

## 3.0 ACTION PLAN

The following action plan identifies specific strategies for moving forward in the planning and development process of the Bourne Development Campus. The purpose here is to direct the BFDC, the Town of Bourne, and project partners in making progress towards accomplishing physical, regulatory, financing, and marketing programs that will expedite the establishment of this new green business park. Specific focus areas of the action plan are infrastructure improvements, permitting, economic incentives, and financing issues.

### **Action 1: Prepare a Comprehensive Market Study and Municipal Fiscal Impact Analysis for the Bourne Development Campus.**

**Background:** The regional market area in which the proposed Bourne Development Campus will be competing for tenants is the Upper Cape and portions of southeast Massachusetts, including the towns of Bourne, Falmouth, Sandwich, Plymouth, Wareham, and Marion/Mattapoisett. There is currently very little R&D or high-quality industrial space available in this area, and virtually none comparable to what is planned for in the BDC. Existing regional parks include the following:

- Falmouth Technology Park
- Mashpee Industrial Park
- Independence Park (Hyannis)
- Sandwich Industrial Park
- Plymouth Industrial & Commerce Park
- Wareham Industrial Park

Of these business parks, the Falmouth Technology Park is the most relevant to the BDC in terms of review and permitting processes. The Falmouth park is located near Route 28, 15 miles south of the Bourne Bridge (17 miles south of the proposed BDC) in the Town of Falmouth. The park contains approximately 73 acres of open property out of the original 114 acres donated to the Town of Falmouth in 1978. The park was developed by the Falmouth Economic Development and Industrial Corporation. It was subdivided into 26 parcels, all of which have been sold or are under agreement. The total developable space in the park is 750,000 square feet, of which 250,000 have already been built and another 100,000 permitted.

The Falmouth Technology Park is different from the proposed BDC in several respects. Its location and visibility are inferior to the BDC site. It was also developed with less design control, with individual parcels being sold over a number of years as semi-improved lots (the developer put in roads and utilities). Accordingly, there is greater variation of use in the park, including some industrial and distribution facilities that are aesthetically poor. In this regard it is similar to the Sandwich Industrial Park, which is the next closest example.

The other parks, except Plymouth's, are small, primarily involving buildings of 10,000 s.f. or less, and overall development size of less than 200,000 s.f. With the exception of the Wareham and Plymouth parks, the other properties are further out on the Cape and not accessible via major highways, thus further constraining their practical market areas. The large-scale development proposed for the South Plymouth Area could have the most significant impact (positively and negatively) on the BDC and needs to be carefully watched in determining market potential for green business and industry.

**Project Objective:** The key to a useful and accurate **Market Study** is to determine the current and future need for facilities to support companies engaged in R&D and light manufacturing in the renewable energy and green technologies field. The study should include a needs analysis to define what features would distinguish BDC from other technology parks and make it particularly appealing to R&D and the desired green technologies. Specific study tasks should include:

- Defining the current market for acquiring facilities to support R&D and/or light manufacturing in this industry sector
- The likely size of the market in the next 5 to 10 years
- The most favorable ownership options (purchase or lease)
- The characteristics and square footage requirements of companies likely to locate in the BDC (size, stage of maturity, etc.)
- Geographic regions from which companies are likely to relocate to the BDC
- The mix of spaces that will be needed by new companies – research, laboratory, office, manufacturing, warehouse, educational, and others
- Specialized facilities and equipment required by companies likely to locate/relocate in the BDC such as loading docks, power, water, common/shared office surfaces, and other above-normal operational requirements
- Other specialized needs for companies in the renewable energy and green technology fields
- The potential impacts of the proposed Plymouth Rock Studios and other large regional economic development projects.

The second portion of this project involves a **Municipal Impact Analysis**. This includes the analysis of impacts on municipal finances, both annual operating and long-term capital budget, of the tax revenues generated by companies located in the BDC. Specific study tasks should include:

- Estimated tax revenues, user fees, and other sources of income to the town.
- Estimated cost increases for major categories of municipal expenses, including schools, administration, police, fire protection, and any other category that is likely to see a significant increase in cost as a direct or indirect result of the BDC.
- The impact of these changes on the local property tax rate, assuming all else is unchanged.
- The general economic impact on the town and region from the new jobs created.

**Action 2: Present Preliminary Concept Plans to Various Government Agencies and Potential Investors.**

It is very important for BFDC and the project partners to begin to share the preliminary conceptual plans with regulating authorities, potential funding and financing organizations, and green industry investors. The conceptual plans and existing conditions report can be used as a marketing tool to promote the development of the Bourne Development Campus and should be used to build a foundation of support and momentum.

**Action 3: Document and Inventory Rare Species Habitat.**

BFDC should follow up on the Massachusetts Division of Fish and Wildlife Natural Heritage & Endangered Species Program (NHESP) updated determination of rare species habitat within the BDC and BCLRP project area. NHESP habitat maps have been updated since the last informative request and the habitat areas and species types may have changes. For example, spotted turtles are no longer protected species. A preliminary on-site survey has been conducted. Based on the potential plant/animal habitat (such as the box turtle) DFW will allow for a certain maximum “development envelope” (typically a 30%-70% split, which is shown on the conceptual plan). It is recommended that the Horsley Witten Group

be hired to conduct future habitat surveys as required.

**Action 4: Lobby for the New Route 25 Interchange with Access to BDC.**

The interchange will require Federal Highway Administration (FHWA) review and it could take up to three years to design and permit a new highway interchange and another one to two years to build it. As both federal and state approvals are required, environmental review under the National Environmental Policy Act (NEPA) and the Mass Environmental Policy Act (MEPA) are necessary but can be accomplished in approximately the same three-year period. MEPA approval of the site development may be possible to file in addition to the interchange. With the active support of elected representatives at the state and federal level, it may be possible to reduce the three-year timeframe but there is no established process for expedited interchange permits.

BFDC should work closely with the Town of Bourne, Plymouth, Cape Cod Commission, Canal Region Chamber of Commerce, and local legislators to obtain approval from MassHighway for a new Route 25 interchange. The optimal scenario would be the proposed design configuration at Bourne Road with a hybrid partial cloverleaf/diamond-type and frontage road. However, as the Plymouth Rock Studios has recently selected another site, this scenario is now less likely. Other scenarios would be to encourage an interchange directly onto Bournedale Road or off Exit 3 at the Route 25 ramp with a frontage road leading to the BCLRP project area. (See page 1-16 for concept plan of proposed interchange and frontage road).

**Action 5: Work with Local and Regional Authorities on Revisions to Local Land Use Regulations, Policies and Permitting Process to Better Facilitate Sustainable Development, High Quality Job Creation, and Tax Benefits in the BCLRP Project Area.**

**Local Land Use Regulations** - The BFDC should also work with the Town of Bourne to develop a streamlined permitting and approval process to minimize project planning costs and delays for prospective occupants. Certain dimensional requirements in the Scenic Development District pose significant constraints in developing a green business park. For example, the 5-acre minimum lot size requirements, 400-foot frontage requirements, