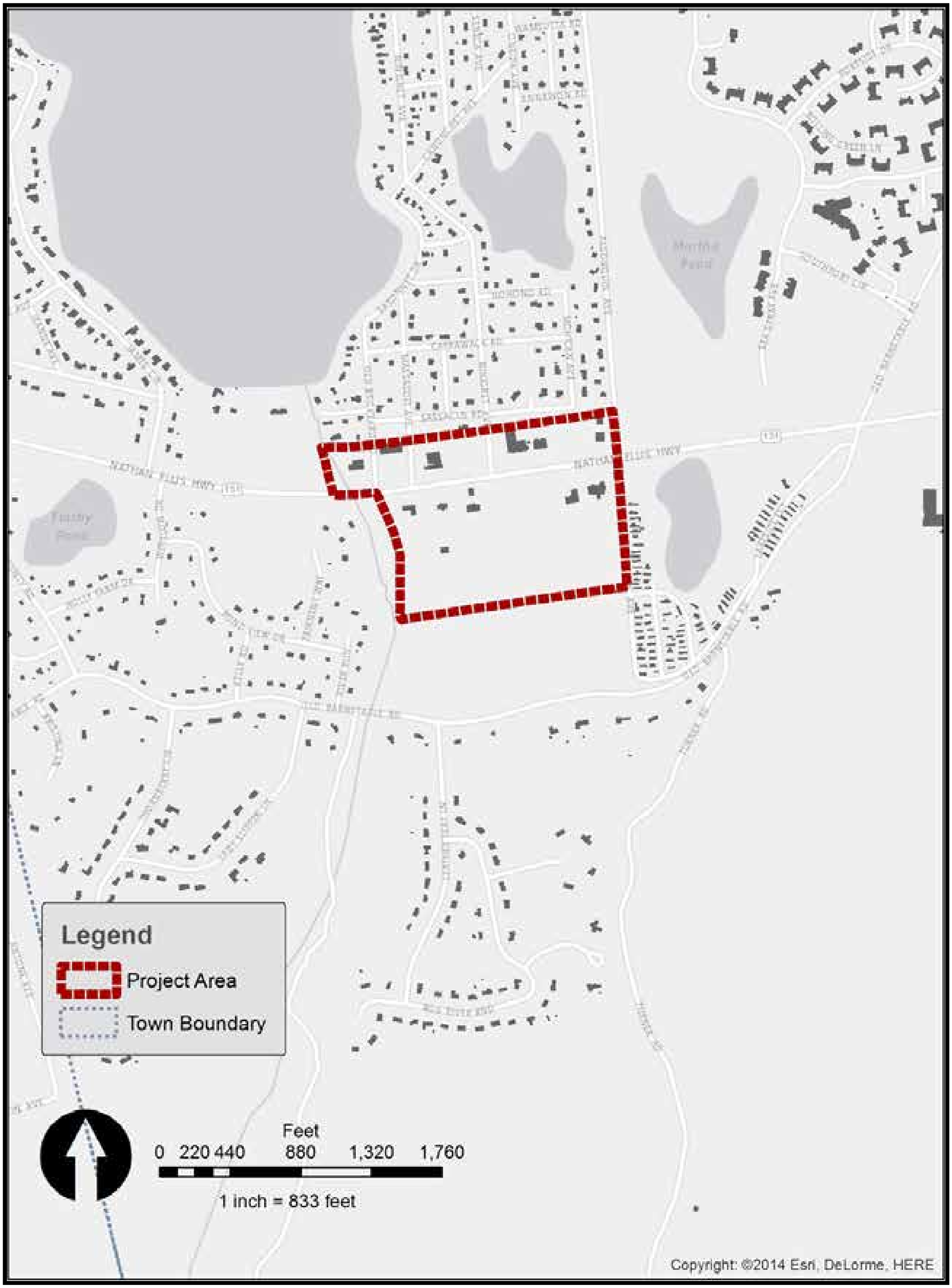

Figure 11: John's Pond Figure Ground

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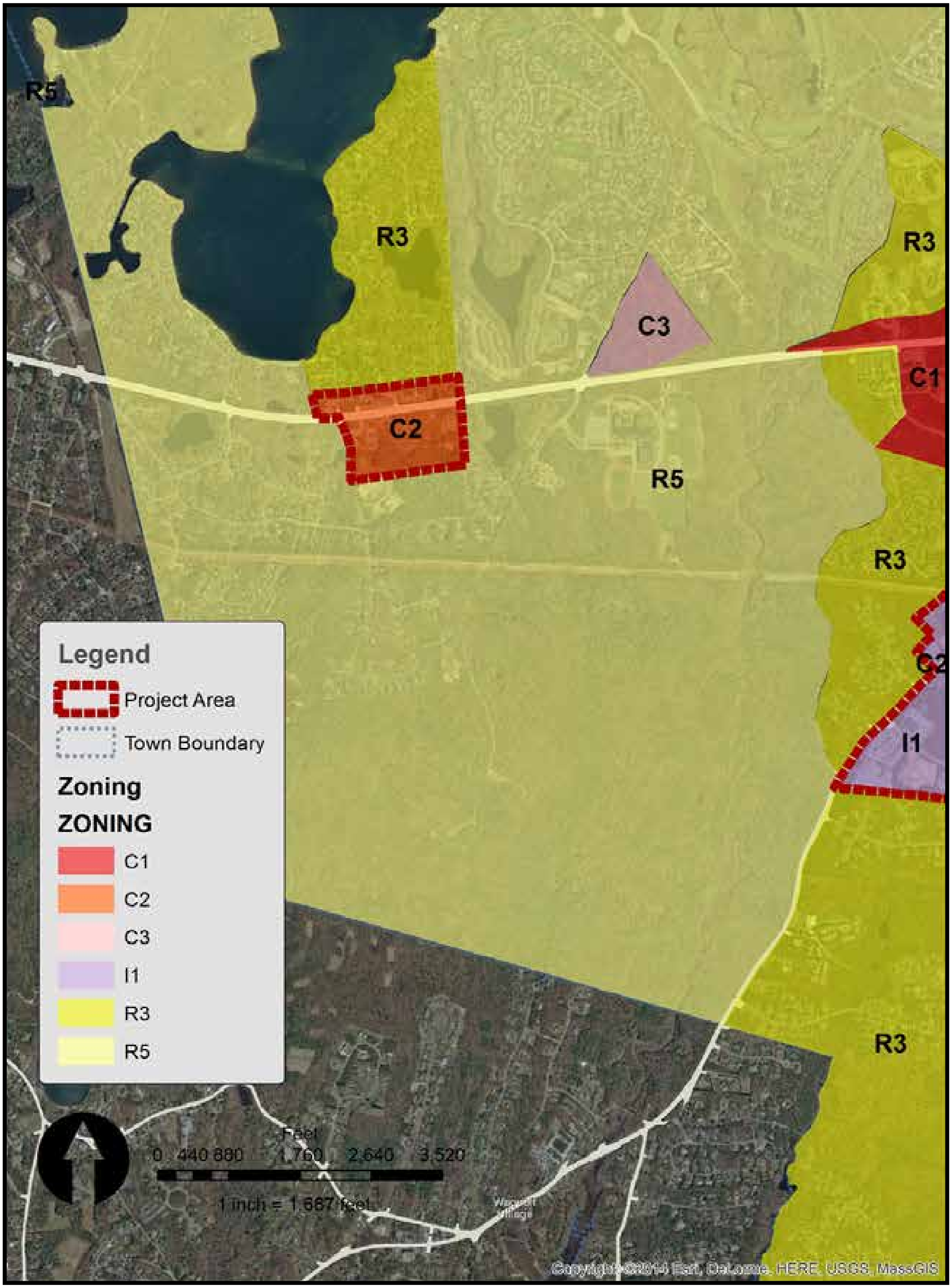

Figure 12: John's Park Existing Zoning

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Existing Uses

Figure 13 and 14 shows that the John's Pond area is predominantly commercially used, especially on the north side, but that according to the land use codes there are large areas of vacant residential land to the south of the Project Area. This appears to be a misclassification as these parcels are within the Commercial 2 boundaries.

From the Commission staff site visits, a large number of parcels were classified as mixed (containing multiple tenant spaces used by a variety of uses). For example, the property at 387 Nathan Ellis Highway contains a drapery service, furniture store and pool service company). There are several food and drink establishments, all of which are in buildings that are classified as mixed in this analysis. The site visits also revealed that there was 96% occupancy rate, indicating that this location has relatively strong demand.

Table J: John's Pond Development and Vacancy		
Mix of uses (based on state class codes)		
Vacant Industrial (acres)	0	
Developed Industrial (acres)	1	
Vacant Commercial (acres)	2	
Developed Commercial (acres)	16	
Other	19	
Mix of Existing Uses (based on field visits)		
Use	**Square feet**	**Percent of total**
Office	0	0%
Industrial	988	1%
Services	13,131	19%
Mixed	39,282	57%
Retail	8,546	12%
Other	6,631	10%
Occupancy		
Building SF	68,578	
Occupied	66,058	
Vacant	2,520	
% Occupied SF	96%	

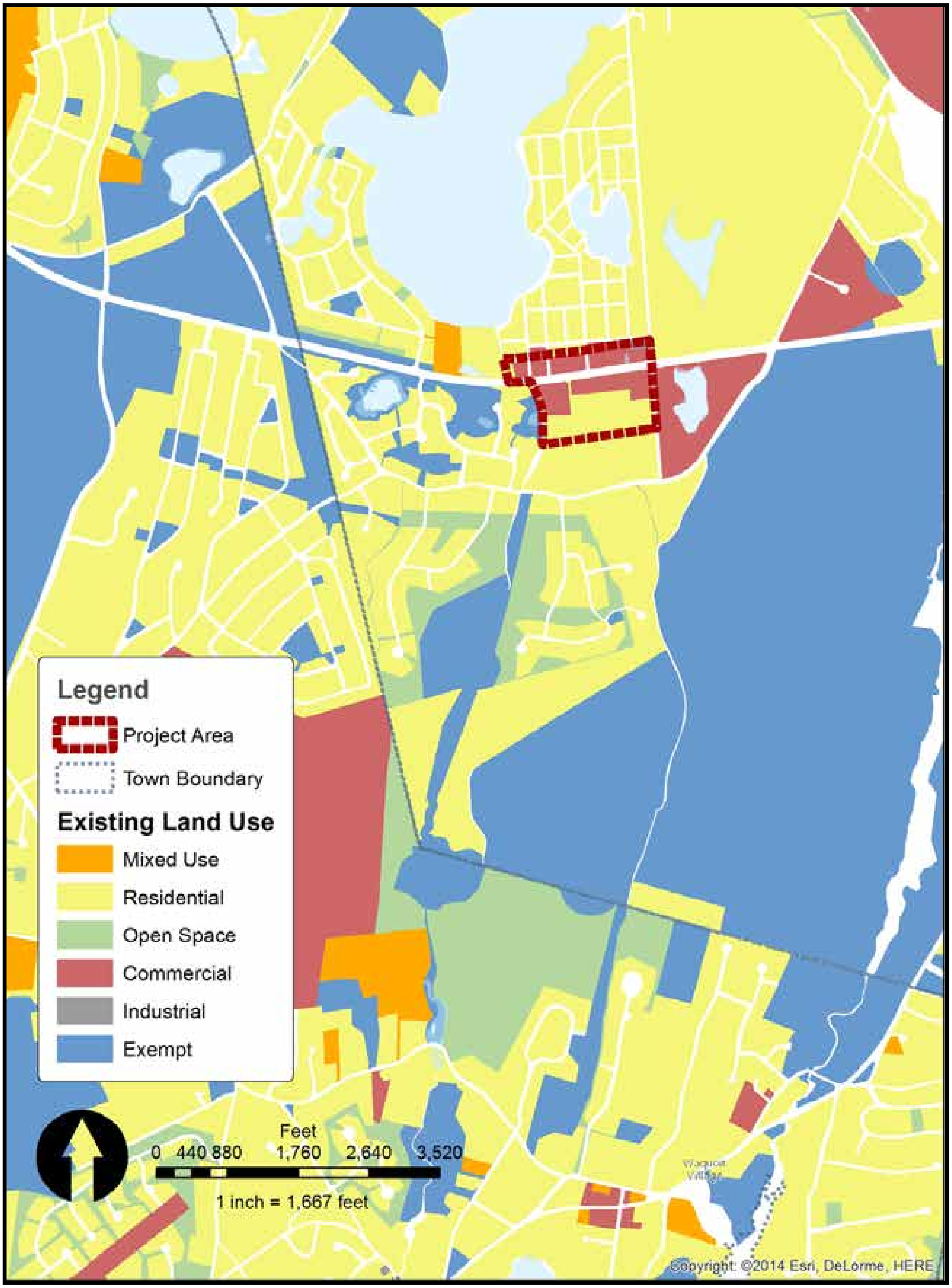

Figure 13: John's Pond General Land Use

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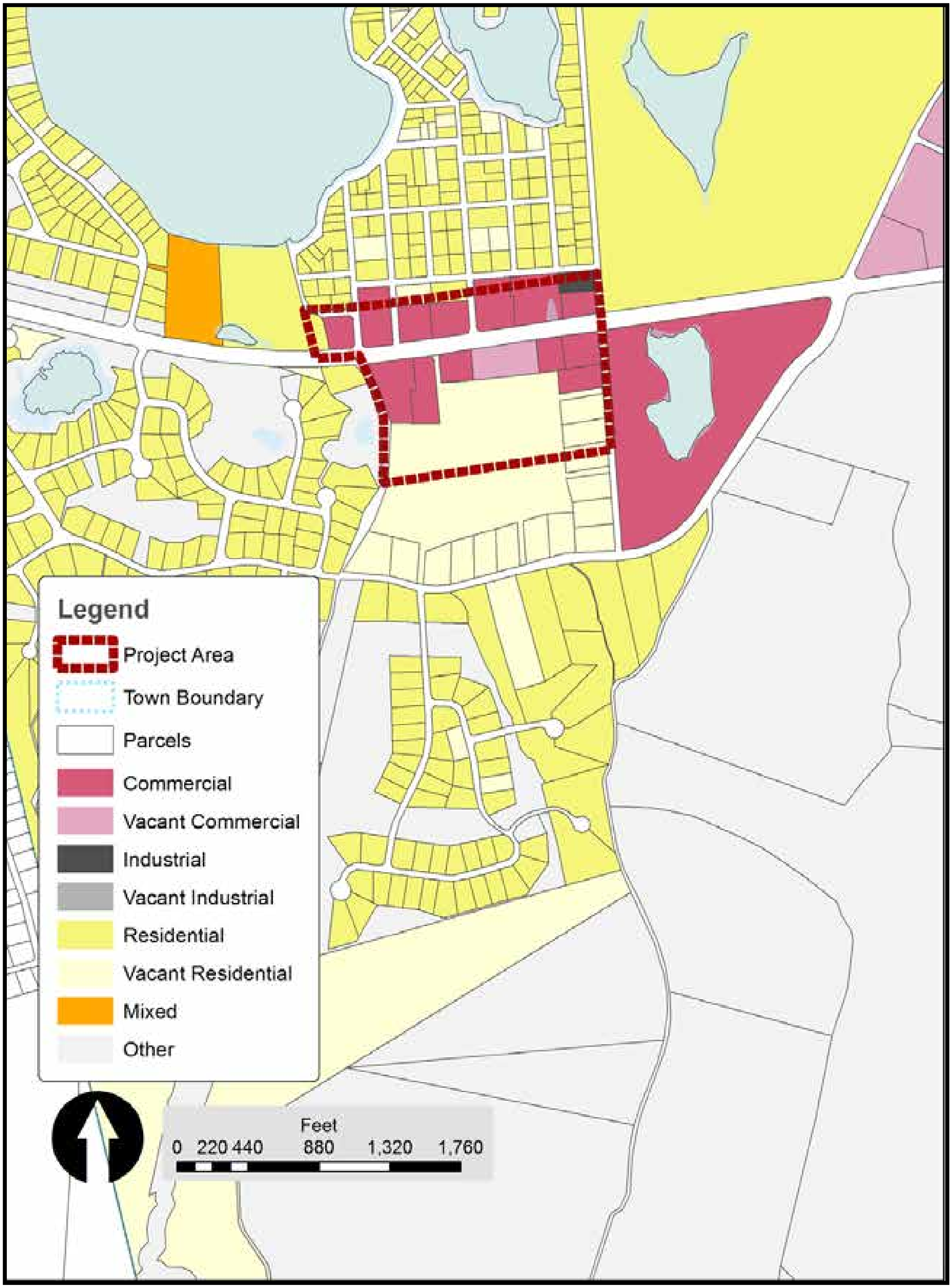

Figure 14: John’s Pond Commercial/Industrial/Residential Use Mix

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Issues and Opportunities

There are a number of opportunities and constraints to development in the John's Pond area, for example:

- Its location on Route 151 means that there is good access to the adjacent towns of Barnstable and Falmouth.
- The OpenCape Fiber network runs along Route 28 and is available for uses needing high bandwidth.
- The Mashpee High School, Southport and Barnstable Fairgrounds are all located within walking distance of the stores and services in the Project Area, although the absence of a sidewalk on either side of Route 151 in the area presents a safety hazard for pedestrian access to the area.
- Alternate vehicular access (to Route 151) is not available to people residing in the homes to the north, forcing all trips originating from those areas to enter the John's Pond Project Area even if this is not their destination. The traffic movements in this area can create confusion for left turning vehicles entering and exiting Route 151. Travel speeds in this area are posted at 45 miles per hour, with a posted speed limit of 50 mph either side of the Project Area.
- A traffic consultant (FST) is currently undertaking a corridor study of the Nathan Ellis Highway (Route 151) from the Falmouth Town Line to the Mashpee Rotary. This study will look to make recommendations for intersection, roadway and pedestrian/bicycle improvements along this section of Route 151. The FST project is in the 25% design phase and initial design ideas include a center turn lane to ease left turn traffic conflicts.
- A Massachusetts Department of Environmental Protection Zone II covers the entire area (see Figure 15), and the large vacant property to the south of Route 151 is identified as a Potential Water Supply Area. The Town's Groundwater Protection Overlay district also covers most of the Project Area also,with the exception of a handful of properties on the north side of Route 151 to the east.
- The Mashpee National Refuge boundary does not impact the Project Area (See Figure 15).
- Figure 16 shows that there are no conflicts with the JBCC notification or safety zones.

Walkability and Pedestrian Access

Figures 17 and Figure 18 show the pedestrian-shed and the density of people within a quarter and half-mile radius of the John's Pond area. These figures illustrate that the area is well placed to function as a neighborhood center for the residential community living nearby. In many places along Route 151 either side of the commercial center, informal pathways have be created by frequent use on the shoulder of the road, particularly between the High School intersection at Old Barnstable Road. Preliminary plans for the corridor suggest adding sidewalks either side of this area which should significantly improve safety for people moving within and around the area.

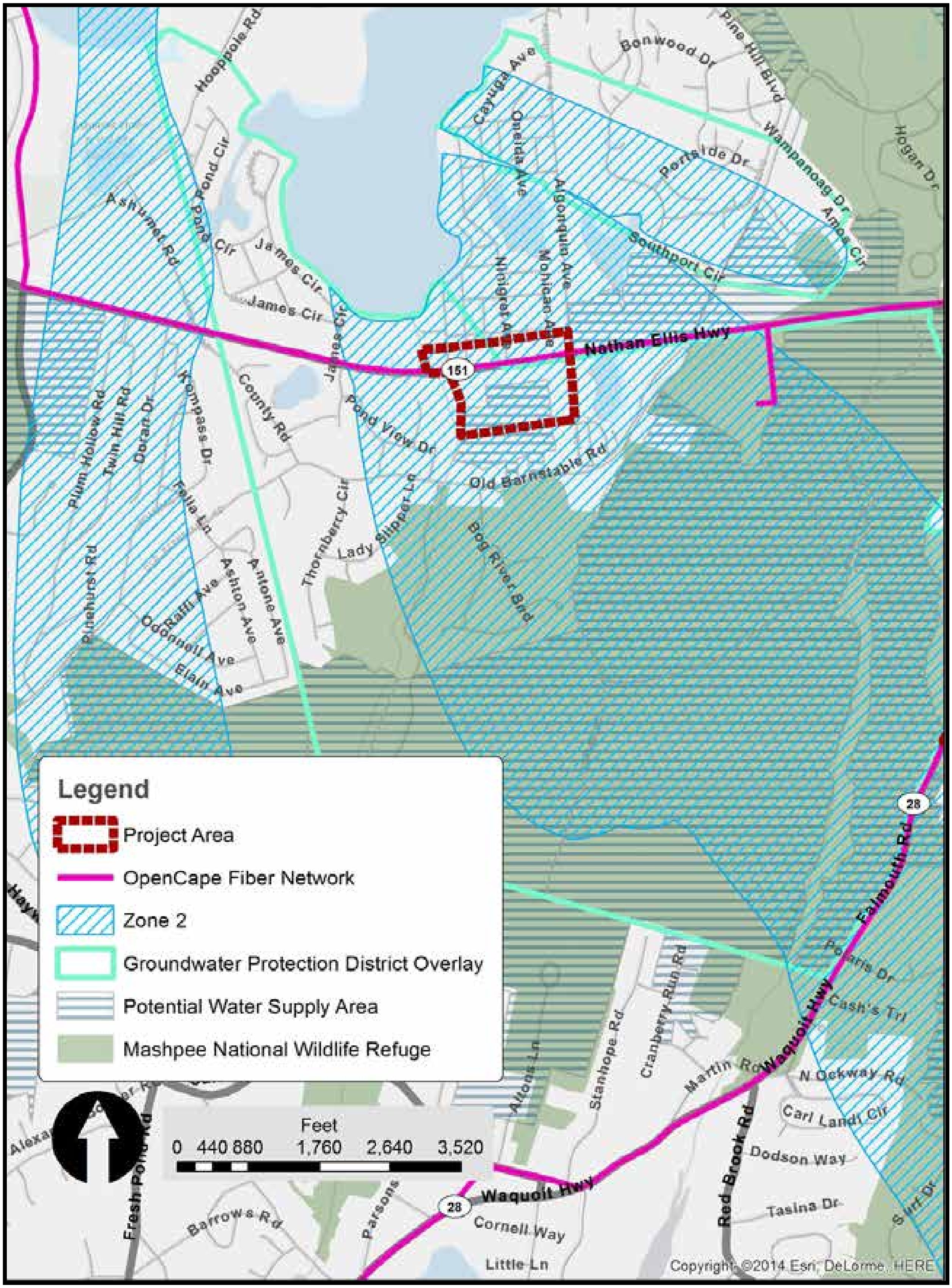

Figure 15: John's Pond Resources

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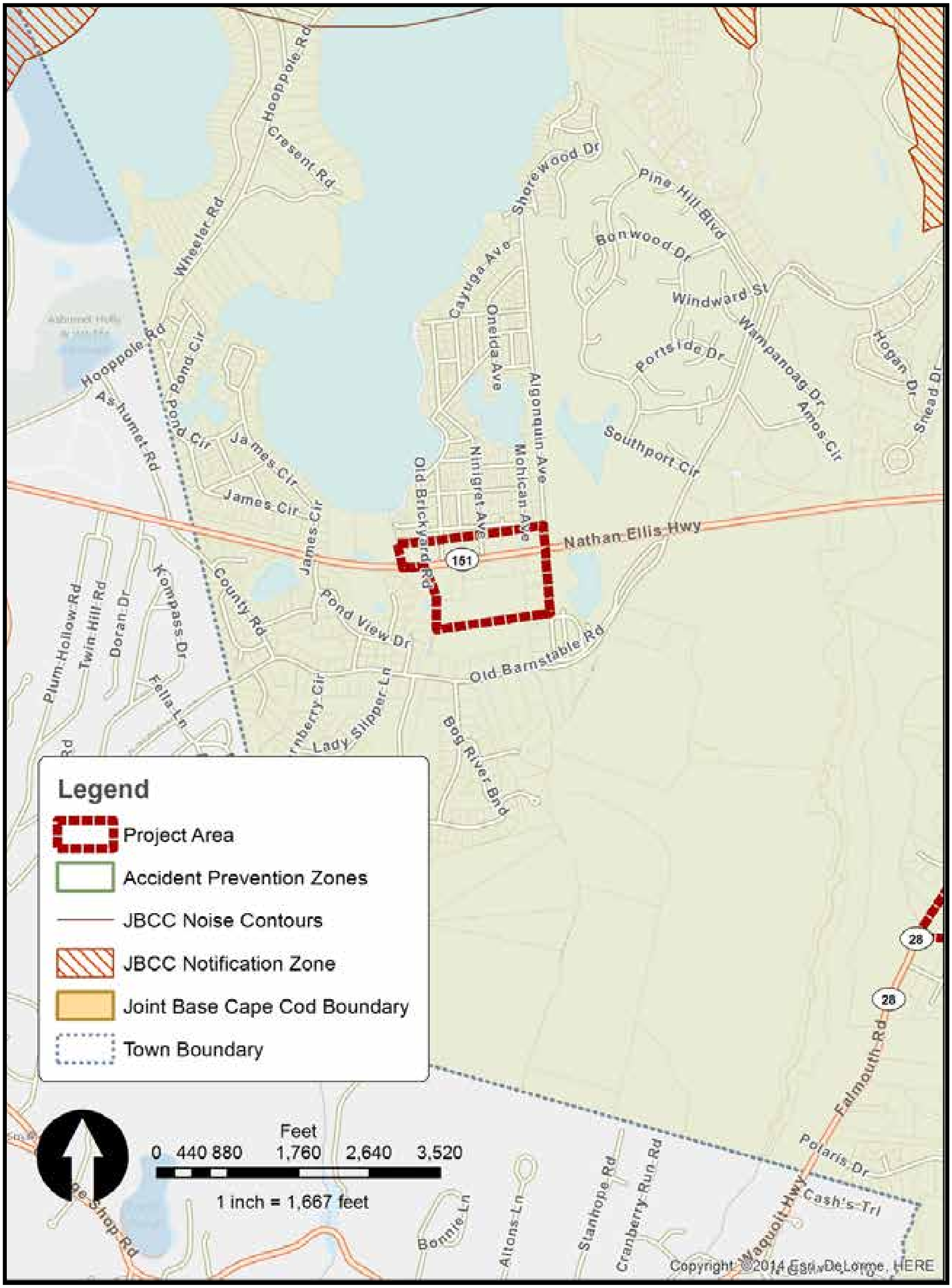

Figure 16: John's Pond Joint Base Cape Cod Relationship

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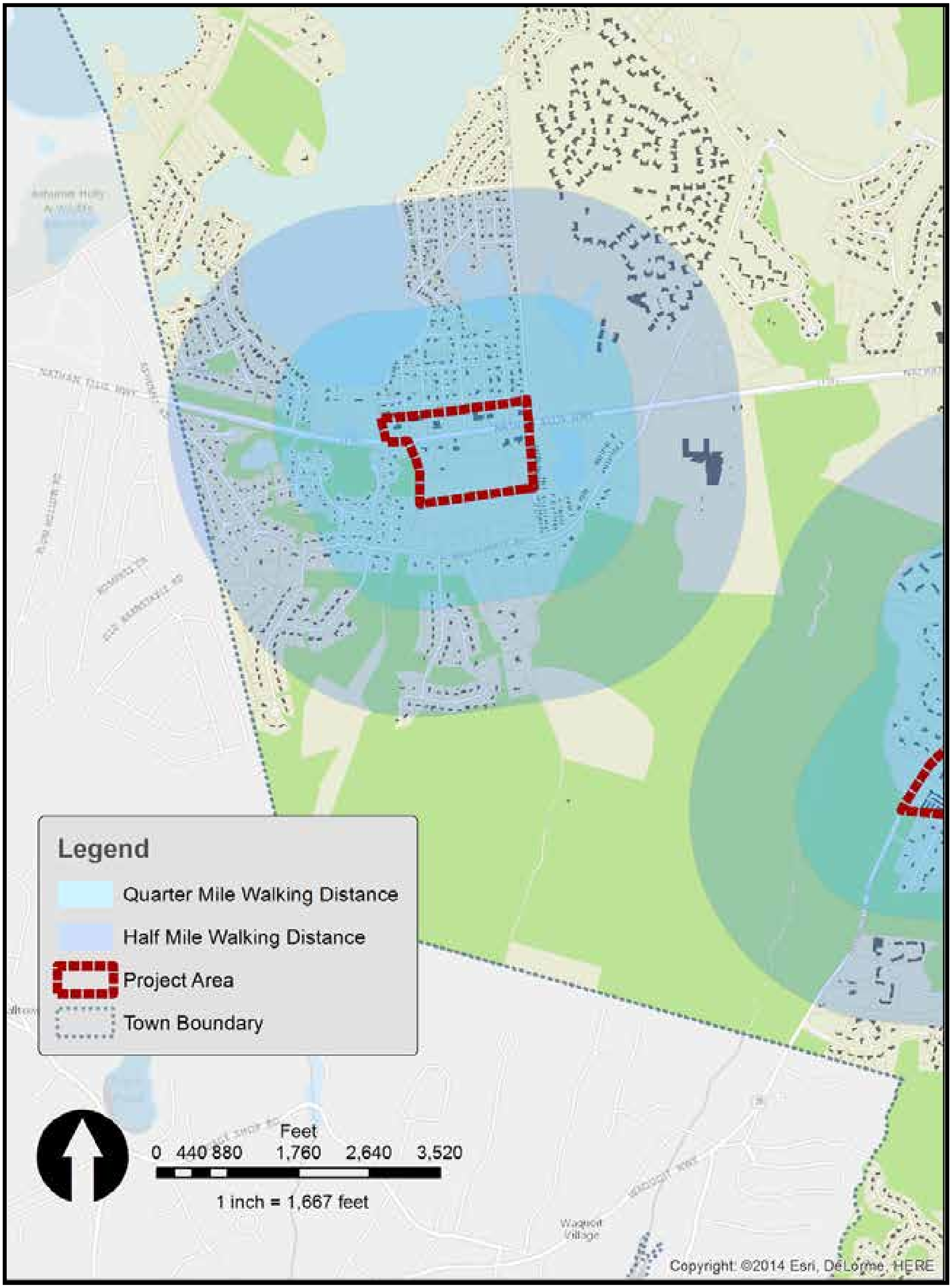

Figure 17: John's Pond Pedestrian-shed

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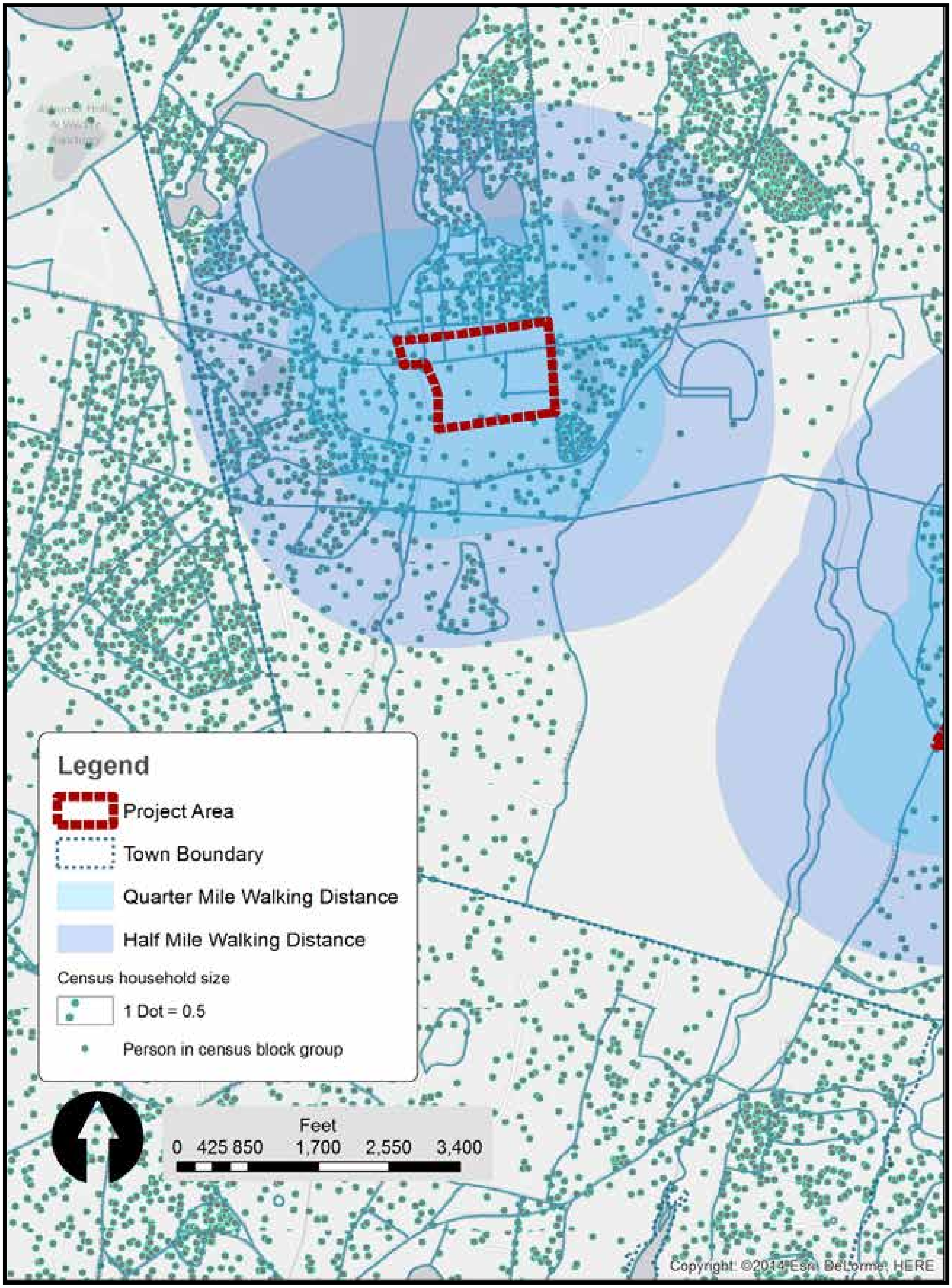

Figure 18: John's Pond Population Within Walking Distance

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Route 130 Area

Overview

The Route 130 Project Area is show in Figure 19, and includes the industrial and commercially zoned land along the southwestern side of Route 130 between Ashumet Road and Pickerill Cove Road. The Project Area is approximately 198acres.

The Project Area is currently a mix of commercial and industrial uses, with the majority of this Project Area is zoned Industrial (76%), but there is also an approximately 400-foot-wide Commercial 3 zone that runs along Route 130 that is intended to buffer the industrial uses (See Figure 2 and 3). The western side of the Project Area abuts the boundary of Joint Base Cape Cod, and is otherwise surrounded by predominantly single-family uses to the north, east and south. The two-lane roadway is bordered substantial vegetated buffers on both sides, shielding the residential uses and road users from the non-residential uses to the southwest of the roadway.

Table K shows potential buildout numbers for the Project Area. The buildout results indicate that there is significant potential for non-residential development, due to large vacant and undeveloped land in the area. The town's buildout identifies potential for 120 units in this location which is an assumption about development based on a proposed Chapter 40B development proposed for one of the large vacant lots. As noted for other Project Areas, Although neither buildout indicated that there is any potential residential development, the current Industrial 1 zoning does allow residential uses and therefore it is conceivable that residential development could occur on any of the existing parcels in this area.

Table K: Route 130 Statistics	
Area	~198
Zoning	Mix of Industrial and Commercial 3
Zoned Commercial	24%
Zoned Industrial	76%
Buildout Potential (2009 town analysis) - Residential Units	120 units
Buildout Potential (2011 County analysis) - Residential Units	0
Buildout Potential (2011 County analysis) - Non-residential sf	1,309,038

Figure 19: Route 130 Project Area

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Figure 20: Route 130 Figure Ground

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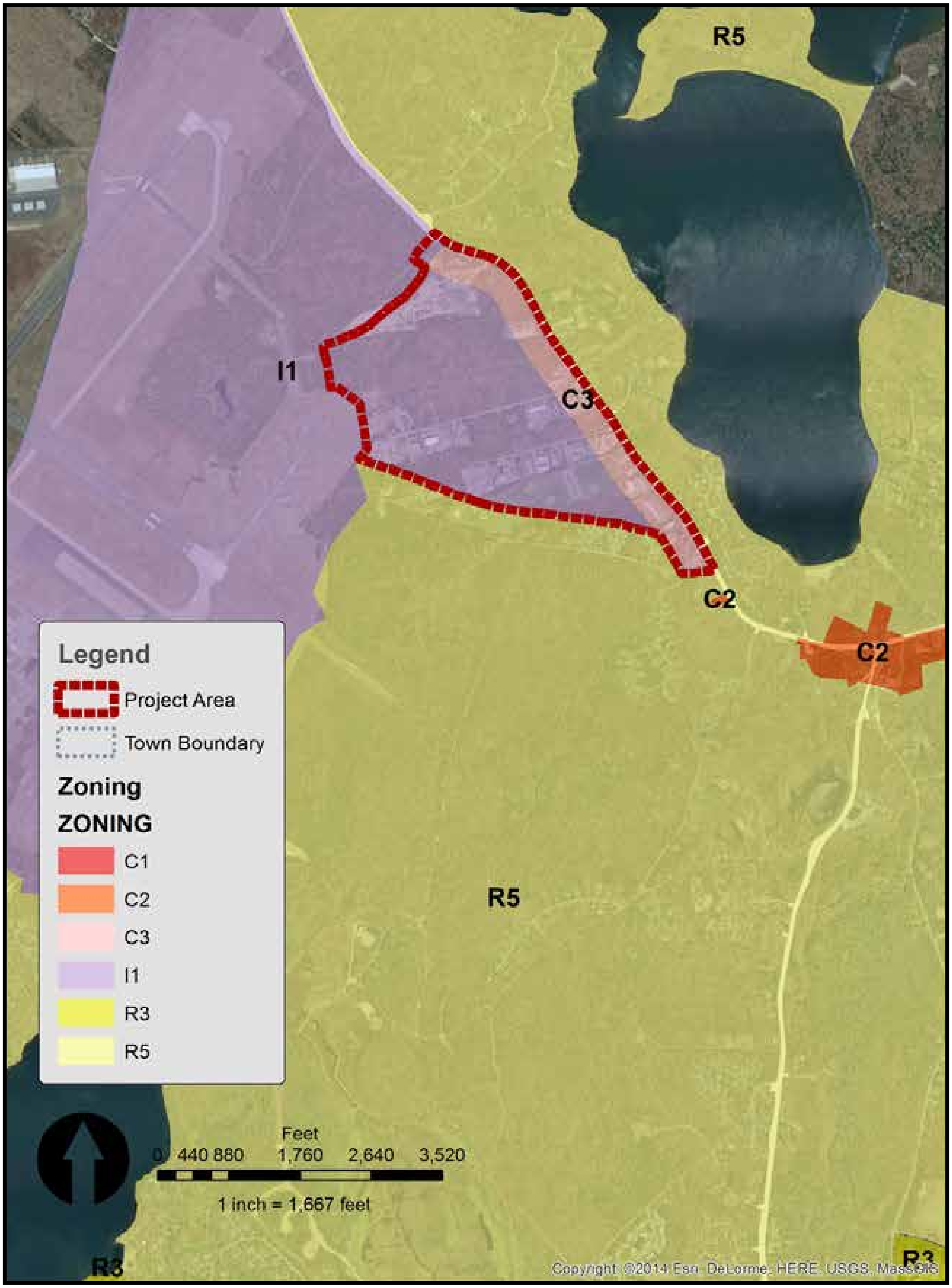

Figure 21: Route 130 Existing Zoning

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Existing Uses

Figure 22 shows that the existing uses are predominantly industrial, but that there are also large areas of commercial development immediately adjacent to the roadway and extending into the Project Area. There are also some Exempt uses (shown in blue), most of which is town owned land incorporated into Heritage Park. Figure 23 shows that large proportions of this Project Area are currently vacant and undeveloped, with 73% of the industrial land classified as vacant. The Commission staff visits indicate a reasonably high occupancy rate (90%) of the existing buildings, but also a more varied mix of uses that includes more service uses than seen in the other large industrially zoned area (Executive Park). As with the Executive Park, it appears that there is plenty of land available for industrial uses in this area, and that this seems to suggest demand for industrial uses at this location is fairly week.

Table L: Route 130 Development and Vacancy		
Mix of uses (based on state class codes)		
Vacant Industrial (acres)	73	
Developed Industrial (acres)	35	
Vacant Commercial (acres)	25	
Developed Commercial (acres)	24	
Other	40	
Mix of Existing Uses (based on field visits)		
Use	**Square feet**	**Percent of total**
Office	13,825	5%
Industrial	208,808	71%
Services	37,008	13%
Mixed	9,250	3%
Retail	3,200	1%
Other	11,700	4%
Recreation	11,156	4%
Medical Services	0	0%
Restaurant	0	0%
Residential	0	0%
Occupancy		
Building SF	303,019	
Occupied	272,377	
Vacant	30,642	
% Occupied SF	90%	

Issues and Opportunities

Some of the opportunities and constraints to development in the Route 130 area include:

◇ Located on Route 130, the area has good access to the adjacent towns of Barnstable and Sandwich. Access to Falmouth is not quite as convenient. As the area is

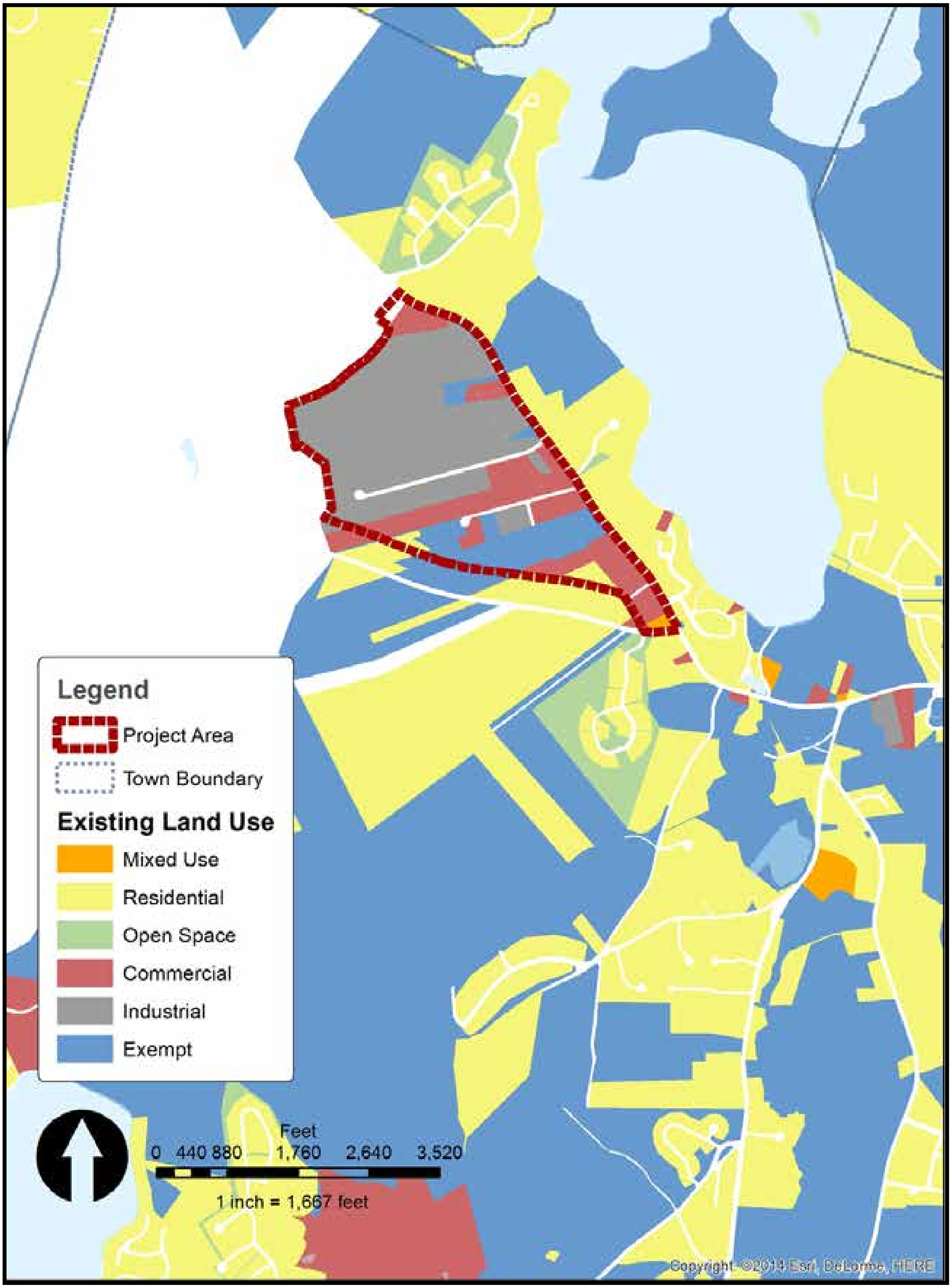

Figure 22: Route 130 General Land Use

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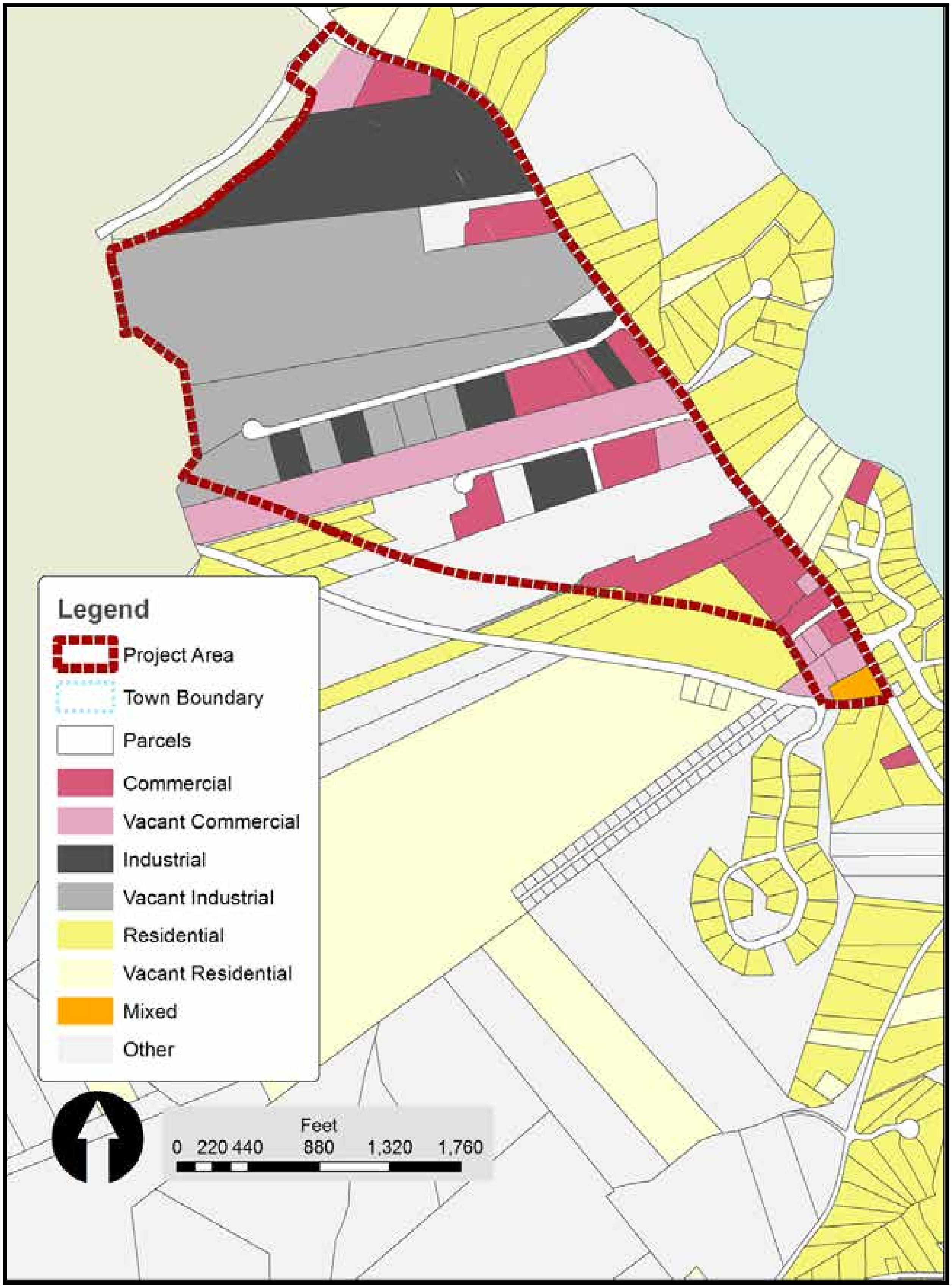

Figure 23: Route 130 Commercial/Industrial/Residential Use Mix

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located approximately 6 miles from Route 6, the area on Route 130 has better access for moving goods and services off-cape than other areas of town. However, with available non-residential land in closer proximity to Route 6 in other Cape locations, this may not be a significant opportunity to take advantage of at this time.

- ◊ The Project Area is within easy walking distance of many residences that currently exist on the northeastern side of Route 130, with Heritage Park a popular destination within the Project Area. There is an existing multi-use pathway that extends from Pickeral Cove Road to the Mashpee Town Line near the end of Route 130 that potentially provides excellent bicycle and pedestrian access, but the limited number of destinations for pedestrians and cyclists in this Project Area suggest that the multi-use pathway is mostly used by people passing by the area.
- ◊ Route 130 is a two lane road, with a posted speed limit of 45 mph. Because of the non-commercial and particularly industrial nature of some of the uses in this area, there are often large trucks moving at speed that creates a more uncomfortable pedestrian environment due to dust and noise.
- ◊ The OpenCape Fiber network does not travel along this portion of Route 130, with the nearest part of the network approximately 1/2 mile away (Great Neck Road North/Route 130 intersection)
- ◊ Two separate Massachusetts Department of Environmental Protection Zone IIs and the Town's Groundwater Protection Overlay district cover roughly two thirds of the Project Area (see Figure 5). The vacant land in this area is also designated as a Potential Water Supply Area.
- ◊ The Mashpee National Refuge boundary covers the majority of the area (See Figure 5), and so as mentioned earlier, the town may wish to clarify whether this area is a priority for open space acquisition.
- ◊ The western portion of the Project Area is within an area identified as subject to noise from JBCC operations, with between 70 and 65 Ldn (see Figure 25). Based on recommendations from the Air National Guard's AICUZ report, where development is in noise zones 65 and 75 dB Ldn, residential use is discouraged, and noise level reduction measures should be considered.

Walkability and Pedestrian Access

Figures 26 and 27 show the pedestrian-shed and the density of people within a quarter and half-mile radius. These figures show that there is very little population density within walking distance of this area. Although there is a comfortable multi-use path that runs through the entire area, there are very few uses at this location that are compatible with significant pedestrian activity (Heritage Park excepted).

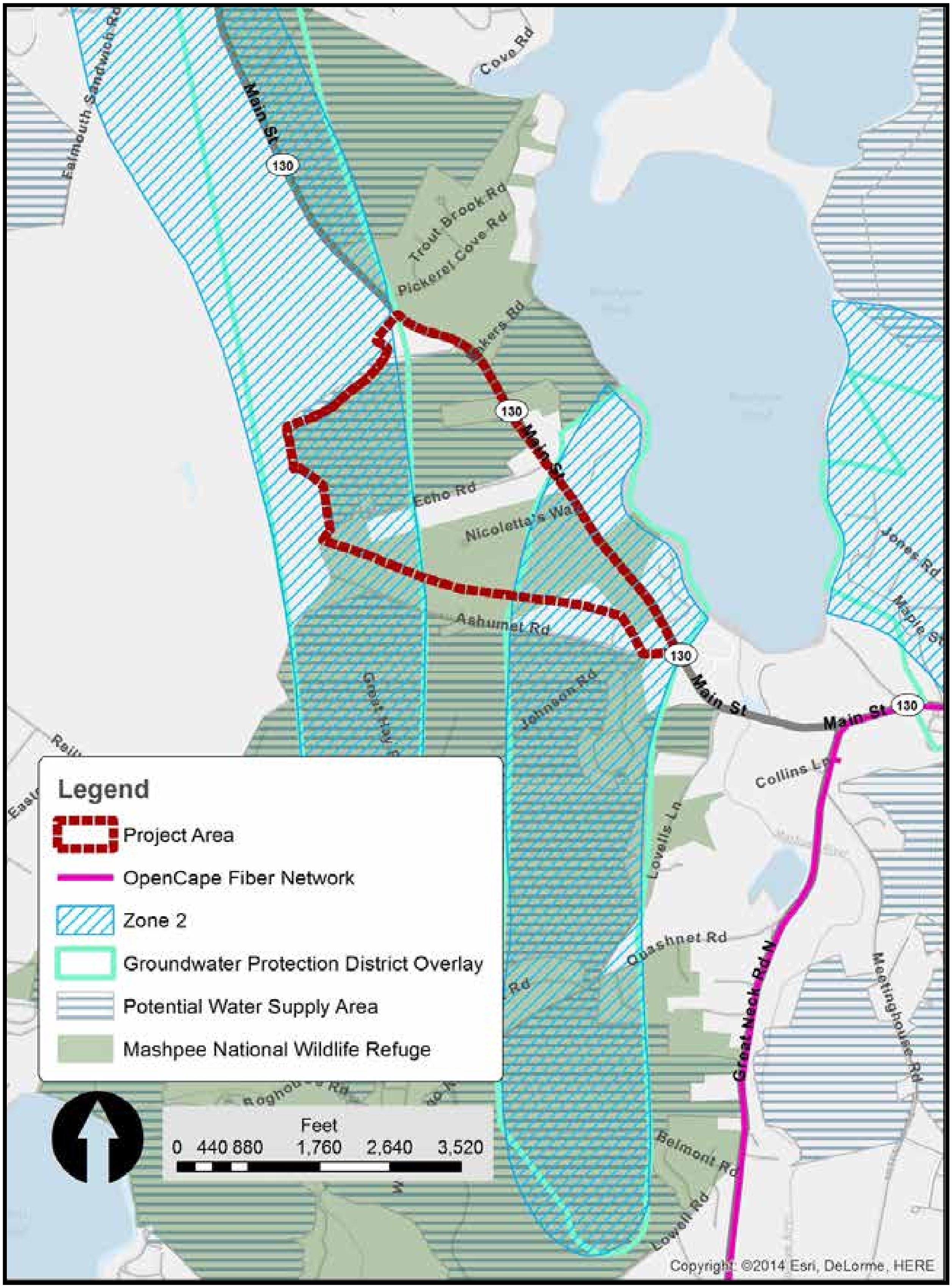

Figure 24: Route 130 Resources

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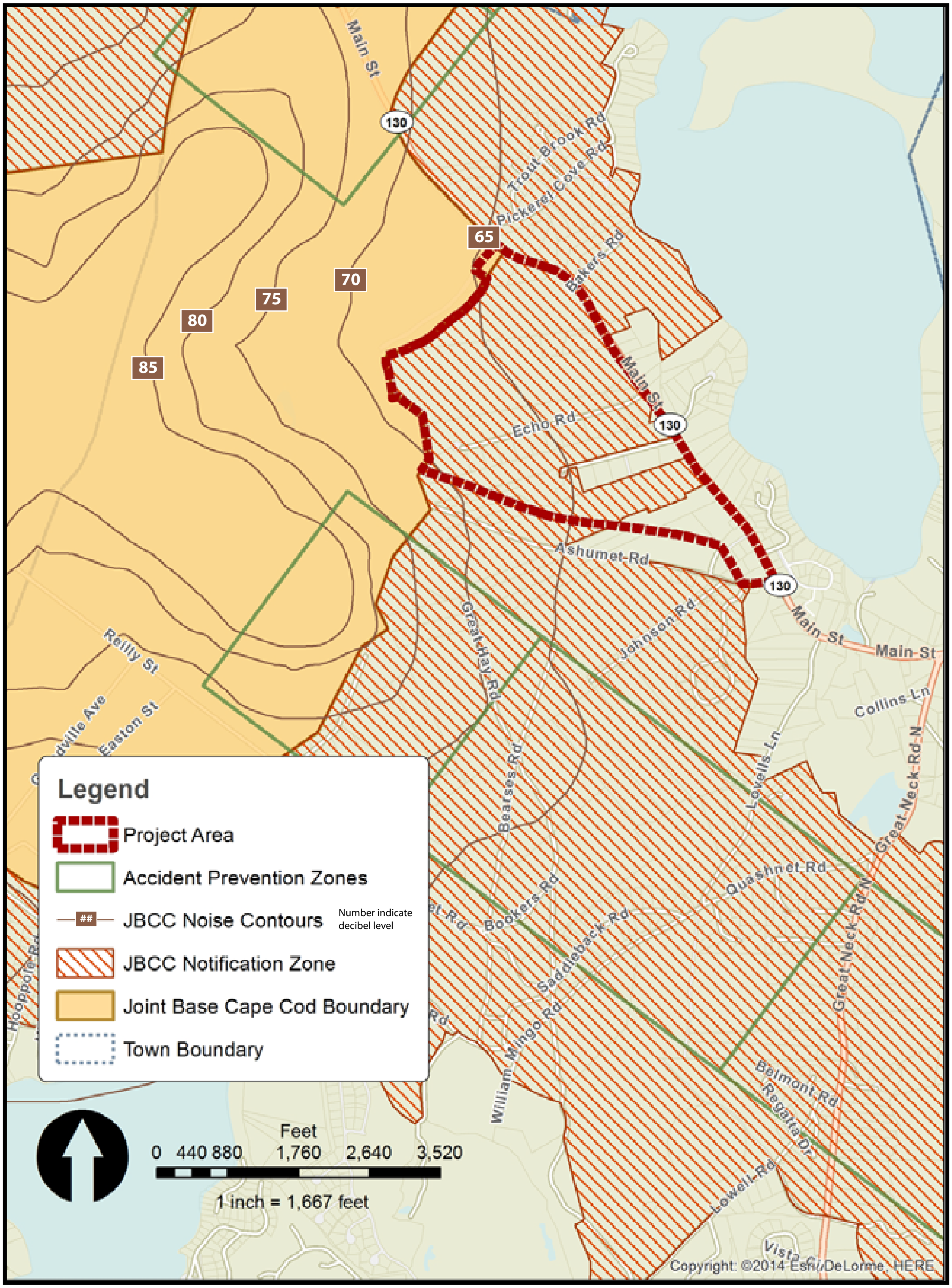

Figure 25: Route 130 Joint Base Cape Cod Relationship

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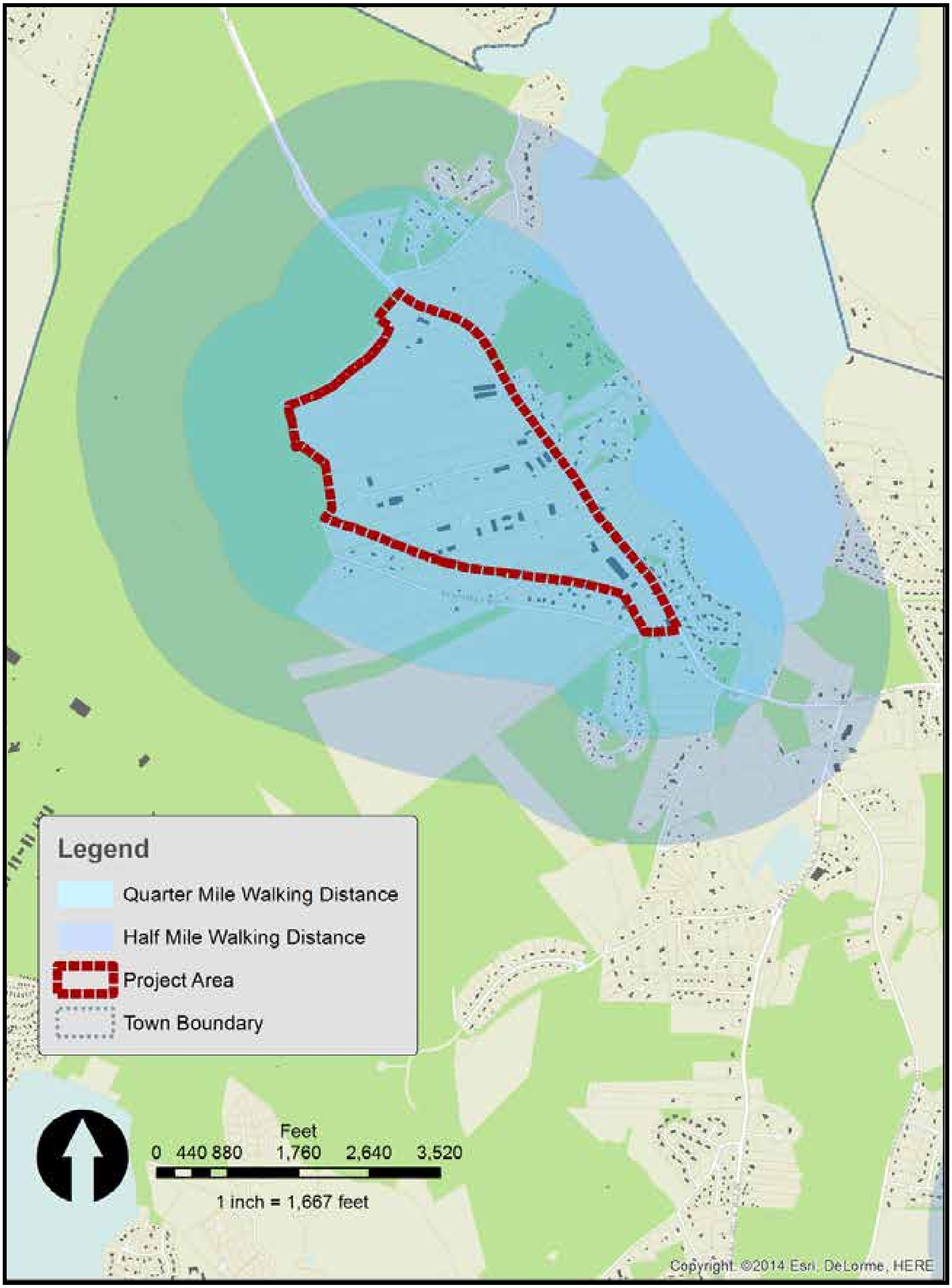

Figure 26: Route 130 Pedestrian-shed

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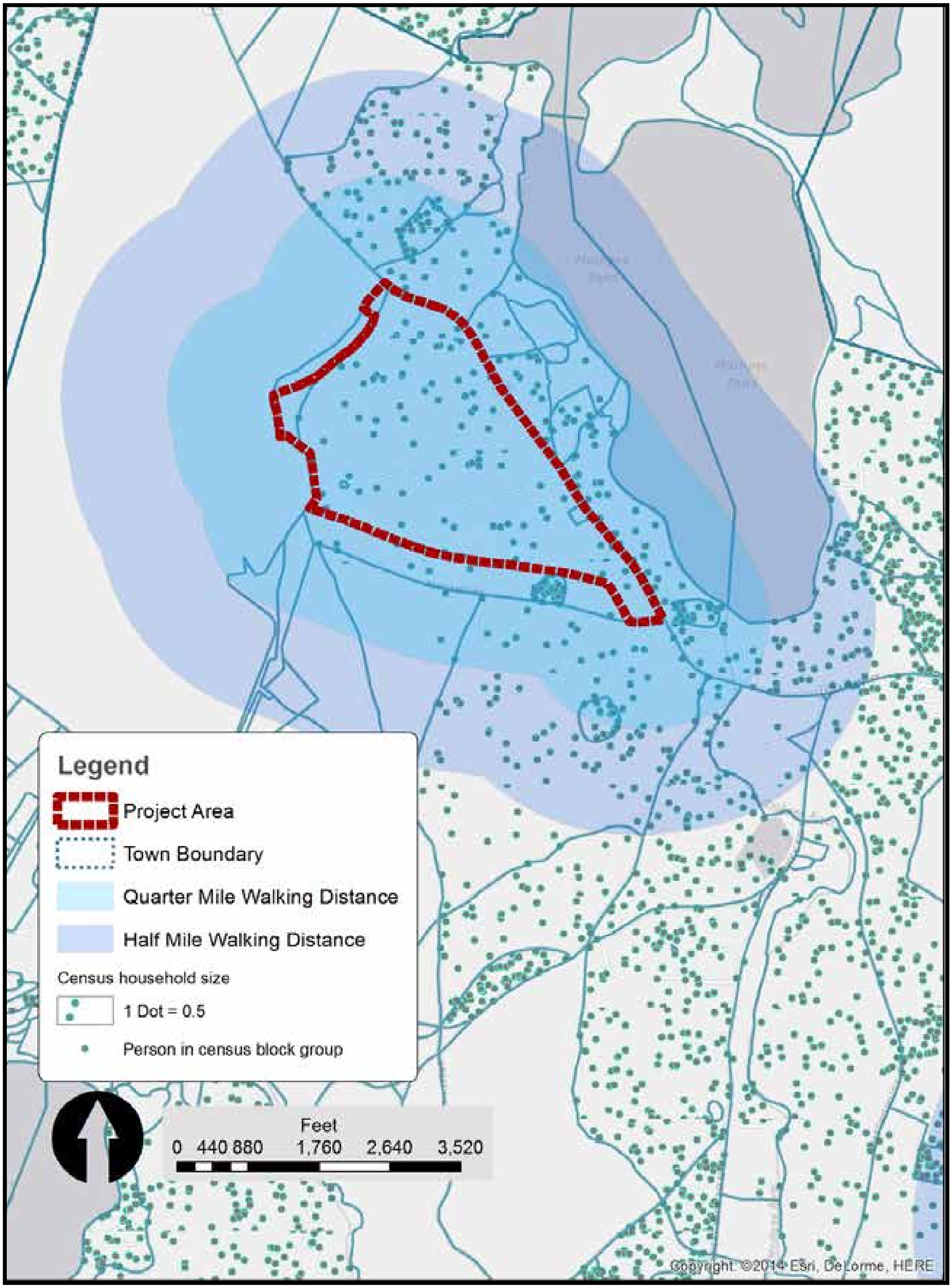

Figure 27: Route 130 Population Within Walking Distance

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Route 28 East Area

Overview

The Route 28 East Project Area is show in Figure 27, and includes the commercial and industrial zoned land surrounding Route 28 at the Mashpee/Barnstable Town Line and extending roughly between Old Mill Road and Cape Drive. The Project Area is approximately 57 acres.

The Project Area is currently used by a mix of large and moderately sized commercial and industrial structures, with generous setbacks and associated parking fields (Figure 2). In terms of acreage, the majority of this area is zoned Industrial (61%), although a lot of the Route 28 frontage is commercially zoned, with the industrial zoning toward the rear. Residential uses surround the Project Area entirely, with the area to the immediate north being mostly residentially used but is mostly in the town of Barnstable.

Table M shows potential buildout numbers for the Project Area. The buildout results indicate that there is very little residential development potential in this area, and even though the capewide buildout suggests there is some non-residential development potential it is spread among the approximately 30 properties in the district with very little development potential in any one location.

Table M: Route28 East Statistics	
Area	~ 57 acres
Zoning	Mix of Industrial and Commercial 2
Zoned Commercial	39%
Zoned Industrial	61%
Buildout Potential (2009 town analysis) - Residential Units	2
Buildout Potential (2011 County analysis) - Residential Units	0
Buildout Potential (2011 County analysis) - Non-residential sf	229,059

Figure 28: Route 28 East Project Area

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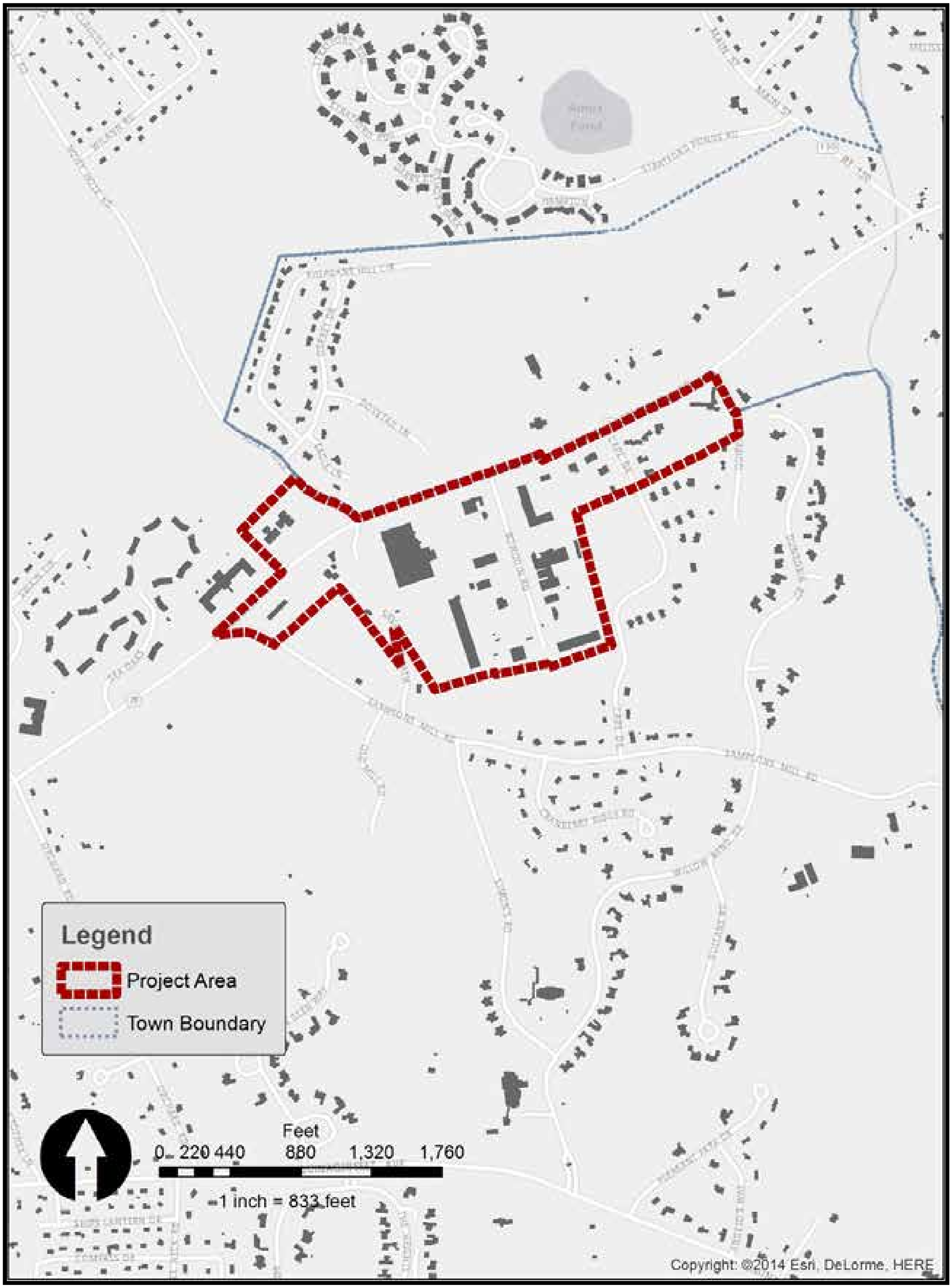

Figure 29: Route 28 East Figure Ground

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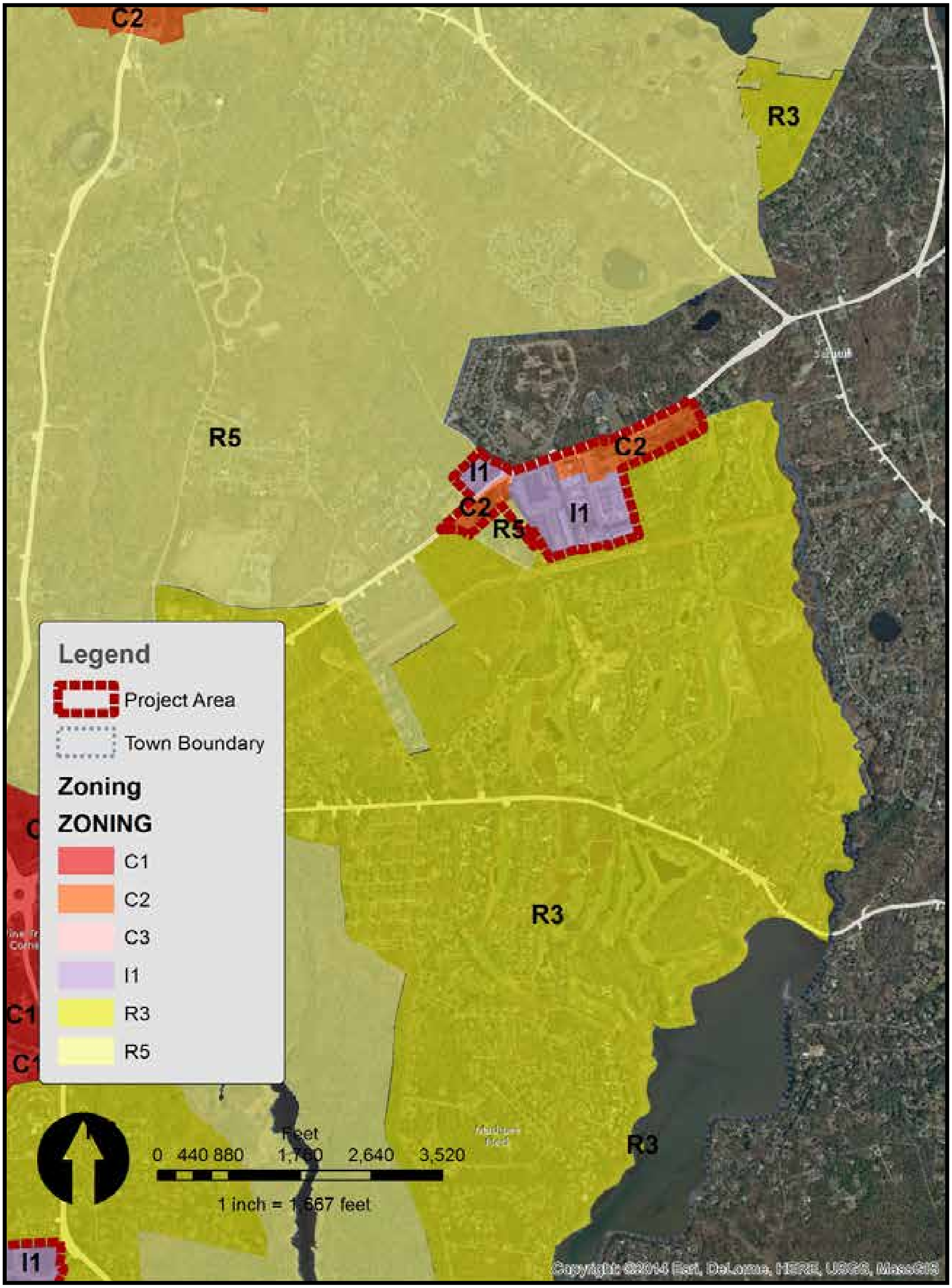

Figure 30: Route 28 East Existing Zoning

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Existing Uses

Figure 31 shows that this area is predominantly used for commercial rather than industrial purposes, and as can be seen on Figure 32 and Table N, very little of the area is vacant (4 acres). Therefore, redevelopment would have to occur to have any significant effect on the land use pattern in the area. The Commission staff's inventory also shows much more diverse mix of uses, with retail and eating and drinking uses and services being more widely represented. Occupancy rates for the existing building are also very high (95%). This suggests that business activity in this area is relatively strong compared to the other non-residential areas studied.

Table N: Route 28 East Development and Vacancy		
Mix of uses (based on state class codes)		
Vacant Industrial (acres)	0	
Developed Industrial (acres)	3	
Vacant Commercial (acres)	4	
Developed Commercial (acres)	38	
Other	13	
Mix of Existing Uses (based on field visits)		
Use	**Square feet**	**Percent of total**
Office	4,287	2%
Industrial	34,241	15%
Services	0	0%
Mixed	127,612	55%
Retail	21,887	9%
Other	16,405	7%
Recreation	1,350	1%
Medical Services	5,957	3%
Restaurant	2,552	1%
Residential	18,509	8%
Occupancy		
Building SF	232,800	
Occupied	220,080	
Vacant	12,720	
% Occupied SF	95%	

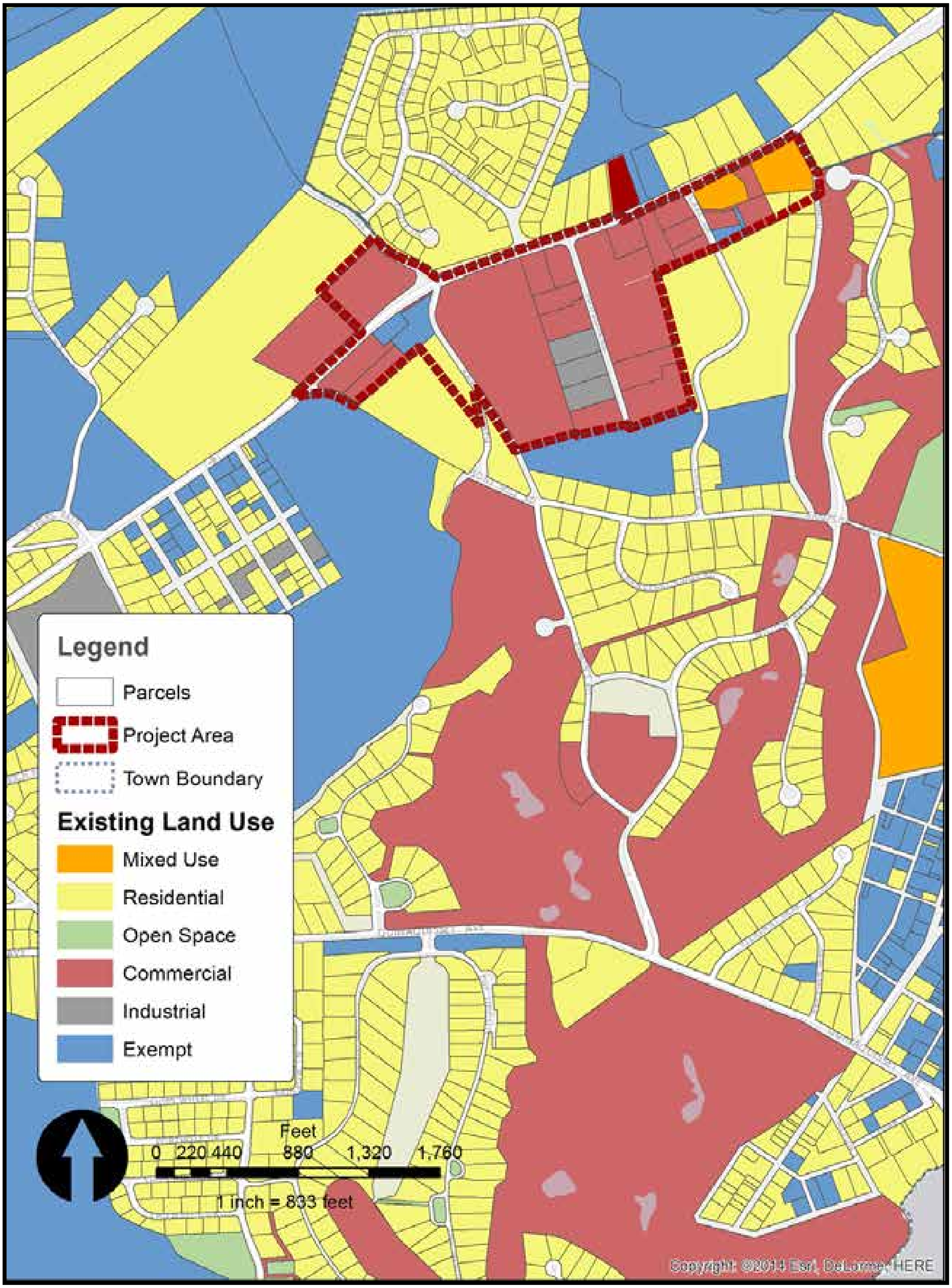

Figure 31: Route 28 East General Land Use

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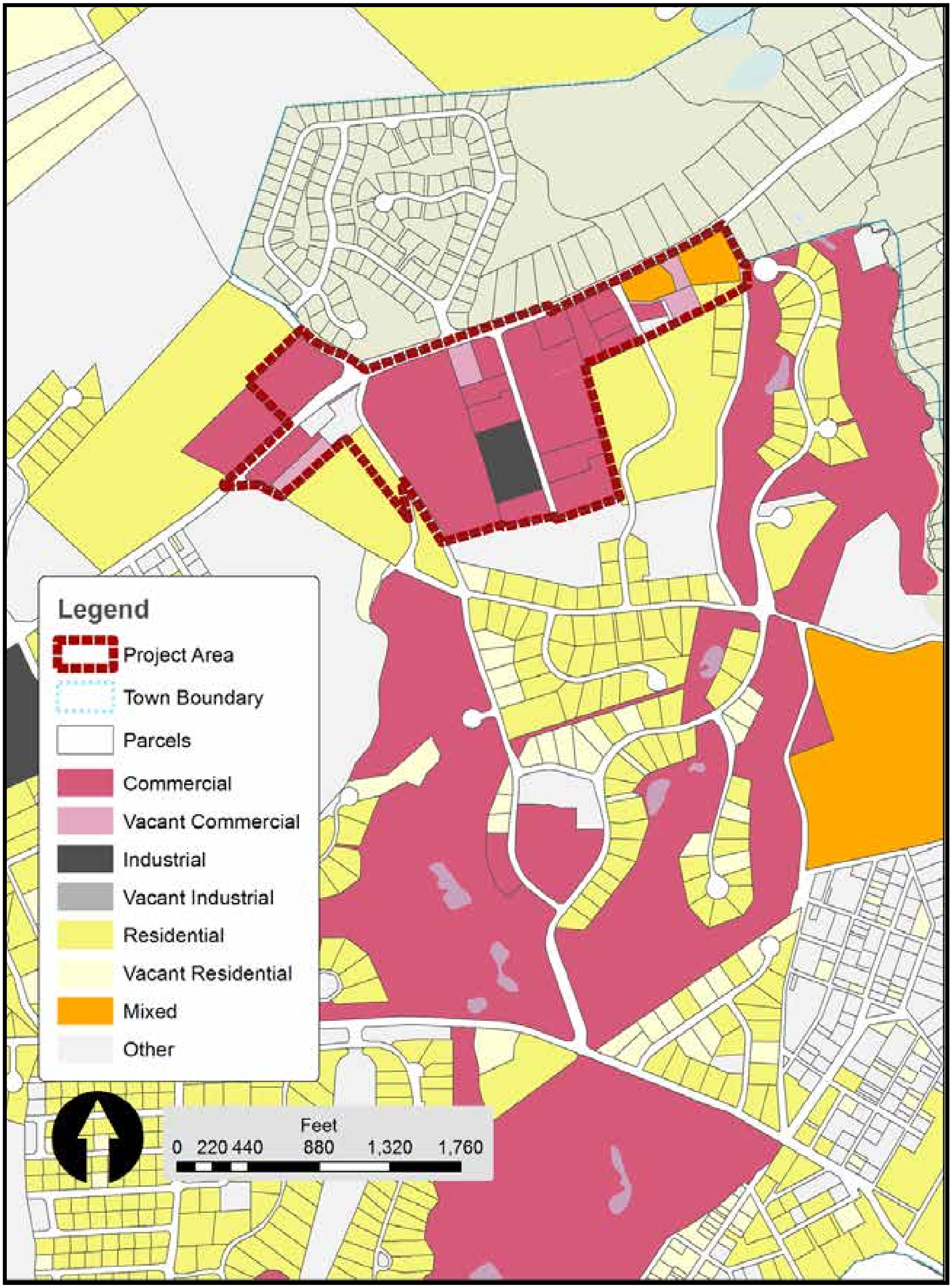

Figure 32: Route 28 East Commercial/Industrial/Residential Use Mix

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Issues and Opportunities

Some of the opportunities and constraints to development in the Route 28 East area include:

- ◇ Located on Route 28 at the Barnstable town line mean the area is well placed for access to Barnstable and points east.
- ◇ The area is heavily influenced by the traffic along this regional roadway. With two lanes in each direction, traffic often backs up behind vehicles making left turns, particularly behind westbound traffic.
- ◇ There are a couple of pedestrian crossings, but no sidewalks in this area.
- ◇ The OpenCape Fiber does not run along this portion of Route 28 but is located half a mile to the east at the Route 130/Route 28 intersection.
- ◇ A Massachusetts Department of Environmental Protection Zone II covers a small part of the western end of the Project Area, with the Town's Groundwater Protection Overlay district covering a slightly larger area in the vicinity. Almost all of the areas within these boundaries are currently developed.
- ◇ The Mashpee National Refuge boundary does not impact the area.
- ◇ Figure 34 shows that the JBCC Accident Prevention Zone 2 (APZ2) does just overlap a small portion of the western end of the Project Area, but this property is already developed. The recommended notification zone covers more extensive areas of the Project, but only requires the Base personnel be notified of development proposal.

Walkability and Pedestrian Access

Figures 35 and 36 show that there are more densely populated residential areas within walking distance of this area. Recent residential development immediately to the north of Route 28 in the Town of Barnstable has brought additional potential customers to the area that may support neighborhood serving business in the Project Area.

Pedestrian amenities would need improvement in order to provide safe access to the businesses here and for circulation in the district.

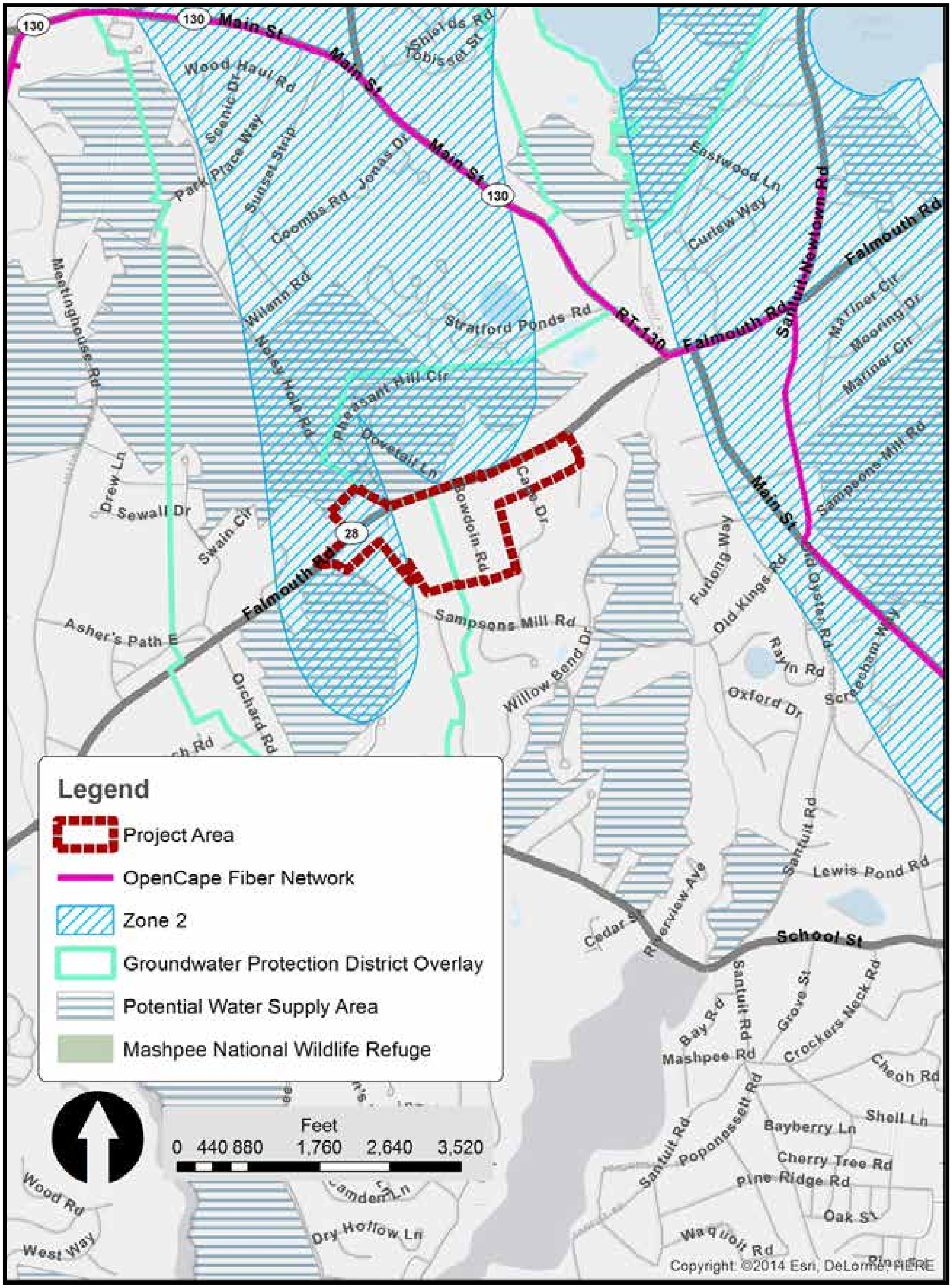

Figure 33: Route 28 East Resources

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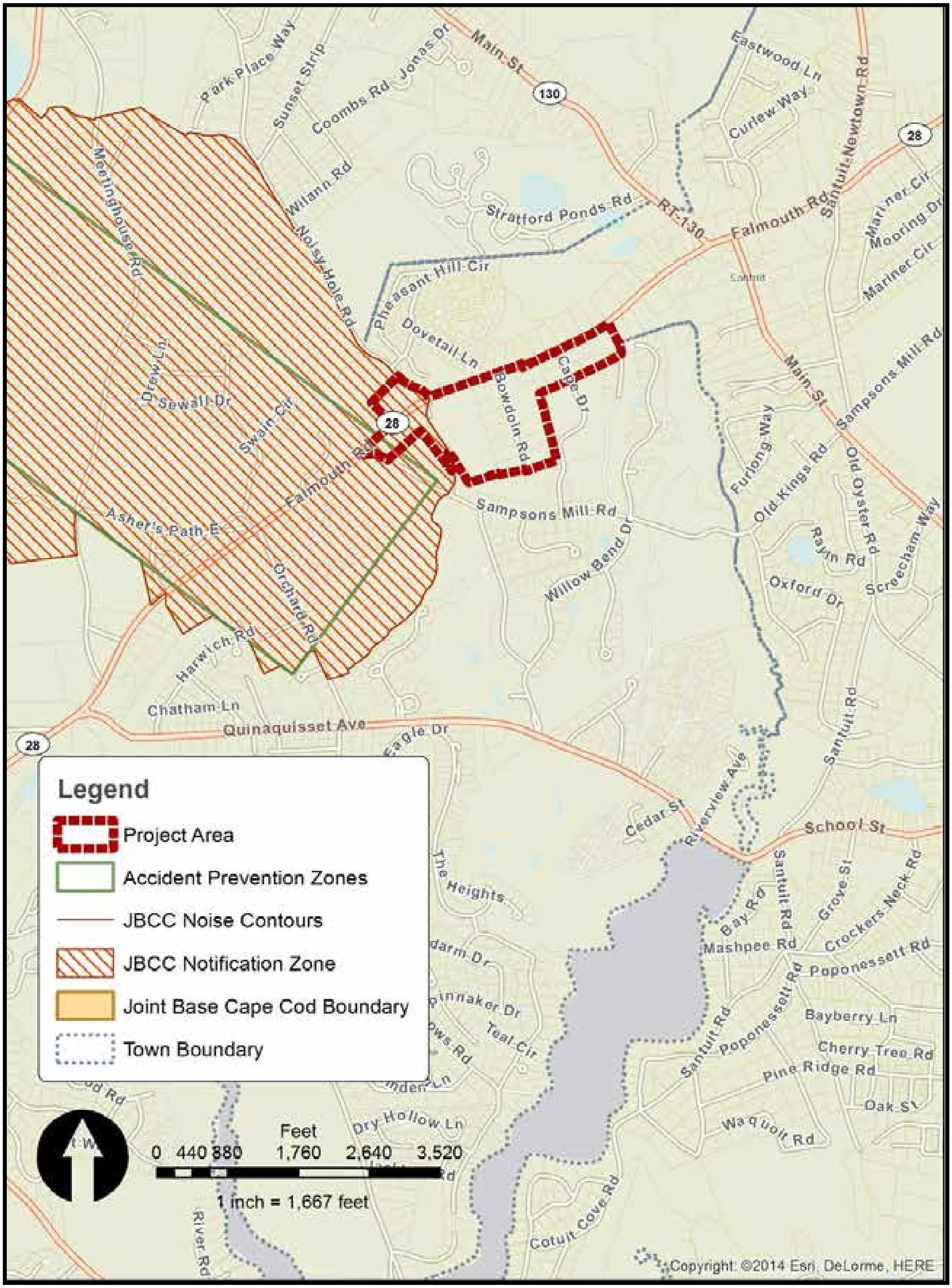

Figure 34: Route 28 East Joint Base Cape Cod Relationship

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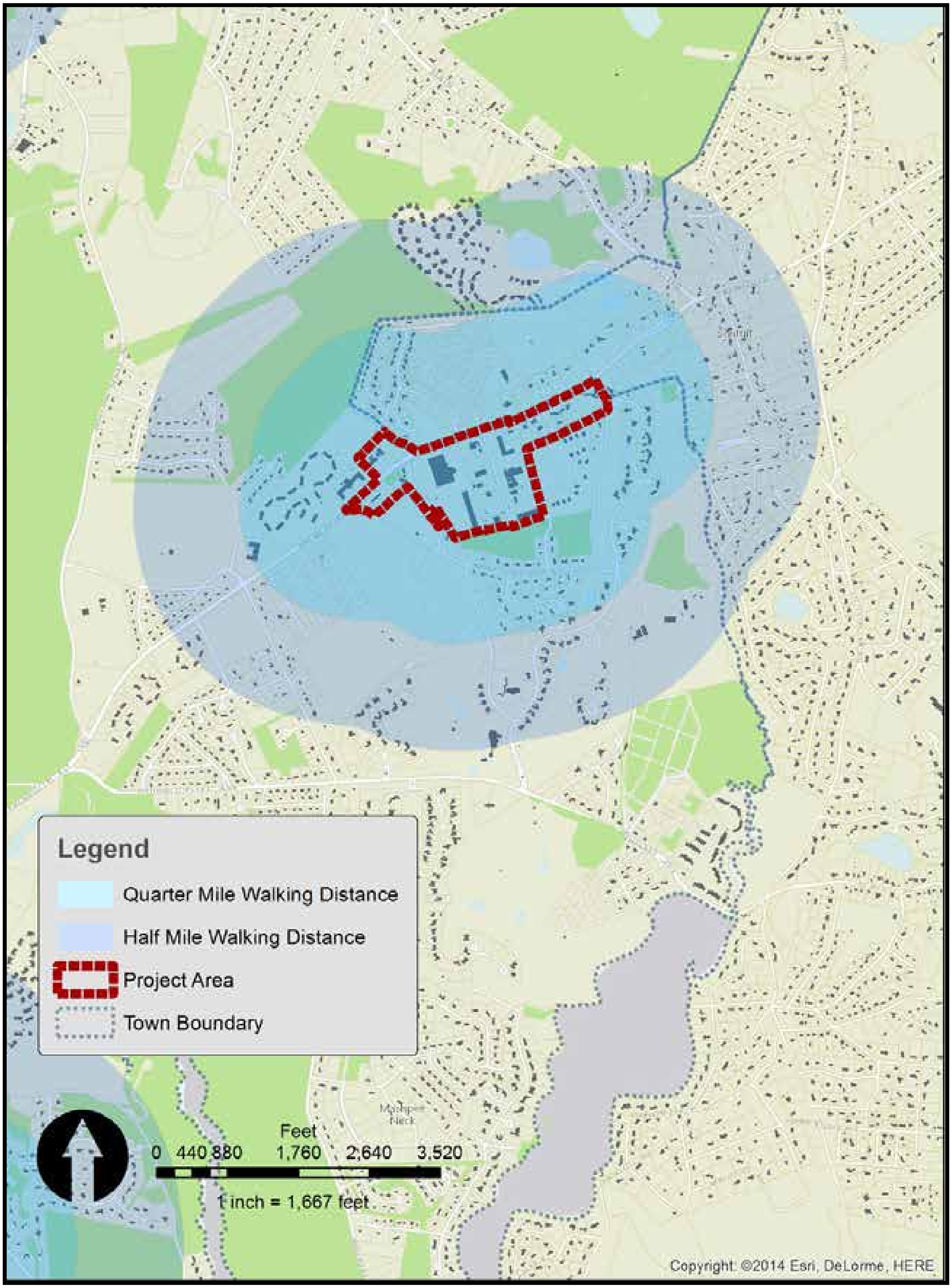

Figure 35: Route 28 Pedestrian-shed

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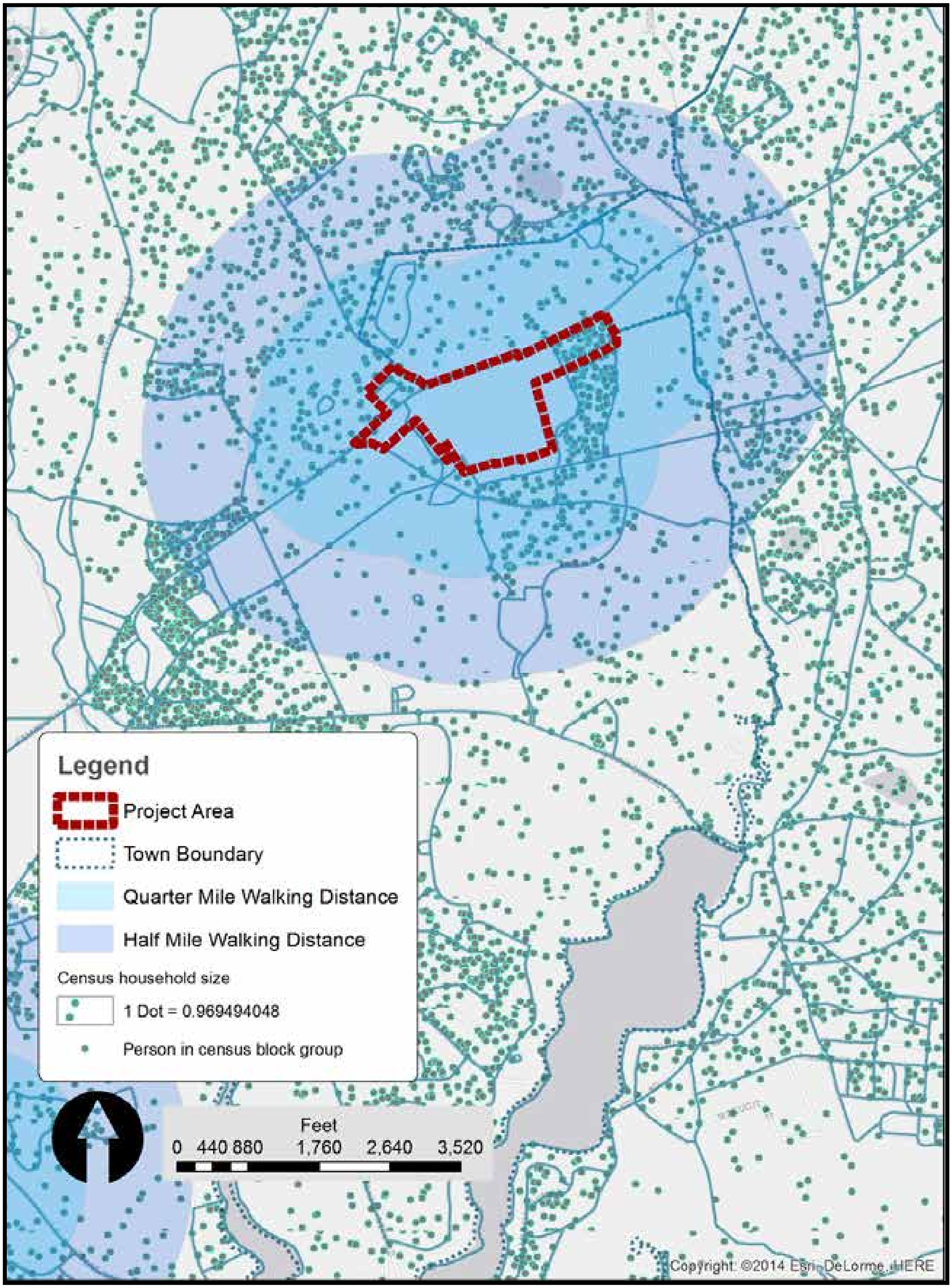

Figure 36: Route 28 East Population Within Walking Distance

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Recommended Redevelopment Options

Based on the analysis and research conducted for the project, the current demographics of the subregion and market demand, this section provides recommendations that the town could consider following for redevelopment in the four project areas to encourage economic development in Mashpee.

Although the scope does not include an analysis of the commercial center (i.e. Mashpee Commons, Deer Crossing and South Cape Village), it is impossible to make recommendations about the future options for the four Project Areas without considering the effect of this area on demand. The three major developments in the Pine Tree Rotary Area alone contribute almost 2% of the town's property tax revenue and are likely to remain the most important commercial and mixed use areas of the community into the near future. New non-residential space created at the town's commercial center will generate significant competition, particularly for commercial, mixed use and residential development. There are plans for additional development in these locations, for example, Mashpee Commons has permits to add an additional 482 residential units and over 400,000 square feet of commercial space. Therefore, the continued vitality and redevelopment potential in the remaining non-residential areas of Mashpee studied as part of this project must be viewed in this context.

Regional projections for market demand suggest that demand for new non-residential uses is weak and that there is also a significant over-supply of non-residential land in the County. It is therefore important to prioritize areas where development has the best chance of success. Furthermore, with essential infrastructure needed to address nutrient loading on the Cape, and fragile water supply resources to protect, the town should focus development in areas that are suitable for development and in areas where costs associated with providing infrastructure can be limited. This will have the greatest social and economic benefit with a net positive fiscal impact to the town through higher property values and lower service costs. Not developing vacant land outside these activity centers also has the benefit of protecting sensitive water supply areas, or providing opportunities for green infrastructure for nutrient management.

With the above in mind, the Commission staff believe that the town should reconsider its vision for these areas and direct the uses allowed in each area more specifically. Limited vacant land in both the John's Pond area and Route 28 East area suggest that significant transformation of these areas is unlikely. In these areas, the Commission recommends that the town focus on improving the function of these neighborhood centers, particularly with regard to traffic safety and circulation. In the two remaining areas, industrial uses seem most appropriately focused on Route 130, leaving the Executive Park to transform into a more mixed use and residentially focused area to support Mashpee's commercial center. Following are recommendations that could be pursued by the town to that end.

1. Executive Park

Of the four Project Areas, the Executive Park area has the most potential for significant redevelopment and re-programming because of the large amount of vacant land, proximity of the OpenCape network, the relative lack of significant constraints but most importantly its proximity to the commercial center of town.

Despite being industrially zoned, several non-industrial uses have located in the area which indicates a stronger demand for these kinds of uses at this location. For example, recreational uses (CrossFit) and several medical office uses. It is likely that these types of uses will continue to be in high demand in the town.

The Commission recommends that the town build on this opportunity and consider encouraging non-industrial uses in this location that can take advantage of the nearby commercial center. Such measures could include:

1. <u>Encouraging multi-family residential uses</u> along the northern part of Commercial Street and Mercantile Way that offer a transition to adjacent single-family uses but can also provide homes within easy walking distance of many services and activities around the commercial core of the town.
2. <u>Encourage mixed use development</u> (commercial ground floor and residential above) along the northern part of Commercial Street. Rental units are a critical need on Cape Cod and this form of building type will lend itself to higher density apartments. Ground floor commercial uses, provide a more urban context for pedestrians and activity on the street to encourage walking.
3. <u>Encourage health services and medical uses</u> to locate in the southern part of the Executive Park to establish a business cluster that can build on the similar uses located here already. The town could also consider allowing residential uses in some cases, but if residential uses were encouraged nearby (particularly rentals) these units could provide a more affordable housing option for employees in an expanded medical complex.
4. The Executive Park is also well placed to <u>provide additional recreational uses</u> that could serve the community. There is already a gym located on Industrial Drive, but other uses such as indoor sports or climbing walls could provide an appropriate anchor that differentiates it from adjacent commercial areas to the north and provides a year-round destination for Cape residents and visitors that is independent of inclement weather (both summer and winter).
5. <u>Discourage further industrial uses</u> in the Executive Park. With an abundance of industrially zoned land available elsewhere in Mashpee, we recommend that the town consider directing future industrial uses to other parts of town, particularly the industrial area on Route 130. By limiting the supply of industrial land, the value of vacant industrial land elsewhere in town is likely to increase.

These changes would require a review of the existing zoning and alterations to encourage the desired uses. This could include allowing the most desirable uses by right (i.e. without Special Permits) and/or prohibiting new industrial uses. Residential densities would need to be sufficiently high to be profitable to developers and dimensional standards structured in a way to encourage a compact form , with limited parking fields to encourage pedestrian/bicycle activity.

John's Pond

The area currently acts as a neighborhood serving commercial area, with several eating and drinking establishments and neighborhood service uses. The development pattern of wide front setbacks and parking located between the buildings and roadway are not conducive to good pedestrian activity and placemaking, however, despite the lack of pedestrian amenities people still walk to and from the area. The Commission recommends that the neighborhood commercial function of this area be continued, but be improved by:

1. Improve pedestrian and bicycle amenities both to the area (along Route 151), but also within the district (across roads in the area). Currently, the wide road cross section encourages traffic to travel at speed, and is difficult to cross safely.
2. Improve traffic and pedestrian safety by ensuring the design of the roadway along this part of the corridor prioritize the movement of people in the street, and slow traffic on this part of the roadway. Protected turn lanes and narrower travel lanes will slow traffic and provide an opportunity to improve the visual appeal of the area with landscaping.
3. Incorporate a more compact form of development by revising the zoning in the area to incorporate smaller front and side setbacks, increased lot coverage and lower parking requirements to reduce the amount of area devoted to auto-oriented infrastructure and provide a more human scale to development.

Route 130

This commercially and industrially zoned district is already functioning as an industrial area, and has significant areas of vacant and developable land. Access to Route 6 for distribution is good, and it is centrally located to access adjacent towns, and so industrial, warehousing and light manufacturing uses would be well suited to the area. Its location close to JBCC means that residential uses should be discouraged in the area, and the area is a poor location for office and retail. There are water resource issues that would need to be addressed for any development in the area, but light industrial uses that have limited impact on the water supply may be appropriate. The Commission recommends the town:

1. Focus industrial uses in the area and discourage significant residential, retail or office uses in this area.
2. Maintain and improve buffers to uses in the area. Ensure that industrial warehousing and light manufacturing development is directed to the areas but that appropriate buffering and landscaping requirements are incorporated to protect the nearby residential uses from potential noise, odor and visual impacts.
3. Advance drinking and surface water protection in the area, including land protection and opportunities for green infrastructure.

Route 28 East

This area currently functions mostly as a neighborhood serving commercial area, similar to the John's Pond center on Route 151. There are several eating and drinking establishments, a gym and neighborhood service uses, but the area also has larger more industrial construction and marine uses (i.e. Botello's). The development pattern of wide front setbacks and parking located between the buildings and roadway are not conducive to good pedestrian activity and give the area a very automobile oriented feel. The Commission recommends that the neighborhood commercial function of this area be continued, but be improved by:

1. <u>Improve traffic flow and pedestrian safety</u>. Study the roadway configuration to identify options to ease traffic flow through the area. Currently, left turning vehicles traveling to the west create traffic backups and vehicles appear to drive over the road shoulders to get past. This causes a potential pedestrian safety issue in the area.
2. <u>Provide improved pedestrian and bicycle amenities</u> to allow neighborhood access. There are crosswalks (poorly marker) in the area, but there are no sidewalks leading foot traffic to these crosswalks. Although in the town of Barnstable, there are a significant number of new residences to the north side of Route 28 that could provide a good customer base for the businesses in this area. The town should consider providing safe access in the area for these neighbors and work with the town of Barnstable on improving safety in the area
3. <u>Encourage a more compact form</u> by reviewing the zoning in the area to incorporate smaller front and side setbacks, increased lot coverage and lower parking requirements to reduce the amount of area devoted to auto-oriented infrastructure and provide a more human scale to development. Mixed use could also be encouraged in this area, particularly rental units.

3. CHAPTER H ASSESSMENT

One of the tasks requested by the town for this RESET project was an assessment of the suitability of the Mashpee Executive Park (shown in Figure 3.0) for a designation under Chapter H of the Commission's Enabling regulations. Chapter H, titled Municipal Application for Revision to Developments of Regional Impact Thresholds, establishes criteria for towns and the Commission to propose revisions to certain DRI thresholds in the Commission's regulations. The scope of work for this RESET project notes that if the assessment proves favorable, the Cape Cod Commission will be asked to consider a proposal to include appropriate areas of the Mashpee Executive Park and surrounding industrially-zoned parcels for a Chapter H designation. Raising Commission review thresholds allows larger development projects to proceed without referral to the Cape Cod Commission.

The Cape Cod Commission issued a decision under Chapter H in 2014 that designated areas in the towns of Bourne, Falmouth, and Sandwich for increased DRI thresholds. In these designated areas, developments under 40,000 SF of gross floor area are not subject to mandatory DRI review so long as the development proposed is a Research and Development (R&D) or light manufacturing use as defined therein. The Town of Mashpee requested that the Commission consider the industrial zoned area including and abutting the Mashpee Executive Park for a similar Chapter H designation for R&D uses.

Chapter H only towns with Commission-approved Land Use Vision Maps (LUVMs) to propose designations. The Town of Mashpee does not currently have a LUVM, and therefore any proposed designation in Mashpee must originate from the Commission.

Upper Cape Chapter H Decision

The previously designated areas (Sandwich Industrial Park in Sandwich, Jonathon Bourne Drive in Bourne, Edgerton Drive in Falmouth, and the Falmouth Technology Park in Falmouth) were substantially similar to each other. Characteristics that were common between these areas include:

- ◇ Standard utilities, including municipal water service, are available to each of the Designated areas;
- ◇ OpenCape infrastructure is available at each of the Designated areas;
- ◇ Existing zoning in each location allows for Research and Development and Light Industrial;
- ◇ Proximity to major regional roadways, but, with the exception of 11 parcels within the Sandwich Industrial Park, individual parcels in the designated areas do not take direct access from or to those roadways;
- ◇ Alternative transit opportunities are proximate to or available to each of the designated areas;
- ◇ Located in the Upper Cape region, centered around the primary marine technology research centers in Woods Hole, Falmouth, and close to the Sagamore and Bourne Bridges;
- ◇ Wastewater needs for existing development in the designated areas are served by individual, on-site septic systems.

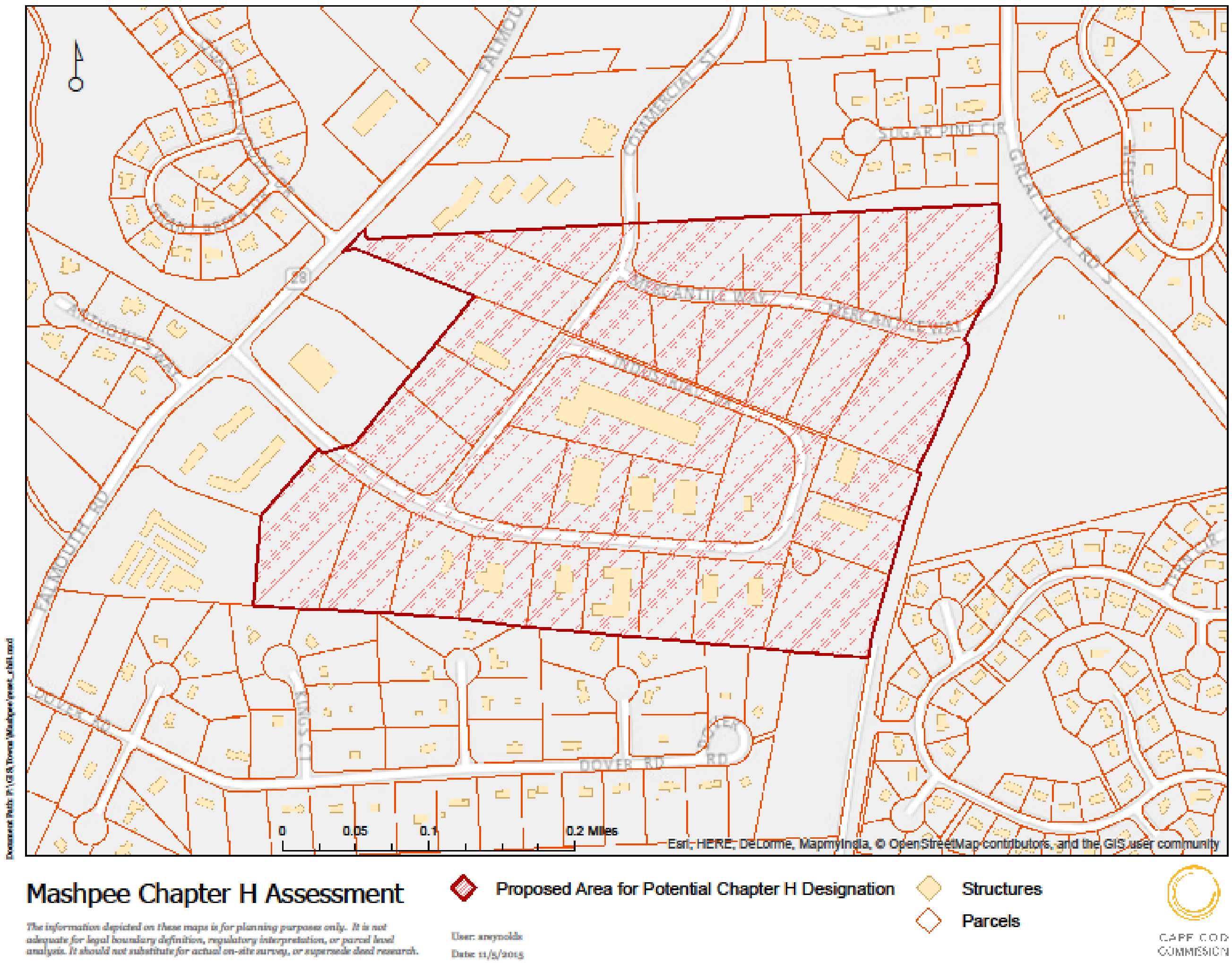

Figure 3.0: Mashpee Executive Park

These general parameters were considered when identifying an area within the proposed area for consideration. In the case of the Mashpee Executive Park and the surrounding area, the following common elements were identified:

- ◇ Common water service is available to all parcels in the area;
- ◇ OpenCape network runs along Route 28, which would allow easy connection to the Executive Park area;
- ◇ Existing "Industrial" zoning district within Mashpee would allow R&D uses as defined in the 2014 Chapter H decision;
- ◇ Parcels identified for the assessment have frontage onto subdivision roads, specifically Industrial Drive, Commercial Street, and Mercantile Way;
- ◇ These subdivision roads connect directly to regional roadways, specifically Route 28 (Falmouth Road) and Great Neck Road South;
- ◇ Cape Cod Regional Transit Authority (CCRTA) bus lines currently serve the area;
- ◇ Mashpee is located on the Upper Cape;
- ◇ Existing development in the area uses on-site septic systems for wastewater needs.

Based on these findings, the proposed area is substantially similar to the previously designated areas.

If a Chapter H designation was applied to the 32 subdivision parcels identified in Figure 3.0 (hereafter, “the proposed area”), a significant increase in developable gross floor area could be achieved without Commission review. With current DRI review thresholds in place, roughly 320,000 SF would be allowed without Commission review on the same parcels (“current build-out”). The Commission staff estimate that the proposed area would allow for a build-out of roughly 1,136,000 SF of gross floor area allowable under local zoning without Commission review (“proposed build-out”). A full build-out analysis is attached as Appendix A.

As required by the Commission’s Chapter H regulations, any designation’s purpose must be to guide growth toward areas that are adequately supported by infrastructure and away from areas that must be protected for ecological, historical, or other reasons, and any designation must be consistent with Section 1 of the Commission Act. Broadly, these findings are supported by the other requirements for review: any designation must be consistent with the Goals of the Regional Policy Plan (RPP); consistent with local planning documents; and supported by plans and funding for capital facilities and/or infrastructure improvements necessary to address anticipated growth. To make these findings, the proposed area must be considered in light of these documents.

RPP consistency

LAND USE/ECONOMIC DEVELOPMENT

The Land Use and Economic Development issue areas of the RPP primarily focus on directing commercial development to designated economic centers. While Mashpee has not adopted a LUVM, both local and Commission planning activities have long identified the proposed area as an industrial and commercial zone. Thus, a proposed designation would be consistent with these issue areas of the RPP.

WATER RESOURCES

The proposed area lies in areas contributing to the Waquoit Bay and Popponesset Bay watersheds. Both of these watersheds have established Total Maximum Daily Loads (TMDLs) from the Massachusetts Estuaries Project (MEP). The eastern portion of the proposed area will require 100% removal of nitrogen according to MEP, while the western portion will require 90% removal. The proposed area is currently serviced by private Title V septic systems, but private wastewater treatment facilities are located nearby and have been identified for potential expansion in the town’s CWMP.

All towns will be required to meet TMDLs for their watersheds by the state. Mashpee has been engaged in wastewater planning for over 15 years, and the Town’s Comprehensive Wastewater Management Plan (CWMP) is currently under review by the Cape Cod Commission. Through an adaptive management plan required by Commission review, the Town will be able to account for potential changes to development patterns and the Commission will review changes in 5-year increments. With this regulatory structure in place, the Commission can ensure Town activities are adequate to meet TMDLs and appropriate infrastructure is in place.

The proposed build-out would result in 60,000 gallons per day in additional wastewater design flow above that currently allowable without DRI review. It should be noted that there may be significant wastewater costs to be borne by the Town for expansion of the type proposed under a Chapter H designation. New regulatory structures such as impact fees may be needed to allow the Town to recoup these costs.

HAZARDOUS MATERIALS/WASTE MANAGEMENT

Primary concerns for the uses proposed under the Chapter H are with regard to general aquifer protection from the storage of hazardous materials. The southwestern portion of the proposed area lies within a DEP-mapped Zone II while the remaining areas are within a Commission-mapped Potential Public Water Supply Area. Existing regulations are in place to protect groundwater resources within the Zone II. The Potential Public Water Supply Area (PPWSA) should be further considered by the Town for its drinking water needs. If it is determined by the Town there are no current plans to pursue the area or public water supply, the designation as a PPWSA may be released by the Commission.

NATURAL RESOURCES

The proposed area does not encompass any mapped natural resource protection areas, including rare species habitat, wetlands, or vernal pools.

The proposed area is significantly different from the previously designated areas in that the majority of parcels are treed and undisturbed. This is primarily the case for parcels along Mercantile Way, but some parcels within the Mashpee Executive Park are also undisturbed. The Mashpee Executive Park's now-expired development agreement with the Commission established open space set-asides for those parcels. Approximately 988,385 SF of undeveloped area would have been set-aside for open space under the RPP (shown at this end of this section). Given the proposed area's lack of natural resource value, an off-site contribution of conservation restricted land, here approximately 7.5 acres based on treed area, would be adequate to meet the natural resources goals of the RPP. The Town could choose to restrict land it currently holds (i.e. tax title lands or other land currently being considered for conservation purposes) to meet this requirement.

TRANSPORTATION

Commission staff analyzed whether the proposed area is "adequately supported by infrastructure" and whether raising the threshold would be consistent with the RPP transportation goals of safety, trip reduction/transportation balance and efficiency, and level of service/congestion management.

The proposed area has direct access to the regional roadway network through unsignalized intersections on Route 28 (Falmouth Road) and Great Neck Road South. Neither of these intersections has been identified as a high-crash location. Access is also afforded through Commercial Street to commercial development to the north.

The proposed area is served by public transit through the Sealine bus route operated by the Cape Cod Regional Transit Authority. The Sealine route has a designated stop with a shelter at the Community Health Center of Cape Cod within the proposed area. Within the proposed area there is no dedicated bicycle or pedestrian accommodation.

TRIP GENERATION

The new trips that could be expected if a Chapter H designation was made are summarized in the following table:

Table O: Estimated Potential Trip Generation

Time Period	Enter	Exit	Total
Weekday Daily Trips			4,903
Weekday AM Peak Hour	613	125	738
Weekday PM Peak Hour	97	550	647

Notes: Based on 806,045 sf of Research & Development or Light Manufacturing uses Trip generation rate from the Institute of Transportation Engineering Trip Generation, Ninth Edition for land use code 760 (Research and Development Center) Assumes 25% trip reduction

The intersection of Route 28 (Falmouth Road) at Industrial Drive would experience a significant increase in congestion with an additional 806,045 sf of development.

LEVEL OF SERVICE

Give the existing traffic patterns and anticipated trip distribution of new trips, it was assumed that 60 percent of new trips would be accessing the proposed area through the unsignalized intersection of Route 28 (Falmouth Road) at Industrial Drive. With this assumption, a Level of Service (LOS) analysis was conducted. LOS is similar to a report card, with the best traffic flow, minimal delay occurring at LOS A. LOS E and F are at or near capacity and considered to be a failing LOS. The results of the LOS analysis are presented in Table P.

Staff suggests that the traffic impacts of raising the review threshold to 40,000 sf in the proposed area, and the resulting potential 806,045 sf of development, would adversely affect the operation of the Route 28 (Falmouth Road) at Industrial Drive intersection to such a degree that a signal or roundabout installation would need to be considered.

Table P: Estimated AM Peak Hour Trips and Level of Service (LOS) - Route 28 at Industrial Drive				
Scenario	**SF of development**	**Trips**	**2015 LOS** [1]	**2020 LOS** [1,2]
Existing Development [3]	164,527	168	C	D
With 40,000 SF threshold[4]	806,045	738	-	F

Notes:

[1] HCS unsignalized intersection analysis - worst approach level of service

[2] Assumes 1% background growth

[3] Based on actual count data

[4] Based on ITE LUC 760, Research and Development Center. Assumes 25% trip reduction with 60% of new trips through Route 28 intersection

TRANSPORTATION RPP GOALS

The following presents a discussion of the consistency of raising the threshold in the proposed area with the three RPP transportation goals.

Transportation Goal 1: Safety

The roadways from the proposed area onto the regional roadways provide sufficient sight distance and do not have a demonstrated crash problem.

Transportation Goal 2: Trip Reduction/Transportation Balance and Efficiency

Research & Development and Light Manufacturing Uses have the ability to significantly reduce the expected increase in motor vehicle trips through implementation of Transportation Demand Management (TDM) Plans. Implementation of TDM is common practice in these types of uses as there are benefits to the company, employees, and the community as a whole. Recent projects of this type in the area have successfully implemented TDM plans. The proposed areas in this proposal are particularly favorable for successful implementation of a TDM plan given their proximity transit routes.

To encourage healthy transportation options, bicycle and pedestrian accommodation improvements may be warranted as development in the proposed area increases.

Transportation Goal 3: Level of Service/Congestion Management

The intersection of Route 28 (Falmouth Road) at Industrial Drive would experience a significant increase in congestion with estimated trip generation from an additional 806,045 sf of development. Staff suggests that congestion issues with this intersection make raising the threshold in the proposed area inconsistent with the level of service/congestion management goal.

ENERGY

The previous Chapter H designation stated that the Uniform State Building Code adequately regulates building efficiency. The same codes apply to Mashpee, thus the proposed area is consistent with the previous designation and the RPP.

AFFORDABLE HOUSING

The previous Chapter H designation acknowledges that R&D uses (as defined) offer significantly higher salaries than are typical for the region, thus additional R&D development would not place a significant burden on existing efforts to create affordable housing. As the same wage structures would apply to Mashpee, the proposed area is consistent with the previous designation and the RPP.

HERITAGE PRESERVATION/COMMUNITY CHARACTER

The proposed area does not contain any historic or distinctive areas. Further, as the proposed area is located on subdivision roads and not on regional roadways, Commission building design standards allow for non-traditional forms and can be met as the buildings will be fully screened from regional roadways. Thus, the proposed area is consistent with the previous designation and the RPP.

LCP consistency

Mashpee's LCP was last updated in 1998. The Town's LCP designated the proposed area as an "Industrial Growth/Activity Center" consistent with the RPP then in place. Thus, the project is broadly consistent with the Land Use goals of the LCP.

The Town's LCP includes both increasing the incomes of Mashpee residents and increasing the Town's commercial and industrial tax base as Economic Development goals but also qualifies that increases in the commercial/industrial tax base should minimize municipal service costs, environmental impacts, and other adverse impacts. Based on these goals, consistency with the Economic Development goals of the LCP may require further Commission and Town analysis of the potential increased wages/tax revenues versus potential wastewater treatment costs that could result from the additional development within the proposed area.

The LCP includes ensuring safe and efficient movement in and through Mashpee and minimization of fiscal impacts of any transportation facilities required to support new development as Transportation goals. As discussed under RPP consistency, the proposed build-out would result in further degradation to the level of service at Industrial Drive and Route 28. While the town could install a roundabout or traffic signal to address these concerns, both would carry significant costs to the Town in the absence of any Cape Cod Commission mitigation.

Conclusion

Based on the preceding assessment, the Commission staff do not believe a Chapter H designation allowing Research and Development (R&D) or light manufacturing developments under 40,000 SF of gross floor area to avoid mandatory DRI review in the proposed area would be in the best interest of the Town of Mashpee. Significant wastewater and transportation infrastructure costs would have to be borne by the Town in order for the proposed build-out to occur. Installation of either a roundabout or signal at the intersection of Industrial Drive and Route 28 would cost roughly $1-3 million. Additionally, nitrogen loading mitigation that would otherwise be collected for wastewater infrastructure by DRI review would cost the Town $1-2 million. These costs would also run contrary to several goals of the Town's 1998 LCP.

Additionally, recent planning activities in the immediately surrounding area suggest the proposed area may be better suited to general commercial development connecting with the area to the north. Recent construction of healthcare and retail facilities along Commercial Street may provide the town better opportunities for economic development than R&D/light manufacturing uses. A larger planned development may also be better able to fund necessary improvements to transportation and wastewater infrastructure in the area.

At this time, the Commission recommends the Town allow other current planning discussions to continue and evolve and take advantage of this locations close proximity to significant activity centers nearby. This area could solidify itself as a commercial and residential mixed-use area, and act as a transitional zone to the neighboring single family neighborhoods. More industrial uses may therefore be better directed to other industrially-zoned lands in the town that may be better suited to accept industrial development

Appendix A: Buildout

MASHPEE R&D CHAPTER H ASSESSMENT

PARCEL	ADDRESS	LOT SIZE	BLD AREA	25% CVG	W/ 2FL	MINUS EXI:	OVER 10k	POT DEV	PKG REQ	PKG SF	SITE CVG
88-19	161 COMMERCIAL ST	77649	0	19412.25	38824.5	38825	28825	28825	129	54354.3	0.95
88-12	11 INDUSTRIAL DR	87120	0	21780	43560	43560	33560	33560	145	60984	0.95
88-23	47 INDUSTRIAL DR	87120	2396	21780	43560	41164	31164	31164	145	60984	0.95
88-24	57 INDUSTRIAL DR	75794	7470	18948.5	37897	30427	20427	20427	126	53055.8	0.95
88-25	67 INDUSTRIAL DR	58806	6528	14701.5	29403	22875	12875	12875	98	41164.2	0.95
88-26	79 INDUSTRIAL DR	60113	15020	15028.25	30056.5	15037	5037	5037	100	42079.1	0.95
88-27	89 INDUSTRIAL DR	60113	0	15028.25	30056.5	30057	20057	20057	100	42079.1	0.95
88-28	103 INDUSTRIAL DR	86249	14440	21562.25	43124.5	28685	18685	18685	144	60374.3	0.95
88-29	117 INDUSTRIAL DR EXT	115994	0	28998.5	57997	57997	47997	40000	193	81195.8	0.95
88-31	154 INDUSTRIAL DR	95213	1248	23803.25	47606.5	46359	36359	36359	159	66649.1	0.95
88-32	92 INDUSTRIAL DR	87556	25200	21889	43778	18578	8578	8578	146	61289.2	0.95
88-33	78 INDUSTRIAL DR	73616	16800	18404	36808	20008	10008	10008	123	51531.2	0.95
88-34	64 INDUSTRIAL DR	83200	0	20800	41600	41600	31600	31600	139	58240	0.95
88-35	168 INDUSTRIAL DR	188179	47421	47044.75	94089.5	46669	36669	36669	314	131725.3	0.95
88-37	153 COMMERCIAL ST	87627	7004	21906.75	43813.5	36810	26810	26810	146	61338.9	0.95
88-41	37-0 INDUSTRIAL DR	98881	0	24720.25	49440.5	49441	39441	39441	165	69216.7	0.95
88-42	27 INDUSTRIAL DR	155945	0	38986.25	77972.5	77973	67973	40000	260	109161.5	0.95
88-83	30 MERCANTILE WAY	51836	0	12959	25918	25918	15918	15918	86	36285.2	0.95
88-84	40 MERCANTILE WAY	59763	0	14940.75	29881.5	29882	19882	19882	100	41834.1	0.95
88-85	52 MERCANTILE WAY	71256	3900	17814	35628	31728	21728	21728	119	49879.2	0.95
88-86	53 MERCANTILE WAY	76491	0	19122.75	38245.5	38246	28246	28246	127	53543.7	0.95
88-87	41 MERCANTILE WAY	64861	0	16215.25	32430.5	32431	22431	22431	108	45402.7	0.95
88-88	31 MERCANTILE WAY	64817	0	16204.25	32408.5	32409	22409	22409	108	45371.9	0.95
88-91	68 MERCANTILE WAY	142441	0	35610.25	71220.5	71221	61221	40000	237	99708.7	0.95
88-94	73 MERCANTILE WAY	159647	0	39911.75	79823.5	79824	69824	40000	266	111752.9	0.95
88-98	129 INDUSTRIAL DR	75969	9900	18992.25	37984.5	28085	18085	18085	127	53178.3	0.95
88-99	131 INDUSTRIAL DR	75969	7200	18992.25	37984.5	30785	20785	20785	127	53178.3	0.95
88-102	141 COMMERCIAL ST	135584	0	33896	67792	67792	57792	40000	226	94908.8	0.95
88-103	129 COMMERCIAL ST	67435	0	16858.75	33717.5	33718	23718	23718	112	47204.5	0.95
88-104	18 MERCANTILE WAY	74476	0	18619	37238	37238	27238	27238	124	52133.2	0.95
88-105	19 MERCANTILE WAY	45517	0	11379.25	22758.5	22759	12759	12759	76	31861.9	0.95
88-106	5 MERCANTILE WAY	45517	0	11379.25	22758.5	22759	12759	12759	76	31861.9	0.95
								806,045	**Potential Buildout w/out DRI Review**		

1,136,045 Total Proposed Buildout

APPENDIX B - OPEN SPACE MITIGATION ANALYSIS
MASHPEE R&D CHAPTER H ASSESSMENT

PARCEL	ADDRESS	LOT SIZE
88-83	30 MERCANTILE WAY	51836
88-84	40 MERCANTILE WAY	59763
88-86	53 MERCANTILE WAY	76491
88-87	41 MERCANTILE WAY	64861
88-88	31 MERCANTILE WAY	64817
88-91	68 MERCANTILE WAY	142441
88-94	73 MERCANTILE WAY	159647
88-102	141 COMMERCIAL ST	135584
88-103	129 COMMERCIAL ST	67435
88-104	18 MERCANTILE WAY	74476
88-105	19 MERCANTILE WAY	45517
88-106	5 MERCANTILE WAY	45517
	Total SF	988385
	Total Acres	22.69
	OS Req @33%	7.49

4. HOTEL FEASIBILITY

The Commission, in collaboration with the Cape Cod Chamber, hired Pinnacle Advisory Group to conduct a Hotel Feasibility Study to assess the market for further hotel development in the Upper Cape region of Cape Cod, including Mashpee. The consultant completed an inventory of existing hotel, motel, and bed and breakfast stock, including the number of rooms, price point, occupancy rates (peak season and annual average), and location of each facility. The consultant also provided an assessment of demand and preference trends in tourism to help gauge future demand for new facilities in the town and region.

The consultant submitted their final report on October 7, 2015. It included an assessment of need and recommendations for meeting that need in terms of types of facilitates, price points, and locations. The full report is included in the following pages.

On October 27, 2015, Rachel Roginski and Rosemary Rowen from Pinnacle presented their findings to representatives of the town, including the Assistant Town Manager, Town Planner and members of the Board of Selectmen. The presentation was followed by a question and answer session that allowed the town representatives to ask clarifying questions and discuss the findings as they relate to Mashpee.

Lodging Accommodation Demand Study

For the Upper Cape

Cape Cod, MA

Prepared for:

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Barnstable, MA 02630

October 7, 2015

Pinnacle
Advisory Group

Pinnacle Advisory Group
Boston New York Newport Beach Tampa Washington D.C.

Hospitality Consulting
Asset Management
Real Estate Appraisal
Litigation Support

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Principal

October 7, 2015

Paul Niedzwiecki
Executive Director
Cape Cod Commission
PO Box 226
3225 Main St.
Barnstable, MA 02630

Re: Lodging Accommodation Demand Study for the Upper Cape

Dear Mr. Niedzwiecki:

We have completed our research and analysis in connection with the Cape Cod Commission's request to determine if additional lodging accommodations are "needed" on the Upper Cape. The Upper Cape includes the towns of Bourne, Mashpee, Falmouth, and Sandwich. The recommendations for lodging accommodations are based on market demand, and not necessarily on financial feasibility. Additionally, our lodging recommendations address facility attributes including location, type, size, and price point.

Our analysis focused exclusively on hotels, motels, resorts, and bed and breakfasts. This study did not consider alternate lodging options that do not collect lodging tax, including home rentals, Airbnb, or similar facilities. Pinnacle Advisory Group reviewed general economic conditions and analyzed the lodging supply and demand characteristics in the subject market areas. Issues such as the seasonality of demand and the range of supply in terms of quality and pricing were key factors considered during our analysis. During the course of our analysis, we also interviewed various demand generators, numerous management representatives in the market area, and others familiar with the lodging trends in the Upper Cape to better understand the supply and demand dynamics in the local lodging market. The findings contained herein were based on field research conducted in July and August 2015.

As in all studies of this type, projections contained herein are based upon estimates and assumptions that are subject to uncertainty and variability. While we do not present the projected results as those which will ultimately be achieved, we have prepared them conscientiously based upon the most reliable forms of information available to us and our extensive experience in the lodging and real estate industries. We have no obligation, unless subsequently so engaged, to update this study because of events occurring subsequent to the completion of our analysis. Additional limitations regarding our research and projections are presented at the end of this report.

If you have any questions, or we can be of additional assistance to you, please do not hesitate to contact us at your convenience. Thank you for the opportunity to be of service to you.

Respectfully submitted,

Pinnacle Advisory Group

Pinnacle Advisory Group

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Introduction and Scope

Pinnacle Advisory Group was retained by the Cape Cod Commission to evaluate the demand for overnight accommodations. More specifically, the objectives of the Commission with respect to this study, and as outlined in the Request for Proposals (RFP) included: 1) a comprehensive inventory of existing lodging accommodations for each town located within the Upper Cape; 2) an assessment of the current demand characteristics including seasonal and annual occupancy and average daily rate achieved by lodging properties; 3) projections for future demand based on planned developments, coupled with new supply, within the Upper Cape; and 4) recommendations regarding demand for additional lodging facilities based on our research.

Scope of Research and Analysis

The work completed during our research and analysis included:

- Met with project organizers to better understand the Commission's objectives with respect to the project and to set project scope;
- Completed a comprehensive inventory of existing accommodations in the towns of Bourne, Mashpee, Falmouth, and Sandwich. This included all transient units, such as hotel, motel, and bed and breakfast inventory. The inventory includes the number of rooms, price point, amenities, published rates (peak season and off season where available), and location of each facility, and whether the property is nationally branded or locally owned lodging. Our research included data collected from the internet as well as phone calls to most properties.
- Interviewed members of the Chamber of Commerce and/or Planning Departments in each town, including:
  - Cape Cod Chamber of Commerce: Wendy Northcross, CEO
  - Sandwich-Chamber of Commerce: Jay Pateakos, Executive Director & Planning & Economic Development: Blair Haney
  - Mashpee Town Planner: Tom Fudala
  - Falmouth- Chamber of Commerce: Mike Kasparian, President & Assistant Town Planner: Heather Harper
  - Bourne-Cape Cod Canal Region Chamber: Marie Oliva, Executive Director & Town Planner: Coreen Moore

- Interviewed key representatives of demand generators within the towns of the Upper Cape, including:
  - Bourne
    - MA Maritime Academy – Denise Mcardle (Camps & Conferences Coordinator)
  - Mashpee
    - Mashpee Commons – John Renz (VP, Leasing and Operations)
  - Falmouth
    - Museums on the Green/Historical Society - Mark A. Schmidt (Exec Director)

      - Woods Hole Oceanographic Institute – Joanne Trump (Information Office) & Kathy Patterson (Ocean Science Exhibit Center manager) & Mary Ann White (AP Coordinator)
      - Marine Biological Lab – Professor Stefano Allesina (Head of new program partnership with University of Chicago)
      - Falmouth Aquatics – Jim Preisig (Chairman)
      - Falmouth Youth Hockey – Paul Moore (President)
      - Olympic Village development – Jody Shaw, CLSV (developer) representative
   - Sandwich
      - Heritage Museums & Gardens - Ellen Spear (President & CEO)
   - Other
      - Jim Berry: Appraiser with Cushman & Wakefield with extensive work on the Upper Cape
- Toured numerous lodging properties within each town in the Upper Cape and interviewed relevant management representatives to better understanding the dynamics of the local lodging market, including owners, general managers, and directors of sales for a sampling of properties in each town ranging from bed and breakfasts to a full-service resort which represented approximately 1/3 of all available rooms across property types;
- Compiled estimates of historical operating performance data (monthly occupancy and average daily room rate (ADR) where available) for lodging accommodations in the Upper Cape;
- Reviewed planned developments in regions of the Upper Cape to gauge potential future demand over the next 5 to 15 years;
- Researched and compiled information on new accommodations that are proposed, in planning, and/or under construction;
- Provided recommendations for meeting any needs identified, including providing the types of facilities, price points, and locations best suited for new or upgraded facilities, given the demand characteristics.
- Prepared supply and demand estimates for any identified additional lodging recommendations, by season.
- Prepared a written final report.

Executive Summary

Pinnacle Advisory Group was retained by the Cape Cod Commission to conduct a study to analyze lodging demand for the Upper Cape. Presented below is a summary of our findings and recommendations.

- There are 44 lodging accommodations in the Upper Cape with approximately 1,650 rooms. During the off season many lodging accommodations close, bringing the total inventory to approximately 1,300.
- The inventory of accommodations include 15 hotels, 9 bed and breakfasts, 18 motels, and two resort properties. Twenty seven properties are located in Falmouth, 11 in Sandwich, two in Mashpee, and four in Bourne.
- The Upper Cape region, similar to Cape Cod as a whole and other New England destinations, is a highly seasonal market; occupancy in the off season is up to 60% lower than those of the peak season. Average rates follow similar patterns, with discounts of 50% or more off peak season rates. During peak summer months of July and August, the average occupancy for the Upper Cape lodging supply is ~85%, during shoulder season (May and June, and September and October), occupancy averages ~60%, and during off season (November through April), the hotels that remain open average in the 20% range. Room rates vary dramatically by property type and season.
- Many properties close in the off-season due to the lack of demand and the costs to continue operating, including the difficulty in finding year-round employees.
- Overall lodging demand is comprised of ~90% leisure/tourists at the majority of lodging accommodations, with almost no corporate transient. Demand at the smaller sized accommodations is almost exclusively leisure/tourist, while the larger hotels with meeting space accommodate more groups (social, association, and corporate), outside of peak months when the leisure market commands a higher rate and group demand is not needed.
- There is a lack of upscale/upper upscale lodging accommodations in the towns of the Upper Cape. The largest resort property in Falmouth competes with upscale accommodations in the towns of Chatham and Brewster due to its prime beachfront location; however there is a perception among guests that differentiates the Upper Cape from the Lower Cape and makes competition difficult, particularly in the shoulder and off seasons.
- Demand for lodging accommodations in the Upper Cape is considered to be stabilized and the market is considered to be in a mature state. Without the addition of new demand generators to attract additional demand in the shoulder and off season, demand is projected to follow historical trends of monthly occupancies based on seasonality.
- The lodging market in the Upper Cape is well-established and follows the same patterns of seasonality year after year. Minor fluctuations may exist based on economic conditions and weather patterns. Without any new demand generators entering the market, there is no projected significant growth or corresponding need for additional lodging options. The overall trends in the local tourism industry are expected to vary in the future similar to historic levels.
- In Sandwich, there is a proposed large scale development for an indoor/outdoor sporting complex, and a general discussion of a similar development in Falmouth focused on aquatics; if these projects come to fruition, a market study for each specific location is recommended to determine the viability of an associated hospitality component. Specifically, to determine if there are inadequate lodging accommodations to support these developments, assuming that the projects generate sufficient demand for lodging.
- Needs for additional lodging accommodation is possible in conjunction with the development of new demand generators. Select-service properties (hotels without significant meeting space of

full food and beverage offerings), sized to fit the demand generated by the respective demand generators, would be the recommended property type. These additional accommodations would likely bring in induced demand – demand that has been previously unaccommodated the market due to lack of specific product – if branded due to their affiliations, and would accommodate primarily the needs of their respective venues. In the shoulder and off season, these properties could negatively affect the demand levels of existing properties.

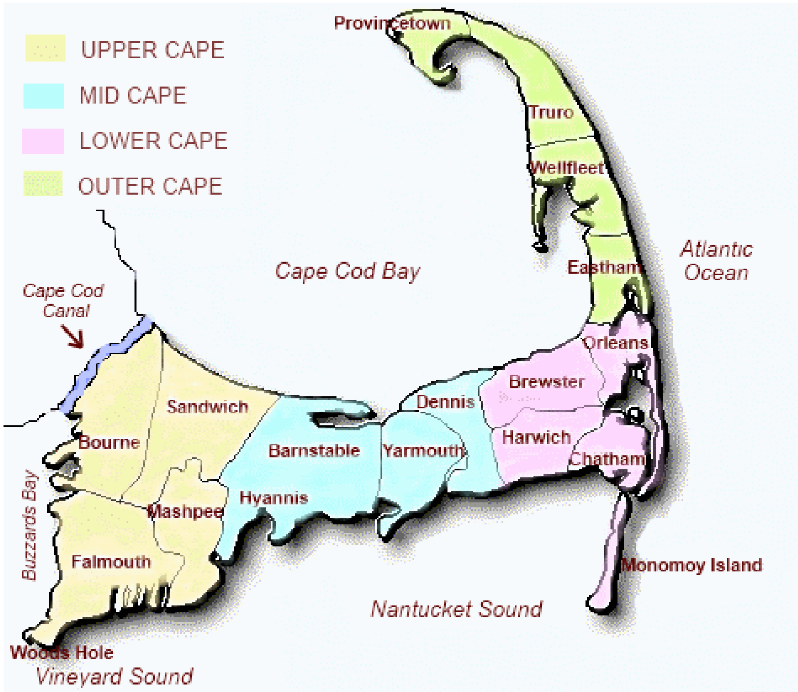
- A waterfront location is the most desirable attribute expressed by demand generators; however based on our conversations with planning departments, available land as well as development and zoning laws are restrictive for waterfront development at this time.

Towns of the Upper Cape

Overview

Cape Cod is a 65-mile-long peninsula in Massachusetts linked to the mainland by two bridges, the Sagamore Bridge and the Bourne Bridge. Barnstable County contains the 15 towns of Cape Cod. Dukes County consists of the eleven islands southeast of Massachusetts, and Nantucket County is the island and town of the same name. As of the 2010 census, the population was 216,902. Its county seat is Barnstable (Hyannis). Barnstable County borders Plymouth County to the northwest; off Barnstable County's southern shore are Dukes County and Nantucket County.

The below map provides an overview of the entirety of Cape Cod, and delineates the regions of the Upper Cape, Mid Cape, Lower Cape, and Outer Cape.



The Upper Cape region of Cape Cod encompasses the eastern part of the Cape and includes the towns of Bourne, Mashpee, Sandwich, and Falmouth. The map below outlines in more detail the regions of the Upper/Mid Cape. Note, this report does not include the town of Barnstable which includes Cotuit, Marstons Mills, and Osterville Villages.

Source: Cape Cod Chamber of Commerce; Cape Cod Commission

The towns of the Upper Cape region are characterized by more of a year-round population that other areas on the Cape, historical town centers, the Cape Cod Canal Region, beaches and seashore, and as a departure point for the islands. Major institutions in the Upper Cape include the Joint Base Cape Cod, Woods Hole Oceanographic Institute, the Marine Biological Lab, and the Massachusetts Maritime Academy.

There are a number of annual events that draw visitors to the Upper Cape region. A sampling of these festivals and events include:

- Bourne Scallop Festival: now in its 46th year, this festival that occurs over a weekend in mid-late September draws over 50,000 visitors to the Cape Cod Fairgrounds in Falmouth and features midway rides, live entertainment, and seafood.

- SandwichFest: in its 7th year in 2015, this late June annual street fair features arts and crafts, a beer and wine garden, and food tents competing for the best sandwich in Sandwich.

- Mashpee Powwow: 2015 was the 94th annual Pow Wow, held at the Cape Cod Fairgrounds in early July. The Powwow is a traditional celebration of Mashpee Wampanoag culture featuring Native American dancing, drumming, games, food, art, jewelry, wampum, gifts, crafts and clothing.

- Annual Quahog Day: this annual festival, in its 7th year in 2015, takes place in June at the Flying Bridge Restaurant overlooking the Falmouth Harbor. The mascot Doug the Quahog predicts how many sunny days lie ahead for the summer season.

- New Balance Falmouth Road Race: in its 43rd year in 2015, in August, over 12,000 runners gather in Woods Hole on Water Street and casual to elite runners take the course to the finish at the beach in Falmouth Heights.

The following sections discuss the characteristics of each town within the Upper Cape region, including major demand generators and any proposed or planned developments that could affect future lodging demand.

Bourne

The town of Bourne is the first town visitors encounter when officially arriving on Cape Cod; Bourne is located on both sides of the Cape Cod Canal. Bourne consists of regional roadways which travelers need to go through to access other parts of the Cape, making traffic issues a major concern for this area. According to information compiled by the American Community Survey (ACS) five year estimates, the population of Bourne was 19,729 as of 2013. Approximately 56% of the town's housing inventory is owner-occupied.

Bourne consists of nine separate villages; Bourne, Bourndale, Buzzards Bay, Cataumet, Gray Gables, Monument Beach, Pocasset, Sagamore, and Sagamore Beach. The town's main attraction is the Cape Cod Canal, a 17.4 mile long Canal which is the widest sea level canal in the world. The Canal features 3,000 acres of waterway and parkland, and has 14 miles of recreational banks that allow for outdoor activities including hiking, biking, and fishing. There are two visitor's centers, one located in Buzzards Bay and the other located at the base of the Sagamore Bridge. In 2014, the Buzzards Bay visitor's center had 29,756 visitors, while the Sagamore visitor's center had 98,462. The railroad station in Buzzards Bay is an active station for the Cape Cod Central Railroad.

According to the Town Planner, future development in Bourne is targeted for Buzzards Bay. There have been efforts to lessen the zoning and regional regulatory restrictions in this village to encourage future development. However, sewage treatment capacity remains a major limitation to future projects. Current projects in the Growth Incentive Zone include a 106-room assisted living facility and a proposed 101-room hotel. Preliminary plans for the hotel include a four-story property with the possibility of meeting space, as proposed by developer's engineering company Horsley Witten Group, Inc.

The town's major demand generators are outlined below:

- *MA Maritime Academy* – The MA Maritime Academy is a four year, co-educational state university located in Buzzards Bay. The Academy has an enrollment of close to 1,400 and offers bachelor and master's degrees in liberal arts and sciences along with technical and professional studies. Founded in 1891, the Massachusetts Maritime Academy is the oldest continuously operating maritime academy in the country.

- *Joint Base Cape Cod* – The Joint Base Cape Cod (formerly known as the Massachusetts Military Reservation) encompasses ~21,000 acres in the Upper Cape. Organizations located on the base include the Massachusetts Air National Guard's Otis Air National Guard Base, the US Coast Guard's Air Station Cape Cod, the Veterans Administration Cemetery, the US Air Force's Cape Cod Air Force Station, and the Massachusetts Army National Guard's Camp Edwards. In addition, there are numerous other tenants on JBCC with affiliation to federal, state, and county entities.

- *Cape Cod Canal* – As previously mentioned, the 17.4- mile long Cape Cod Canal offers miles of scenic recreational areas suitable for a variety of recreational activities. The Army Corps of Engineers maintains the Cape Cod Canal Visitor Center which introduces visitors to the history, features, and operation of the canal.

Sandwich

Sandwich is characterized as a historical town; it was incorporated in 1639 and is the oldest incorporated town on Cape Cod. According to information compiled by ACS, the 2013 population of Sandwich was 20,615. Approximately 69% of the town's housing inventory is owner-occupied. The town's major demand generators are outlined below:

- *Heritage Museums and Gardens* – The Heritage Museums and Gardens features 100 acres of gardens, trails, and special exhibits, along with a vintage carousel and arts, artifacts, and antiques. The museums and gardens are open from April through October, and Fridays, Saturdays, and Sundays between Thanksgiving and Christmas. The attraction brings roughly 110,000 visitors annually, with the majority of visitors coming in July and August. Between Thanksgiving and Christmas, approximately 12,000 visitors come for holiday themed events and exhibits. The Heritage Adventure Park, which opened in 2015, features zip lining courses open in the spring, summer, and fall. The Heritage Museums and Gardens also hosts special events including weddings and corporate retreats. Typically, 15 weddings are hosted annually, primarily during summer weekends.
- *Sandwich Glass Museum* – The Sandwich Glass Museum is located on Main St., Sandwich, across from the Town Hall. The museum is closed in January and open Wednesdays through Sundays in

February and March, and open daily the remainder of the year. The Museum features rare glass including original works from the Boston & Sandwich Glass Company, which ceased glass making in 1888. The museum features various exhibits and demonstrations, including glassblowing.

In Sandwich, a new visitor's center is being constructed on Route 130. This 1,000 square foot center will be comprised of the Chamber of Commerce office as well as the visitor's center. The center will be staffed year-round versus the existing center which is staffed by volunteers seasonally, which will better serve the goal of the Chamber to make Sandwich known as more of a year-round destination.

While not a demand generator, another important development in the town of Sandwich is the building of a third energy reactor by NRG. According to the Town Planer, this project will generate $3 million in tax revenue for the town.

Potential Future Development

- Sandwich Sports Complex:

  A sporting complex has been proposed for South Sandwich village. The project is currently in the due diligence phase for its permitting. The scope of the complex is a 56-acre parcel that would include athletic buildings including a natatorium for swimming and diving events in the winter, and ice rink that could serve basketball uses, and an AstroTurf field that would support indoor soccer. Additionally, the complex would have six baseball and four outdoor soccer fields. Part of the master planning includes two hotel projects; one larger "sports" hotel that is proposed at 200 rooms, and a small, more boutique 100-room "spa" hotel.

  According to the Town Planning Department, the permitting phase of the project would likely take 12 to 18 months, and the indoor fields and baseball parks would be completed first, followed by the hockey rink and the pool. The hotel component, if determined feasible, would likely be the last stage of the development.

- Sandwich Marina District:

  A 22.5 acre parcel has been evaluated for a masterplan vision for the area around the marina at East Boat Basin in Sandwich. The overall site is bound by Ed Moffit Drive to the west, Gallo Road and Town Neck Road to the east and the railway easement adjacent to Tupper Road to the south. The masterplan includes improved access to the area, a mix of uses to attract both area residents and seasonal visitors, focusing on more intensive uses along the waterfront and the preservation of natural areas. Potential improvements identified include a mix of residential, commercial, hospitality, and civic uses.

Mashpee

According to the ACS, the 2013 population of Mashpee was 14,000. Approximately 51% of the town's housing inventory is owner-occupied.

New Seabury is a community located in the south portion of Mashpee. The community includes condominiums and the Popponesset Marketplace. A development named "Southport" consists of 750 retirement condominiums, which are scheduled to open in 2017. According to the Town Planner, there is land that is permitted for commercial development which is currently undergoing legal issues.

Developments in progress in Mashpee include an assisted living center named the "Bridges at Mashpee" which is scheduled to open soon, and a second assisted living center, "Northbridge" which is currently in the permitting stages.

The town's major demand generator is:

- *Mashpee Commons* – Mashpee Commons is an open-air shopping center located at the intersection of Route 151 and 28 in Mashpee. The center is open daily and features numerous shopping and dining options.

Future Development

- Mashpee Commons Expansion: Currently, Mashpee Commons is undergoing an expansion. Total expansion plans include 382 residential apartment buildings and single family homes. The units are in addition to the 40 apartments that currently exist. Plans call for 50 total units to be built in Phase I which is expected to be completed in the next two years. According to the developer, depending on the market, an additional 25 to 50 units would be built annually thereafter. There will also be smaller retail, such as real estate offices, insurance offices, and potentially two restaurants. A hospitality component is also desired by the developer.

Falmouth

The Town of Falmouth is located in the southwestern part of Cape Cod and is the second largest town on Cape Cod. Falmouth encompasses eight separate villages: Falmouth, East Falmouth, West Falmouth, North Falmouth, Woods Hole, Waquoit, Hatchville, and Teaticket. According to information compiled by the ACS, the population of Falmouth was 31,591 in 2013. The towns demographic tends to be an older, retired population, along with second home owners and families. According to the ACS, approximately 60% of the town's full time population is older adults, with 28% of the town's population over the age of 65. Reportedly, the town's population triples in the summer months as visitors flock to vacation spots along the seashore. Approximately 50% of the town's housing inventory is owner-occupied.

Falmouth is an ideal base for taking day trips to areas such as Martha's Vineyard, Newport, and Nantucket. Falmouth is well known for its warm water beaches, traditional, walkable, Main Street village with popular boutiques, restaurants, and historic village green. According to the Chamber of Commerce, Falmouth competes with areas such as the Berkshires for regional visitors who are coming for two day vacations. In the shoulder season, European visitors will stay for up to a week in the area, and take advantage of the downtown area shopping, museums, and beaches.

Falmouth has been granted $1.4 million from the State Department of Transportation to renovate the historic Falmouth Station train depot. The project will include a new visitor's center and a functional bus station. The Station is located in Falmouth's cultural district, and is walkable to Main St. and easily accessible to the area's Shining Sea Bikeway, a popular 22-mile bike path that stretches from North Falmouth to Woods Hole. The satellite visitor's center is projected to be open within the next two years.

The town's major demand generators are:

- *Museums on the Green* – The Falmouth Museums on the Green consist of four museum buildings and two acres of gardens; the 1730 building, 1790 building, the barn/visitor center, and the cultural center. The cultural center was built in 2012 and hosts public events as well as private events such as small weddings and corporate retreats. The research center and cultural building are open year-round, where the historic houses are open Memorial Day through Columbus Day. According to the Executive Director, in 2014 the museum had 10,500 visitors, with the majority visiting from July 4th through October 1st. Private events at the cultural center are now booking one year ahead, and weekends are booked in 2016 from May through November. Weddings make up approximately 25% of the private event bookings, with other smaller events such as birthday parties and showers, and small corporate group meetings making up the remainder. Guests for these events are referred to the local Chamber for lodging accommodations and reportedly use the Inn on the Square.

- *Falmouth Youth Hockey* – In June of 2012, a new sports complex opened in the Falmouth Technology Park. The Ice Arena hosts several ice hockey leagues and tournaments throughout the year and could induce future hotel demand into the area. According to President Paul Moore, the complex brings a number of tournaments to the area from the late Fall until late spring, creating demand on weekends. Additionally, there are number of summer programs and leagues hosted during the summer months.
- *Woods Hole* – Woods Hole is a village on the southwestern corner of Falmouth. The area draws visitors for shopping, museums, educational institutes, and the ferry to Martha's Vineyard. The primary ferry service to Martha's Vineyard is run by the Steamship Authority, which docks in Woods Hole and serves Oak Bluffs and Vineyard Haven in the peak season, and Vineyard Haven in the off season. Ferries run throughout the day starting at 6 am and the last ferry returning at 10 pm. The journey on the ferry takes about 45 minutes.
- *Woods Hole Oceanographic Institute* – The Woods Hole Oceanographic Institute is the world's largest, private, non-profit oceanographic research facility studying all aspects of the ocean. The Institute employs over 1,000 people, including scientific and technical staff, ships' crew and officers, and a variety of scientific, service, and administrative support staff. According to the information center and center exhibit center manager, the visitor's center has approximately 5,000 visitors annually, with approximately 1,500 in the months of July and August. School groups are accommodated in the spring and the fall. The Ocean Science Exhibit Center reportedly has between 22,000 and 25,000 visitors annually, including a number of bus tours.
- *Marine Biological Lab* – The Marine Biological Lab (MBL) is a private, nonprofit institution founded in Woods Hole in 1888. The MBL has approximately 250 year-round employees, and more than 300 visiting scientists, summer staff, and research associates from institutions around the world who join in the summer months. The MBL's intellectual culture has developed in part through its renowned summer programs, which attract more than 1,700 scientists and advanced students from around the globe each year to participate in intense, transformative research and advanced-level courses in a range of biological subjects. The lab has a year-round staff of more than 300 employees, about half of which are scientists and scientific support personnel working in fields ranging from microbial evolution and cellular mechanisms of camouflage to ecology and global climate change.

  As of June 12, 2013, the Marine Biological Laboratory and the University of Chicago agreed to form an affiliation. With the University of Chicago affiliation, the MBL is expected to experience an increase in visitation over the next several years. According to the Director of the program partnership with the University of Chicago for undergraduate pilot program, the partnership is beginning with 90 students and 10 professors coming to Woods Hole for a week in early September. The program is expected to continue annually with approximately the same number of attendees, and depending on its success, there is a possibility of adding additional programming partnerships.

Future Development

- <u>Falmouth Aquatics/Olympic Village</u>

Falmouth officials are in the process of master planning for an overall vision of possible uses for a 31-acre parcel off Route 151 in Falmouth. The privately-owned property, currently vacant, is reviewing concepts for creating an "Olympic Village" on the site. According to our discussion with Jody Shaw, representative for the developer, there would need to be a commercial component to make the project viable, as it is anticipated that the land for the recreational and potential hotel uses would likely be donated or heavily discounted, and the developer would need to have some sort of retail component with rent income to make the project work. Mr. Shaw noted that this commercial space might be in the range of 80,000 square feet.

Falmouth Aquatics is a nonprofit group looking to build a large-scale swim and wellness center. The proposed development would include a 51,000 square foot aquatics enter, with a total requirement of 10 acres to satisfy open space requirements. According to the Chairman of Falmouth Aquatics, the center is needed in the area to attract additional demand to the area through tournaments, as well as to enhance the quality of life for local residents who do not currently have access to a swimming facility anywhere on the Upper Cape. The Swim center at the MA Maritime Academy is reportedly not large enough to accommodate the types of tournaments and events that the group envisions.

The Aquatic Center proposes that the majority of the tournaments hosted would take place from October to March, the traditional "off-season" for the Cape region. Swim meets would typically include Friday through Sunday patterns, with 350 swimmers. While no specific studies have been done to date as to the total potential number of events and attendees that the center would bring, organizers compare the project to the Upper Valley Aquatic Center in Whitewater, VT, as well as the Swimming Hole in Stowe, VT.

In terms of potential timing, the project is currently looking to identify and secure a site for the Aquatic Center. Once a site has been secured, the project organizers expect that they could be operational within three to four years.

Lodging Market Analysis - Supply

Method of Data collection

In order to evaluate the current and prospective status of the lodging industry in the Upper Cape, it is important to define a competitive supply of properties that accommodate demand. To identify the existing lodging accommodations within the towns of the Upper Cape, we researched the respective Chamber of Commerce websites, along with the Smith Travel Research inventory of properties. Online research, complemented with phone calls and in-person inspections, allowed us to compile a comprehensive list of existing inventory within the Upper Cape.

We compiled a comprehensive spreadsheet, by town, with information on each property, including (where available) name, address, phone number, number of guest rooms, owner, type of property, quality scale, type of location, seasonal or year-round available, published rates, and any amenities (restaurant, meeting space, pool, fitness center). The spreadsheet is presented as a separate attachment to be reviewed in conjunction with this report.

Existing Supply within the Upper Cape

We have identified 44 different lodging accommodations in the towns of the Upper Cape, ranging from bed and breakfasts to resorts. There are a number of bed and breakfasts with three guest rooms; however, since these properties are not required to pay a lodging tax and often sell their guest rooms via alternate channels such as Airbnb, we have not included these properties in our analysis. Out of the total lodging supply, 25 properties are open year-round, while 19 operate on a seasonal basis. There are a total of 15 hotels, 9 bed and breakfasts, 18 motels, and two resort properties. Only two properties, the Holiday Inn Falmouth and the Quality Inn Bourne carry national brand affiliations; the remainder of lodging accommodations are independent. The lodging supply in the Upper Cape is aged; the majority of properties were opened in the 1950's through the 1980's. Properties within the towns of the Upper Cape vary widely in their quality level; we have noted within each town the breakdown of properties by type, to include economy, midscale, upscale, and luxury, based on their physical characteristics as well as perceived level of service.

Bourne

Inventory in Bourne includes four economy and midscale properties. The 43-room Quality Inn is the only branded property in Bourne, and is the largest property in the area. Accommodations in Bourne exist both sides of the Cape Cod Canal. The other hotel property in Bourne is the 40-room All Seasons Inn & Suites (formerly the Knights Inn Bourne), which operates year-round. The 17-room Bay Motor Inn operates seasonally in Buzzards Bay, and the four-room Sand Dollar Bed & Breakfast is open seasonally in Sagamore Beach. There are small bed and breakfast operations which have not been specifically included in this report as properties with three rooms or less do not pay lodging tax. However, we spoke with one such seasoned operator who noted that a bed and breakfast association existed historically; however, reportedly business has declined significantly in recent years and the association no longer exists.

Sandwich

Lodging supply in Sandwich consists of 11 properties comprised of six motels, three bed & breakfasts, and two hotels, consisting of economy through upscale class ratings. The majority of accommodations are located around the town's historic downtown district, or along Route 6A which travels east/west along the northern edge of Cape Cod. The largest and most upscale property is the 48-room Dan'l Webster Inn & Spa, located on Main St. The Belfry Inn and Bistro is a unique property housed in a former church built in 1902. Properties along Route 6A are comprised mainly of exterior corridor motels.

Mashpee

Lodging supply in Mashpee is very limited. Accommodations consist of two independent motels classified as economy level properties. According to the Town Planner and other lodging operators, one of the lodging properties currently serves as more of a long-term, low income rental unit facility, rather than accommodating traditional lodging uses. The 18-room Santuit Inn is considered the only property operating in the true sense of a transient lodging accommodation. This exterior-corridor motel located directly off of Route 28 north of Mashpee Commons, is closed January through March.

Falmouth

Falmouth has the largest inventory of lodging accommodations of all of the towns in the Upper Cape, with a total of 27 lodging properties from bed & breakfasts to a full service resort property, ranging from properties classified as economy up through luxury. The town has varying demand generators and landscapes, from the beach in North Falmouth to the heavily concentrated Main St. downtown area, to Woods Hole in the south east corner of the Cape.

The 266-room Sea Crest Beach Hotel is the largest property, and recently underwent a multi-million dollar renovation, completed in 2014. The resort is located in North Falmouth on Old Silver Beach and benefits from a prime waterfront location. While the Sea Crest Beach Hotel is the only true resort property, we have also classified the 37-room Mariners Point property as a resort due to the private beach and its recreational facilities.

In addition to the Quality Inn in Bourne, Falmouth has the only other nationally branded lodging property in the Upper Cape, the 98-room Holiday Inn. There are a total of 11 properties classified as hotels that were identified in Falmouth.

Motels represent 9 lodging accommodations in Falmouth. Motel properties are located throughout Falmouth, from the beach areas to downtown to Woods Hole.

There are currently five bed & breakfast properties located in Falmouth. According to an interview with one bed and breakfast operator, due to increased competition from Airbnb, half of the bed and breakfast accommodations in Falmouth have closed in the last five to seven years.

New Supply

During the course of our fieldwork, we interviewed Town Planning Departments, Chambers of Commerce, and local developers from the communities within which the competitive hotels operate to ascertain the status of any on-going or proposed hotel developments. The following section outlines our findings for any proposed or potential new hotel development in each respective town of the Upper Cape.

Bourne

- In Buzzards Bay, there is a proposed hotel for the Main Street area, within the Growth Incentive Zone. The site is located at 25 Perry Street. The developer's engineering group, Horsley Witten Group, has identified the proposed hotel to be a four-story, 101-room hotel with some meeting space. The proposed hotel has been discussed as a potential Hampton Inn. As of the writing of this report, the project had not yet been presented to the planning board, and as such, is very preliminary in status.

Sandwich

- In conjunction with the proposed sports complex as previously discussed, there are two hotels proposed; one nationally branded, 200 rooms hotel referenced as a "sports" hotel and a second, 100-room high-end "Spa" hotel. According to the town planner, plans are very preliminary and further market studies would be done to determine demand for the projects as proposed.

Mashpee

- We did not identify any imminent hotel projects within the town of Mashpee. According to the developer of Mashpee Commons, there was a 125-hotel permitted for a parcel on the east side of Route 28 south of Mashpee Commons; however the project as proposed did not fit the overall vision for the development. The developer indicated that a boutique hotel would be desired near Trout Pond or alternatively at the Town Common across from the library, but there are no projects that have been proposed.

Falmouth

- Cape Club – formerly Ballymeade Country Club: The Cape Club by Troon is currently undergoing renovations to its clubhouse and course. Formerly, a 125-room hotel project associated with the golf course and country club was being considered. According to those familiar with the development, a hotel is no longer in the planning stages. Alternatively, the club is looking to develop between 8 and 12, 4-bedroom, rental cottages to satisfy the needs of golfers and guests of weddings and other special events taking place at the club.

- SpringHill Suites, Main St. – a 110-unit SpringHill Suites is currently being considered for a 2-acre parcel at the corner of Main St. and Lantern Lane. The property would offer an indoor and outdoor pool, 1-2 meeting rooms, a fitness center, and a business center within the lobby area. The hotel would offer complimentary breakfast to guests in addition to free wireless internet access. The site is located within walking distance of the quaint shops and restaurants located in the center of Falmouth. The location would also provide guests easy access to the area beaches as well as the Woods Hole ferry to Martha's Vineyard. A rendering of the project is pictured below:

According to the Town Planning department, the project was attractive in its possibility of accommodating off-season demand as a nationally-branded hotel. As of the writing of this report, the project was brought before the Cape Cod Commission in a September 3rd hearing, during which the project was rejected as proposed, mainly due its massing on the site. It is expected that appeals will be filed.

Lodging Market Analysis - Demand

Method of Information Collection

During the course of our fieldwork, we obtained operating statistics for select properties in each town of the Upper Cape, and where possible, we conducted in-person interviews with on-site management and various ownership entities. Due to the fact that typically only branded properties report their occupancy and average daily rate statistics to Smith Travel Research, the available operating performance was limited to that of the Holiday Inn Falmouth and the Quality Inn Bourne. As such, our analysis relied on in-person interviews with operators and those familiar with the seasonal demand patterns specific to the Upper Cape. Our findings are presented in the following sections.

Historical Demand

Barnstable County Overall Lodging Performance

The chart on the following page outlines the historical (2012 through year-to-date April 2015) occupancy and average daily rate for lodging properties in Barnstable County as a whole. It is important to note that this data, compiled by the Chamber of Commerce, was derived from properties that contribute to Smith Travel Research, and as such, represents only a sampling of lodging accommodations on Cape Cod. Still, the monthly metrics provide a framework that illustrates the seasonality of the region on a whole.

Barnstable County Average Daily Rate

	2015	2014	2013	2012
January	$ 95.80	$ 90.90	$ 88.93	$ 84.98
February	$ 100.91	$ 103.27	$ 94.50	$ 93.88
March	$ 100.46	$ 96.89	$ 93.80	$ 92.06
April	$ 112.78	$ 107.47	$ 104.19	$103.65
May		$ 127.91	$ 124.55	$125.52
June		$ 163.47	$ 156.77	$152.16
July		$ 229.58	$ 216.74	$206.45
August		$ 244.01	$ 230.00	$219.23
September		$ 149.61	$ 144.45	$142.27
October		$ 129.65	$ 121.22	$118.46
November		$ 113.58	$ 102.47	$ 99.84
December		$ 103.57	$ 96.91	$ 92.44

Source: STR
Note: occupancy and average faily rate presented during months when reporting properties are open

Barnstable County Occupancy

	2015	2014	2013	2012
January	33.5%	30.8%	29.3%	28.3%
February	34.9%	35.3%	40.1%	35.2%
March	49.4%	33.9%	34.2%	37.9%
April	44.2%	44.6%	40.1%	42.4%
May		55.9%	52.9%	51.0%
June		65.8%	66.1%	69.1%
July		77.6%	78.0%	77.2%
August		74.8%	85.0%	82.0%
September		67.9%	67.2%	68.8%
October		57.5%	58.3%	57.7%
November		39.6%	40.0%	38.8%
December		32.0%	33.3%	31.1%

Source: STR

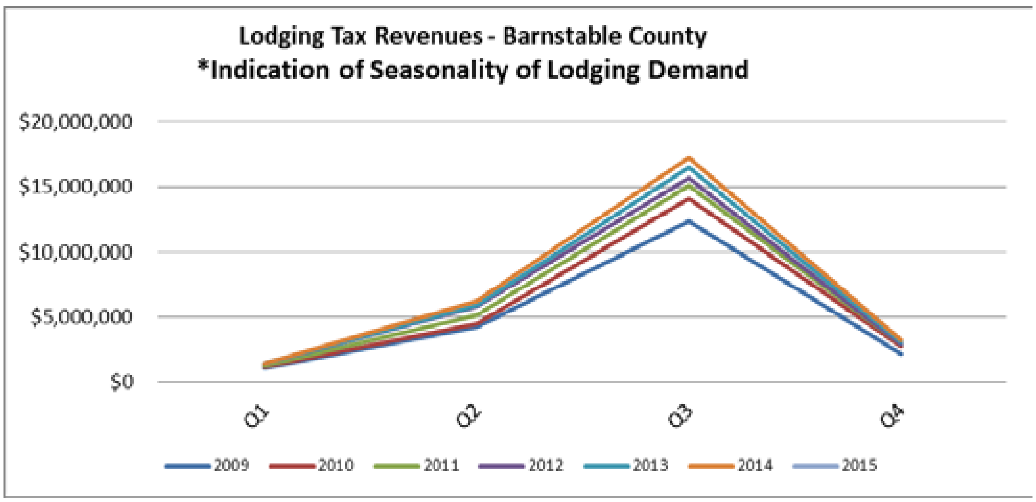
Generally, the peak demand period for tourism on Cape Cod begins on Memorial Day and lasts through Labor Day, similar to other seasonal markets in New England. Fall foliage draws visitors on the weekends through October. Winter months tend to have very low occupancies for the majority of lodging properties and often business levels do not make it possible for properties to stay open year-round.

Year-to-date as of June 2015 occupancy and average daily rate information was also obtained through Smith Travel Research. This data represents 22 properties that report their performance, out of a total inventory of 194 properties. Corresponding reporting rooms are 2,659 out of a total census of 10,834.

	Year to Date - June 2015 vs June 2014											
	Occ %		ADR		RevPAR		Percent Change from YTD 2014					
	2015	2014	2015	2014	2015	2014	Occ	ADR	RevPAR	Room Rev	Room Avail	Room Sold
Barnstable County, MA	49.7	46.9	132.89	127.79	66.00	59.94	5.9	4.0	10.1	9.4	-0.6	5.2

Source: Smith Travel Research

We attempted to obtain lodging tax revenues by town from the State Department of Revenue; however, we were informed that this information is not compiled nor can be disclosed due to confidentiality restrictions. The lodging tax information that we attempted to collect by town was not consistently available, and as such, we have presented the overall Barnstable County lodging tax revenues from 2009 through first quarter 2015. The graph clearly illustrates the seasonality of demand and its consistency from year-to-year.



Upper Cape Historical Occupancy and Average Rate Performance

Seasonality

While the towns of the Upper Cape may be thought of as less of a true seasonal market than other areas of the Cape that are more dependent on beach related activities, general consensus and observed patterns from lodging operators do indicate that there is a distinct seasonality to lodging demand. Traditional tourism accounts for the majority of demand from July fourth through Labor Day, which represents the peak occupancy periods for lodging accommodations. According to our interviews with the Chamber of Commerce, as well as many lodging operators, within this time period, many accommodations are not filling to capacity. Increasingly, the booking window, even for peak periods, has lessened; reportedly the booking window for July at one upscale property was one week or less. July 4th weekend, and the first two weeks of August are the true peak periods where a majority of properties are sold out. Following Labor Day, families without children, and European visitors represent the main sources of tourism for the region, through Columbus Day. Fall foliage and favorable weather draws weekend visitors, and around the holiday period (Thanksgiving through Christmas), local events and the visiting of family and friends draw some lodging demand, though well below that of the summer months. According to the Cape Cod Chamber of Commerce, there are ongoing efforts to stretch the traditional peak season through family activities. January through March are the lowest demand periods of the year, when operators either close or run on abbreviated schedules and use this time to do maintenance and upkeep on their properties.

Occupancy and Average Daily Rate

Occupancy on the Upper Cape follows similar patterns as the Cape as a whole, as previously illustrated. Average daily rate follows a similar pattern to occupancy, as operators heavily discount room rate in attempts to boost occupancy levels outside of the peak demand periods. The highest average daily rates are obtained in the months of July and August, peaking slightly over $200 at the upscale properties in the market mid $100s for the lower rated economy properties. In the months of June and September, rate decreases of $60 to $70 below the peak months are common. The month of October falls slightly below the rates in September. Outside of these months, if operators remain open, average daily rate drops significantly, and it is common for rate to be 50% discounted with resulting RevPARs (Revenue Per Available Room) up to 85% lower than that of the peak months.

Based on operating statistics that we were able to collect from lodging accommodations, the below chart outlines estimates of overall monthly occupancy for lodging properties in the towns in the Upper Cape.

Estimated Monthly Performance -Upper Cape Comp Set

Month	Occupancy
January	21%
February	21%
March	23%
April	41%
May	50%
June	57%
July	79%
August	87%
September	69%
October	52%
November	28%
December	26%
Average/ Total	**46%**

Source: Pinnacle Advisory Group

Note: Occupancy projections represent inventory that is open

Market Mix

Based on our interviews, while we did identify some demand that could be classified as corporate demand, the primary segment of demand is leisure. There is very little (under 5%) of demand that could be classified as corporate transient demand; operators note that the majority of this demand that does exist on Cape Cod stays in accommodations in the commercial center of Hyannis. Corporate demand from the scientific community, which includes recruiting for various positions, tends to use rentals homes due to the fact that there is no lodging tax and kitchen facilities are desirable for these types of stays which tend to be longer in duration. In Falmouth, there is some government related demand that is accommodated, primarily in the off season, as there are few properties that are large enough to accommodate this demand of ten to 15 rooms in a group during the months of May through October when higher rated leisure demand is more desirable. Group demand is limited on the Upper Cape due to the type of lodging accommodations that exist. They have little meeting space, other than the Sea Crest Beach Hotel, which has 30,000 square feet of meeting space. This hotel accommodates association business and SMERF (Social, Military, Educational, Religious, and Fraternity Groups) which come locally and regionally and stay patterns are based on each group's rotation schedule. Group business is accommodated mid-week. According to one operator, there is strong competition from group business from other properties as meeting planners and corporate groups tend to think of a "Cape Cod" destination as locations in Chatham and Brewster. Overall, it is estimated that 90-95% of demand is considered leisure, including social group (wedding) demand.

Lodging Demand by Town

Towns of the Upper Cape benefit from some local (within driving distance) demand during the months of February and April, when schools have their winter and spring breaks. Due to the relatively close distance of destinations in the Upper Cape as compared to the Lower and Outer Cape, while not robust, lodging accommodations do receive some business from families looking for an accessible, affordable vacation.

> *Bourne* – As previously discussed, supply in Bourne is limited to two hotels, a bed and breakfast, and a motel, limiting available historical operating performance. Based on our in-person interviews, demand for lodging in Bourne is limited by the lack of support amenities (such as quality food and beverage establishments) and the traffic in and around the bridge areas. Guests stay in the area for a specific purpose, rather than traveling to Bourne as a destination in itself. Weekend demand is generated by weddings. The MA Maritime does generate some need for lodging accommodations; however, according to operators that we spoke with in the area, demand is limited mainly to large events such as graduation weekend and parents' weekends. The Academy holds camps and conferences; however according to the director, overnight visits are not hosted unless guests are part of the Coast Guard or a specific program, indicating that there is not a significant amount of overnight lodging demand.
>
> Additionally demand in Bourne is generated from those visiting friends and family and attending events such as reunions or special events like the Pan Mass Challenge. August is the peak month and is typically booked further out than other months in the peak season. Based on our research, occupancy in the town of Bourne reaches the upper 50%s, with a rate in the low $120s. Properties over the bridge (i.e. in Bourne) can command a rate premium to those located in Buzzards Bay.
>
> *Sandwich* – According to operators that we spoke with, the season in Sandwich extends from April to December, with seasonal patterns during this time period. The months of April through June, and September and October bring a higher concentration of European tourism. Also, as these tend to be the months where guests from cities within a relatively short driving distance (such as

Boston) might come for a weekend getaway, demand is highly dependent on the weather. Bus tours provide some weekday demand; typically this segment tends to stay for patterns of four nights in the months of May through October. September and October are the peak months for wedding demand on the weekends, as well as demand for guests in the area to see the fall foliage, including Canadian and European travelers.

Demand is reportedly not as strong as in prior years; for example, according to one operator, occupancy in the month of July 2015 was down close to 15% to that of peak historical years. Weekdays are difficult days to attract demand, even in the "peak" season. This demand includes construction and utility workers and crew demand, as well as those who may live in the area but are undergoing home construction projects.

According to the Heritage Museums and Gardens event planner, guests stay in lodging properties such as the Dan'l Webster Inn, however pricing in the summer months can be prohibitive at $250 per night. Guest speakers, performers, consultants, and donors also visit throughout the year and reportedly need accommodations that cost around $175 per night. A small number (roughly 10 to 15) of such visitors are brought in in a typical year. In addition to this demand, the Museums and Gardens also host larger groups, such as the recent international Hydrangea Seminar, which brought approximately 75 people to the area. Guests for larger groups such as this have utilized the Cape Codder for accommodations. The center only accommodates these types of groups once per year, as organizers note that it is too costly to transport attendees to and from lodging, due to the lack of a large enough property to accommodate the group close to the museum.

Our research indicates that occupancy in Sandwich is below 20% in the winter months of November through March, in the 40% range in the months of April through June, mid 70's% in July, peaks in August around 85%, dips to the 60% range in September, and falls dramatically into the 20% range after Columbus Day, with a slight increase to the mid-20's% around the holiday period with families visiting. Multiple operators noted that the historical "high" season has eroded due to the second home market and alternate accommodations available on Airbnb, and the peak month of August is not bringing demand levels to cause properties in the market to sell out.

Mashpee – Based on our interviews, demand in Mashpee is extremely seasonal, with occupancies in the low 20% in the low season, to close to 90% in August, the peak month. While August benefits from some leisure tourism demand, the remainder of the months rely on lower rated business including construction crews, long term relocations, and those attending events in the area such as a wedding, reunion, or funeral.

Average rate follows a similar pattern to occupancy, with a difference of roughly $100 between the peak and low season rates.

Falmouth – Based on our interviews with local operators across a variety of lodging accommodation types, the area's demand patterns are indicative of a classical New England seasonal market. While July and August are the peak months for tourism, properties are not necessarily filling to capacity with mid-week demand. In the peak season, different types of lodging properties accommodate different types of travelers (i.e., those who want a resort versus and bed and breakfast versus a motel); however in the off season, it is more common for lodging properties across levels to compete for the same base of customers who are looking for low-priced accommodations. Mid-week demand, similar to Sandwich, is buoyed by motor coach tours. International guests represent up to 20% of overall demand at some properties, and this segment visits Falmouth in the shoulder months of April and October. In addition to international demand, shoulder season demand is characterized by couples without children and retired couples. The Joint Base Cape Cod generates limited demand that is accommodated at low rates in January through March with off-season project based guests, typically work crews who stay at properties in the area for extended stays (multiple weeks at a time). Properties in Woods Hole benefit from the ferry to Martha's Vineyard. Visitors may stay in the area for two to three days at a time and take day trips to the Vineyard. Additionally, some hotels benefit from passengers who are stranded due to weather conditions when the ferry does not run.

In addition to the tourism demand, the Oceanographic Institute has some need for overnight lodging accommodations. This includes vendors who come to meet with scientists, visitors from other similar institutions, and interviewees who might come to the area for up to one week. According to the Institute, these guests use hotels in the area including the Inn on the Square, Holiday Inn, Coonamessett, and the Woods Hole Inn. While the Institute has need for hotel rooms on a year-round basis; reportedly, it does not typically run into availability issues for their guests. According to our interviews with operators, demand coming from the Institute is very rate sensitive and needs to be accommodated in the peak months when it is not desirable at the rate required. Additionally this demand was affected by the sequestration and can fluctuate. Overall demand attributed to the Institute was estimated at under 3,000 room nights annually on a whole.

As previously discussed, the Marine Biological Lab's undergraduate program partnership with the University of Chicago could bring in some additional demand for lodging. The pilot program including 90 students and 10 professors expects that most will be lodged at the Marine Biological Lab; however the program director noted that there could be some demand for lodging related to this program. Depending on the success of this program, there is potential for additional programs to be expanded.

According to the President of the Chamber of Commerce, Falmouth's ability to attract more true tourism is inhibited by its lack of modern, quality accommodations. While the town does have a handful of more upscale properties, the majority of inventory is aged and the town lacks true luxury product to compete with other areas on the Cape. However, general consensus among operators was that in order for demand levels to increase above what they have been historically, a significant new demand generator would need to be added to the market. Coupled with the increased competition that operators feel from second home rentals and Airbnb, demand is not projected to grow above current levels.

Similar to demand patterns in other towns on the Cape, lodging operators in Falmouth indicated that even the top operators are not operating at full capacity during the peak months. In the month of August, there is a lack of business at the end of the month when all schools other than Massachusetts resume prior to Labor Day and operators struggle to fill. During the shoulder, and particularly during the off-season, operators that remain open are forced to drastically cut their rates to attract demand, putting significant pressure on properties that were somewhat lower rated even during peak season. Even those properties which command the highest average daily rates in the peak season reportedly use packages and discounts such as Groupon to attract demand in the off season, with rates at a 50% or more discount to their peak summer rates. Properties closer to beach locations experience slightly higher occupancies, as demand stretches further into the shoulder season while temperatures remain favorable and visitors are staying during the weekends.

Based on our interviews with lodging operators, a sharp increase in occupancy begins at Memorial Day and drops at Labor Day. Across property types, occupancy is in the 20-25% range in the winter months of January through March, increases to the mid 40s% in April, mid 50s% in May, and peaks in July through September, with August being the peak month when properties achieve occupancies ranging from 85-90%. These data points represent an average of property performance across lodging types and therefore individual properties may operate at lower or higher occupancies than these average ranges.

Recommendations for Future Lodging Accommodations and Projected Performance Ranges

According to survey work done by the Cape Cod Chamber of Commerce, visitors' number one reason to choose a lodging accommodation is a location near the water, and the second most important is to be near friends or family that they are visiting. The Chamber receives requests for luxury properties, which are currently limited to Chatham Bars Inn, Wequassett, and Ocean's Edge Resort, all on the east side of Cape Cod. As previously noted, The Sea Crest Beach Resort is the Upper Cape's most upscale resort property; however much of its appeal is due to its prime location on the water, and whereas the Chatham properties are four star / four diamond, the Sea Crest is three star/three diamond property.

The President of the Chamber noted that in terms of prospects for future visitation, the Upper Cape market is extremely mature. The proven, historical seasonality limits ability to grow demand out of the peak season. Additional concern for future demand growth is inhibited by the presence of alternative accommodations such as Airbnb and vacation rental homes. The Cape Cod Chamber indicated that out of 160,000 total housing units on the Cape, 55,000 are strictly rental units.

Based on our fieldwork and analysis of the towns of the Upper Cape, with consideration given to potential future developments, the following paragraphs outline our recommendations for additional lodging accommodations, if any, by town, including location, general type of facility recommended, advantages and disadvantages, and estimated ranges of occupancy and average daily rate for each.

Bourne

- Within Bourne, we have not identified sufficient current or projected demand to warrant additional lodging accommodations, based on current operating levels at existing accommodations, any planned future developments, and supporting amenities. Without the presence of major demand generators, the area itself does not have significant needs for additional accommodations, outside of a handful of events throughout the year, such as the MA Maritime Center graduation, or the Pan-Mass Challenge. As previously discussed, visitors to Bourne are typically staying in the area for a specific purpose, rather than coming to the area as a destination in itself.

  If a hotel were to be built in Bourne, the recommended location would be at the site of the proposed hotel on Perry St. in Buzzards Bay. While we have not specifically analyzed the projected demand levels for the proposed hotel, this hotel would likely be able to capture demand from the lower-rated lodging accommodations in the area; however, the achievable average daily rate would still be relatively low, and occupancy would likely be lower than other locations within the Upper Cape even in the peak months, due to the lack of demand generators, tourist attractions, and surrounding support amenities to encourage tourism such as quality food and beverage establishments. A moderately priced lodging option at this location could induce some demand which did not previously exist due to its reservation system. Additionally, the hotel would accommodate unaccommodated demand during the peak season. A smaller (i.e., ~100 room count), nationally branded hotel in the midscale or upper midscale chain category would be most appropriate. Based on our analysis, a hotel at this location would be less desirable than other opportunities identified, due to the lack of support amenities or new demand generators.

Sandwich

- *Sports Complex Site:* Within the town of Sandwich, we have identified the most viable need for additional lodging accommodations to be associated with the proposed sports complex.
    - Without having completed a comprehensive market study, our initial recommendation based on the scope of the project as outlined would be for one nationally branded, select service hotel. The hotel should be located within close proximity (walking distance) to the venues of the sports complex where tournaments are being held. A recommended room count could range from 150 to 200 rooms. This room count recommendation can only be confirmed with the assumption that the sports complex will generate significant lodging demand, and the ultimate room count should be tailored specifically to the projected needs of the sporting complex. A national brand is recommended to capture additional demand to supplement demand generated by the sporting events; a brand would likely induce some demand due to the reservation system and brand recognition. It would be recommended that the consideration of a second hotel, proposed as a "Spa Hotel", should be postponed as a later phase of development when demand generated from the complex is more established and the performance of an initial hotel has been evaluated.
    - *Advantages:*
        - The hotel would benefit from being the only branded lodging property in Sandwich;
        - The sports center would provide opportunities for demand in the shoulder and off season (October through March/April) through its tournaments, supplementing the traditional tourism months of July through September.
    - *Disadvantages*
        - Current demand levels would likely not support new hotel development, and as such, the hotel would rely heavily on the performance of the sports center.
    - The hotel would rely primarily on demand associated with the sports complex. As the only branded lodging property in the town of Sandwich, the hotel would also attract leisure guests in the peak season who are looking for a familiar, nationally branded option. Based on our preliminary analysis, we believe it is reasonable that a nationally branded, select service hotel (i.e. a Fairfield Inn by Marriott or similarly positioned brand) could perform at an occupancy in the 60-65% range with an average daily rate in the mid-$120 to mid-$130 range. This estimated performance range is dependent on the success of the complex as a whole as proposed; without the sporting complex, we would not recommend additional hotel development.
    - Without the demand generated by the proposed sports complex, there is not sufficient market demand to warrant additional lodging accommodations based on current demand levels. However, if the sports complex were to come to fruition as outlined, resulting demand could be significant enough to support the above outlined facility.

Mashpee

- Within Mashpee, we have not identified sufficient current or projected demand, based on current operating levels at existing accommodations, lack of planned future developments, and demand generators, to warrant additional hotel development. While developers have expressed interest in a boutique hotel as part of Mashpee Commons, the lack of direct water access and additional demand generators other than the shopping center limit the demand needed to support a higher end property as was indicated desirable by developers.
- In New Seabury, if there were a site available with direct waterfront access, a hotel project could be considered which would accommodate seasonal leisure demand and group demand generated from weddings in the community. The profile of such a facility would be a smaller (50 to 75 room), boutique, upscale to upper upscale level of accommodations. If a water location were identified and available, a seasonal accommodation that closed in the winter months would be best suited to meet the demand needs of this location. Further analysis would be needed should such a parcel be identified.

Falmouth

- *Olympic Village Site*: Within the town of Falmouth, we have identified the most viable need for additional lodging accommodations to be associated with the 31-acre site at the intersection of Routes 28 and 151. A hotel in conjunction with the developments as outlined for the Olympic Village, including the plans envisioned for the Falmouth Aquatic Center, would be a potential opportunity. According to the developers of the site, a hotel would likely come in the final phase of development for the overall project. Preliminary discussions have included concepts for a 100 to 150 room hotel project, potentially with conference space.

  Without having completed a comprehensive market study, our initial recommendation based on the scope of the project as outlined would be for one nationally branded, select-service hotel (one without significant meeting space or full food and beverage offerings). A recommended room count could range from 100 to 150 rooms as proposed; however a comprehensive market study should be done to determine the optimum room count. Midscale to upper midscale, national brands would be best suited to meet this demand. The demand generated from the aquatics center would be the primary source of business for a new hotel project and would need to be quantified in a market study prior to determining feasibility for associated lodging.

    - *Advantages:* The aquatics center, as proposed, would provide opportunities for demand in the shoulder and off season (October through March/April) through its tournaments, supplementing the traditional tourism months of July through September;
    - Additional proposed options for Olympic Village, including other recreational uses in addition to the aquatic center, retail, and commercial developments, would provide support for a hotel development at this location; and
    - The location on the southeast corner of 151 and 28, directly north of the Cape Club (formerly Ballymeade Country Club) would provide convenient accessibility.

- *Disadvantages*
  - Current demand levels would likely not support new hotel development, and as such, the hotel would rely heavily on the performance of the aquatics center.
  - The area immediately surrounding the site lacks significant sources of commercial lodging demand.
- The hotel would rely primarily on demand associated with the aquatics complex. The hotel would be the second nationally branded hotel in Falmouth, joining the Holiday Inn. Based on our preliminary analysis, we believe it is reasonable that a nationally branded, select service hotel could perform at an occupancy in the 60-65% range with an average daily rate in the upper-$120 to upper-$130 range. This estimated performance range is dependent on the success of the aquatic center as a whole as proposed; without the development, we would not recommend additional hotel development.

- *Falmouth Inn Site:* In addition to the consideration of a newly built hotel, based on our conversations with local lodging operators as well as the Chamber of Commerce, an opportunity exists in association with the existing Falmouth Inn.

  According to our research, the perceived need for additional or alternate lodging accommodations in Falmouth is for an upscale, quality product. Based on our interviews with lodging operators in Falmouth, there is strong demand for their highest-rated rooms in the peak season, indicating that there is a segment of traveler that is not price sensitive and unaccommodated demand may exist in the upper-upscale/luxury segment.

  While further consideration and a complete market study is necessary to determine the viability of a repurposing of this hotel, we believe that a higher end, lifestyle boutique lodging accommodation located at this site would be attractive to leisure travelers as well as the limited corporate demand in Falmouth. The location proximate to downtown Falmouth yet slightly removed from the congestion of Main St., coupled with the location of the site and availability of parking, are advantages for this site as a potential opportunity for redevelopment to attract higher rated demand to the area.

- *Upgrades to existing accommodations:* The Upper Cape region lacks a resort property with a four or five star designation. Further upgrades to existing facilities, such as the Sea Crest Beach Hotel, including physical renovations as well as higher staffing levels in an effort to achieve higher star and diamond ratings, would allow a property to command higher average room rates than are currently being achieved. However, a cost benefit analysis by ownership would need to be carefully considered to determine if such renovations would be worthwhile from a feasibility standpoint.

Additional Considerations

During the course of our interviews with operators, we identified additional concerns and considerations that should be explored in conjunction with future hospitality development in the Upper Cape. We have outlined these briefly below:

- Need for housing for staff: Multiple operators indicated the current struggle that they have to accommodate housing for seasonal staff. One property in Falmouth reportedly employs a year round staff of 30 which increases to 75 in the summer months. As weekly housing options become a more desirable alternative for transient leisure guests, prices become prohibitive for seasonal workers; according to one operator that we spoke to who sources housing for seasonal staff, reportedly in Falmouth, there were ~40 weekly housing options ranging from $2,500 to $4,000 per week for the 2015 summer season. Operators indicated that the addition of any new lodging supply would further exacerbate the current challenges in seasonal housing. Considerations such as a requirement to include affordable housing units as part of future development projects, and more lenient zoning laws for short-term housing were suggestions voiced in regards to this concern.

- Operators in each town of the Upper Cape indicated that there is an increasing struggle for hotel properties to compete against alternate forms of lodging accommodations, such as Airbnb and home rentals. This issue is more prominent among bed and breakfasts and smaller properties, as they compete with accommodation options that can offer the same rooms to guests – often with kitchen facilities and multiple rooms per house, which are desirable among families traveling to the area – and the disparity in rate due to the lodging tax that the properties with over three rooms have to pay put them at a disadvantage. Suggestions from operators included consideration of imposing some type of lodging tax on seasonal rentals. While we realize that this issue is not exclusive to the Upper Cape Cod region, it is an increasing concern for lodging operators specifically that compete in this highly seasonal market comprised of almost solely leisure demand.

If the issues discussed above were resolved, then individual properties could have the capital to reinvest in their properties, raising the quality of lodging accommodations in the Upper Cape. For example, if employee housing was subsidized or real estate tax incentives were provided, hypothetically the capital provided by these measures could be required to improve the physical plant and/or increase the level of service. Additionally, if lodging taxes were imposed on private home rentals and rental units that are not currently subject to lodging tax, the competitive field could be somewhat leveled, potentially allowing for lodging properties to recapture some of the demand that has been lost to the private home market.

Assumptions and Limiting Conditions

This report is subject to the following assumptions and limiting conditions:

1. Estimated results are based on an evaluation of the present general economy of the area and do not take into account, or make provisions for, the effect of any sharp rise or decline in local or general economic conditions that may occur. There usually will be a difference between the estimated results and those actually achieved, as events and circumstances often deviate from expectations. Those differences may be material.
2. It is expressly understood that the scope of our study and resulting report does not include the possible impact of zoning or environmental regulations, licensing requirements or other such restrictions concerning the project except where such matters have been brought to our attention and are disclosed herein.
3. We have no obligation to update our findings regarding changes to the scope of the proposed development or changes in the market conditions subsequent to the completion of our fieldwork.
4. The information gathered during the course of the fieldwork and used in this analysis is assumed to be accurate.
5. Neither all nor part of the contents of this report (especially any findings or conclusions, the identity of the consultants, or the firm with which they are connected) shall be disseminated to the public through advertising media, news media, sales media or any public means of communication without the prior, written consent and approval of Pinnacle Advisory Group.
6. No liability is assumed for matters legal in nature. Pinnacle Advisory Group cannot be held liable in any cause of action concerning this assignment for any compensatory dollar amount over and above the total fees collected from this engagement.
7. Any and all legal expenses incurred in the defense or representation of Pinnacle Advisory Group, its principals, and its employees will be the responsibility of the client.
8. We are not required to give testimony or attendance in court by reason of this assignment, with reference to the property in question, unless prior arrangements have been made and agreed to in writing.

5. INFRASTRUCTURE FUNDING

The RESET project also involved a review of the available options for infrastructure funding that could be utilized to further the development options for the town, both for the Project Areas reviewed and other areas of town. In the following pages, the Commission has gathered information for a variety of programs, including eligibility requirements, purposes, application process and deadlines. The information presented here is intended to be a summary of the options, and so website addresses are provided for further, more detailed, information.

Program Name	**MassWorks Infrastructure Program**
Responsible Agency	Executive Office of Housing & Economic Development
Type of Funding	Grant
General Purpose	Infrastructure & Public Improvements; Downtown & Commercial Center Development; Industrial/ Business Development
Eligible Projects	Publicly owned infrastructure
Short Description	The MassWorks Infrastructure Program provides infrastructure grants for work including, but not limited to, sewers, utility extensions, streets, roads, curb-cuts, parking facilities, site preparation and improvements on publicly owned land, demolition, pedestrian walkways, and water treatment systems to support four project types: multi-family housing developement at a density of at least 4 units to the acre (both market and affordable units); economic development in weak or distressed areas; community revitalization to promote mixed use development; transportation improvements to enhance safety in small, rural communities (under 7000 residents)
Special Conditions	Only those projects that are prepared to proceed to construction in the upcoming spring should apply for consideration.
Application Process	On-line application (How to Apply: http://www.mass.gov/hed/economic/eohed/pro/infrastructure/ massworks/how-to-apply/)
Application Deadlines	September 4, 2015
Link to Program	http://www.mass.gov/hed/economic/eohed/pro/infrastructure/massworks/

Program Name	**State Revolving Funds (SRF)**
Responsible Agency	Department of Environmental Protection
Type of Funding	Loans; Grants for Planning
General Purpose	Infrastructure & Public Improvements; Downtown & Commercial Center Development; Industrial/ Business Development
Eligible Projects	Wastewater infrastructure and planning
Short Description	SRF covers the costs of certain planning, design, construction and administration costs for waste-water treatment plants ("Clean Water SRF") and water supply facilities ("Drinking Water SRF").
Special Conditions	Does not cover design costs
Application Process	In the early Spring of each year, the Division solicits proposed projects for financial assistance by mailing each community in the state Project Evaluation Forms. These forms, along with their supporting documentation, once completed and submitted by the community or its consulting engineer; provide the information necessary for the Division to rank projects in accordance with the rating systems established by regulation for each category of project. (For full detailed process, see website)
Application Deadlines	Completed Application due October 15, 2016
Link to Program	http://www.mass.gov/eea/agencies/massdep/water/grants/state-revolving-fund.html#10

Program Name	TIGER grants
Responsible Agency	US DOT
Type of Funding	Grant
General Purpose	Infrastructure & Public Improvements; Downtown & Commercial Center Development; Industrial/ Business Development
Eligible Projects	Highway or bridge projects; public transportation; freight rail; high speed and intercity passenger rail; and port infrastructure investments.
Short Description	"Opportunity for the DOT to invest in road, rail, transit and port projects that promise to achieve critical national objectives"; can be given directly to any public agency, and each project is multi-modal, multi-jurisdictional or otherwise challenging to fund through existing programs
Special Conditions	Projects put forward for consideration in September will be expected to complete permitting and design, secure all necessary rights of way, and obligate all other funding sources within 120 days of receipt of grant approval or immediately thereafter.
Application Process	How to Apply - https://www.transportation.gov/tiger/apply
Application Deadlines	Pre-Application: May 4, 2015; Final Application: June 5, 2015
Link to Program	https://www.transportation.gov/tiger

Program Name	43D Local Expedited Permitting
Responsible Agency	MA Permit Regulatory Office
Type of Funding	Priority for state funding
General Purpose	Infrastructure & Public Improvements; Downtown & Commercial Center Development; Industrial/ Business Development
Eligible Projects	The Criteria for Priority Development Sites: May be zoned for commercial, industrial development, residential or mixed use purposes, Must be eligible for the development or redevelopment of a building of at least 50,000 square feet of gross floor area (may include existing structures and contiguous buildings),
Short Description	A community must identify a qualifying parcel as a Priority Development Site and obtain permission of its owner (if private) for participation in the program. Within 120 days of adopting Chapter 43D, the community must appoint a single municipal point of contact for streamlined permitting; amend local rules, regulations, bylaws, etc. to comply with 180 day permit timeline; determine and make available the requirements for each permit; establish a procedure for identifying necessary permits for a project; establish a procedure for determining completeness of the required submissions. After the 120 phase-in period is complete, the town must render permitting decisions on priority development sites within 180 days.
Special Conditions	Criteria for priority development sites: may be zoned for commercial, industrial development, residential, or mixed use purposes; must be eligible for the development or redevelopment of a building of at least 50,000 square feet of gross floor area, including existing structures and contiguous buildings; sites must be approved by a local governing authority; must be approved by the state Interagency Permitting Board
Application Process	Online application: http://www.mass.gov/hed/economic/eohed/pro/zoning-and-permitting/43d/chapter-43d-application-8-2012.doc Completed Application due October 15, 2016
Application Deadlines	on-going
Link to Program	http://www.mass.gov/hed/economic/eohed/pro/zoning-and-permitting/43d/

Program Name	Chapter 40R and 40S
Responsible Agency	DHCD
Type of Funding	In return for adopting the zoning and streamlining the development process for 40R districts, cities and towns can get between $10,000 and $600,000 in state funding, plus an additional $3,000 for every new home created. Chapter 40S provides additional state funding to cover the costs of educating any school-age children who move into 40R districts.
General Purpose	Affordable Housing Development - Financing, Planning; Downtown & Commercial Center Development; Education
Eligible Projects	Smart growth - high density housing and commercial development districts
Short Description	Chapter 40R permits cities and towns to establish special zoning overlay districts that allow densities of 8 units/acre for single family homes, 12 units/acre for townhomes, and 20 units/acre for condominiums and apartments. The location of these districts helps consolidate growth and cut down on dispersal: in town centers, downtowns, near a transit station, on unused industrial land or in other locations municipalities have deemed appropriate for higher density housing. Assistance is available for writing a bylaw and for planning and design. Chapter 40S provides additional state funding, directed to cities and towns that establish a 40R district, to cover the costs of educating any school-age children who move into such districts.
Special Conditions	The zoning must require that 20% of the district be affordable homes, and it should allow “mixed use” – the combination of residential, office and retail within close proximity.
Application Process	State approval of district
Application Deadlines	on-going
Link to Program	http://www.mass.gov/hed/community/planning/chapter-40-r.html

Program Name	Community Development Fund 2 (CDBG)
Responsible Agency	DHCD
Type of Funding	Grant
General Purpose	Affordable Housing Development - Financing, Planning; Downtown & Commercial Center Development; Historic Preservation; Industrial/Business Development
Eligible Projects	Housing, infrastructure, community facilities, economic development, social services, planning, and barrier removal.
Short Description	The CDBG program works to ensure decent affordable housing, to provide services to the most vulnerable in our communities, and to create jobs through the expansion and retention of businesses.
Special Conditions	The project must benefit a majority of low- and moderate-income people; aid in the prevention or elimination of slums and blight; or meet an urgent need posing a serious threat to the health and welfare of the community where other financial resources are not available to meet such needs.
Application Process	Annual Competitive Process
Application Deadlines	2/12/2016 for FY2016
Link to Program	http://www.mass.gov/hed/community/funding/community-development-block-grant-cdbg.html

Program Name	Community Development Fund I (CDBG)
Responsible Agency	DHCD
Type of Funding	Grant
General Purpose	Affordable Housing Development - Financing, Planning; Downtown & Commercial Center Development; Historic Preservation; Industrial/Business Development
Eligible Projects	Housing, infrastructure, community facilities, economic development, social services, planning, and barrier removal.
Short Description	The CDBG program works to ensure decent affordable housing, to provide services to the most vulnerable in our communities, and to create jobs through the expansion and retention of businesses.
Special Conditions	The project must benefit a majority of low- and moderate-income people; aid in the prevention or elimination of slums and blight; or meet an urgent need posing a serious threat to the health and welfare of the community where other financial resources are not available to meet such needs.
Application Process	Annual competitive Process
Application Deadlines	2/12/2016 for FY 2016
Link to Program	http://www.mass.gov/hed/community/funding/community-development-block-grant-cdbg.html

Program Name	Economic Development Fund (CDBG)
Responsible Agency	DHCD
Type of Funding	Grant
General Purpose	Historic Preservation; Industrial/Business Development; Infrastructure
Eligible Projects	Economic development planning, micro loans, infrastructure - particularly supporting mixed use development and downtowns, loan guarantees (Section 108)
Short Description	The Economic Development Fund (EDF) finances projects and programs that create and/or retain jobs, improve the local and/or regional tax base, or otherwise enhance the quality of life in the community. EDF gives priority assistance for physical improvements in support of job creating/ retention and downtown/commercial center revitalization. Benefit a majority of low- and moderate-income people; aid in the prevention or elimination of slums and blight; or meet an urgent need posing a serious threat to the health and welfare of the community where other financial resources are not available to meet such needs. Currently, the following categories of assistance will be considered: Community Grants (rehabilitation of investor-owned residential buildings, rehabilitation of mixed-use buildings, revolving loan funds and technical assistance programs serving small businesses and microenterprises; planning and pre-development studies leading to an economic development project) and Section 108 Loan Assistance (rehabilitation of investor-owned residential buildings, rehabilitation of mixed-use buildings, infrastructure improvements supporting investor-owned residential or mixed-use projects)
Special Conditions	job creation or retention required, improve tax base, or improves quality of life
Application Process	Rolling - pending available of funds
Application Deadlines	on-going
Link to Program	http://www.mass.gov/hed/community/funding/economic-development-fund-edf.html

Program Name	Economic Development Incentive Program
Responsible Agency	MOBD
Type of Funding	Tax Credits
General Purpose	Industrial/Business Development
Eligible Projects	Commercial development projects that create jobs
Short Description	The Economic Development Incentive Program (EDIP) is a tax incentive program designed to foster job creation and stimulate business growth throughout the Commonwealth. Participating companies may receive state and local tax incentives in exchange for job creation, manufacturing job retention and private investment commitments.
Special Conditions	Expansion Projects, Enhanced Expansion Projects, Job Creation Projects, Manufacturing Retention & Job Growth Projects and Local Incentive Only Projects (either Tax Increment Financing or Special Tax Assessment).
Application Process	EDIP projects are presented for consideration at the quarterly meetings of the Economic Assistance Coordinating Council (EACC). More info: http://www.mass.gov/hed/economic/eohed/bd/econ-development/application/
	on-going
Application Deadlines	quarterly
Link to Program	http://www.mass.gov/hed/economic/eohed/bd/econ-development/

Program Name	EDA grants
Responsible Agency	US Department of Commerce, Economic Development Administration
Type of Funding	Grant
General Purpose	Economic Development
Eligible Projects	Planning and Infrastructure
Short Description	To support the development and implementation of economic development strategies for economically distressed communities. Funding priorities will be given to investment applications that support long-term, coordinated, and collaborative regional economic development approaches; innovation and competitiveness; entrepreneurship; strategies and investments that connect regional economies with the worldwide marketplace. Additional consideration will be given to investment applications that respond to sudden and severe economic dislocations, including natural disasters; enable the transition of BRAC impacted communities; Support EO 13287, Preserve America; and promote the revitalization of brownfields
Special Conditions	Must meet certain distress criteria or be within an Economic Development District (EDD) (Barnstable County is an EDD)
Application Process	Rolling basis; On-line (PDF) application
Application Deadlines	Funding decisions made quarterly
Link to Program	http://www.grants.gov/web/grants/view-opportunity.html?oppId=279842

Program Name	I-Cubed: Infrastructure Investment Incentive Programs
Responsible Agency	MassDevelopment, Administration & Finance
Type of Funding	Bond Financing
General Purpose	Infrastructure Financing
Eligible Projects	Job Creation, increased tax revenue, community need
Short Description	Public infrastructure improvements necessary to support major new private development
Special Conditions	An economic development project must be approved by the related Municipality, the Secretary of Administration And Finance and MassDevelopment in order to be a 'certified' project eligible for funding. Further criteria listed here: http://www.mass.gov/anf/budget-taxes-and-procurement/cap-finance/i-cubed/overview-of-i-cubed.html
Application Process	Secretary of AAdministration & Finance approval
Application Deadlines	on-going
Link to Program	http://www.mass.gov/anf/budget-taxes-and-procurement/cap-finance/i-cubed/

Program Name	Mass Cultural Council Adams Arts Program* *Currently under review and potentially changing significantly for next FY.
Responsible Agency	DHCD
Type of Funding	Grant
General Purpose	Downtown/Commercial Center Development
Eligible Projects	Applications with systemic economic development goals that align with the intent of the Adams program, that are uniquely tailored to a particular community, industry or circumstance, and are the most innovative in approach will be the most competitive
Short Description	The Adams Arts Program supports projects that revitalize communities, create jobs, grow creative industries, and increase engagement in cultural activities by Massachusetts residents and visitors.
Special Conditions	Matching requirement
Application Process	http://www.massculturalcouncil.org/applications/adamsapp.asp
Application Deadlines	March 2017 for next round of funding.
Link to Program	http://www.massculturalcouncil.org/programs/adamsarts.asp

Program Name	Mass Downtown Initiative
Responsible Agency	DHCD
Type of Funding	Technical Assistance
General Purpose	Downtown/Commercial Center Development; Historic Preservation
Eligible Projects	All non-entitlement Community Development Block Grant (CDBG) communities are eligible to apply. Entitlement communities are not eligible.
Short Description	Technical assistance to help communities revitalize their downtowns by Encouraging Community Involvement & Ownership; Preserving & Enhancing Downtown Character; Ensuring Economic Vitality; Promoting Downtown Assets; Getting Into & Around Downtown; Living Downtown; and, Keeping Downtown Safe.Funds are to be used exclusively for technical assistance in the form of consultant services to address a specific issue in the following categories: Business Improvement Districts (BID), Design, Economics of Downtown, Housing, Parking, Small Business Support; Wayfinding/Branding.
Special Conditions	Communities must agree to share the final products with DHCD and with other communities through reports, meetings and workshops, and to highlight these activities on the web, in print or using other media outlets. Communities must also agree to participate in the FY16 MDI workshops, as appropriate.
Application Process	Contact DHCD (http://www.mass.gov/hed/docs/dhcd/cd/mdi/ma-downtown-initiative-technical-assistance-grant-nofa.docx)
Application Deadlines	December 4, 2015
Link to Program	http://www.mass.gov/hed/community/funding/massachusetts-downtown-initiative-mdi.html

6. FISCAL IMPACT MODEL

TishlerBise, a nationally renowned firm in the area of fiscal impact assessments, was hired by the Cape Cod Commission to build fiscal impact models for five towns on Cape Cod: Barnstable, Bourne, Dennis, Sandwich, and Yarmouth. TischlerBise has prepared over 800 impact fees and over 700 fiscal impact analyses - more than any firm in the country. As part of this REST project, TischlerBise were hired to develop a similar impact model for the town of Mashpee, which was delivered under the scope of the project.

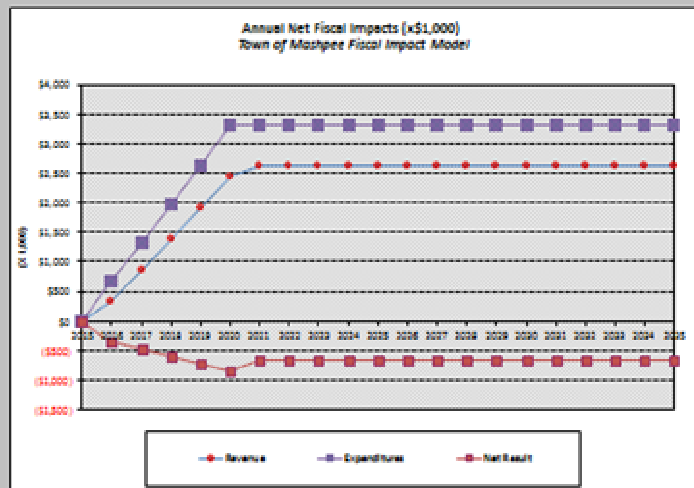
FISCAL IMPACT RESULTS - COST AND REVENUE DETAIL

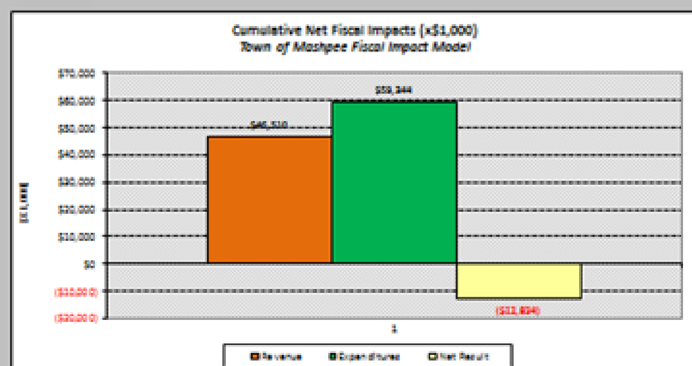
20-Year Total Revenue (x$1,000)

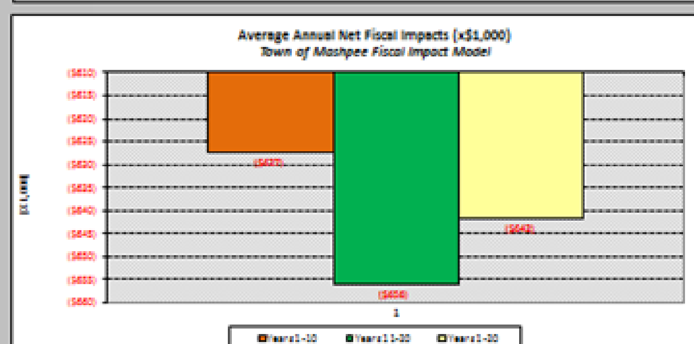
Category	Revenue	%
Property Tax	$35,492	76%
2.5% Increase	$0	0%
Property Tax from New Growth	$0	0%
County Assess. Outside 2.5%: CCC	$0	0%
Debt Outside 2.5%	$0	0%
Resolution Aid (Chapter 70)	$6,970	15%
Education Offset Items	$0	0%
Charter Tuition Reimburse	$137	0%
School Choice	$700	2%
Reimbursements (School Construction)	$0	0%
Library Offset	$0	0%
Lottery and Other Aid	$796	2%
Less Direct Offsets: Education & Lib.	$0	0%
Less: School Choice Tuition	$0	0%
Less: Cherry Sheet Assessment	$0	0%
CPA Funds (formerly Land Bank)	$0	0%
Local Estimated Receipts - General	$1,902	4%
Receipts Reserved for Appropriation	$0	0%
Ambulance Transport Receipts	$433	1%
Other Sources/Betterment Reserve	$0	0%
Medicaid Reimbursement	$0	0%
TOTAL	**$46,510**	**100%**

20-Year Total Expenditures (x$1,000)

Category	Expenditures	%
Town Clerk	$13	0%
Moderator	$0	0%
Selectmen	$170	0%
Elections	$6	0%
Finance Committee	$0	0%
Accountant	$114	0%
Assessors	$123	0%
Treasurer/Collector	$149	0%
Human Resources	$189	0%
Information Technology	$226	0%
Town Hall Expense	$169	0%
Conservation	$27	0%
Planning	$68	0%
GIS	$9	0%
Police Department	$3,121	5%
Fire Department	$2,426	4%
Building	$11	0%
Tree Warden	$0	0%
Sewer Commission	$0	0%
Public Works	$1,604	3%
Snow And Ice	$90	0%
Street Light Energy	$0	0%
Transfer Station	$98	0%
Cemetery	$0	0%
Human Services	$42	0%
Board Of Health	$32	0%
Council On Aging	$78	0%
Veterans	$115	0%
Library	$401	1%
Recreation Department	$234	0%
Historical	$0	0%
Cultural - Other Supplies	$0	0%
Retirement Expenses	$0	0%
Debt	$0	0%
Unemployment	$0	0%
Medical Insurance	$0	0%
Group Insurance	$0	0%
Medicare Expense	$0	0%
Town Insurance	$0	0%
Public School	$31,395	53%
Cape Cod Tech. Tuition	$18,435	31%
TOTAL	**$59,344**	**100%**







Fiscal impact models consider the effect of development on government budgets; they estimate the revenue potential of new development and the demand for public services it will likely generate. Different types of residential and commercial development have different revenue potential and need for services from a municipality. The goal is to determine the net impact: revenue minus costs.

It is relatively straightforward to estimate the potential revenue of a development if the amount of investment needed to build the development is known. An alternative is to look at the assessed value of comparable properties. To calculate the expected annual revenue, one of these estimates is multiplied by the tax rate of the municipality. An inflation factor should be used to project revenues forward over time.

It is more difficult to determine the costs the town will incur to serve the new development. This is done using estimated unit costs for public services such as schools, parks, roads, general management and legislative services, and public safety among others. The general method of estimating costs is to multiply the average cost of each service per unit (person, student, and employee) to the number of new residents, children, or employees the development will house or generate. This assumes costs are linear; that current capacity is infinite and new infrastructure will not be required with increases in demand. However, there is usually a point at which existing capacity has been met. For example, a school can only accommodate a certain number of students before an entirely new school will have to be built. Understanding when these new costs will be incurred is very difficult to model and generally requires the expertise of the town staff to determine at the time of analysis.

The final step is to subtract the estimated cost of serving the new development from the revenue it is estimated to generate. This gives the town an indication of whether the development will result in a need to raise taxes in the future or if it will reduce the tax burden on current taxpayers.

There are shortcomings to any fiscal impact model. The model developed for the town by the Commission is based on average costs and assume that there is sufficient capacity to absorb new development without major capital investments in infrastructure, schools, or other public services. Thus the model may underestimate the potential costs associated with development. Furthermore, this model does not include the costs of providing water and sewer to the proposed development because these are currently paid for through special districts or do not exist in the town at this time. This means that the model may further under-represent the costs of development. Finally, the model also does not capture the cost savings associated with more concentrated development, including the potential infrastructure cost savings.

The Cape Cod Commission received the fiscal impact model in 2015 and has received the training and guidance needed to customize the tool for use on a variety of different development options. The Commission intends to continue with this effort in 2016 and get specific input on the kinds of development types to run through the fiscal impact model with the aim of providing valuable information to policy setters and staff on their future vision for the community.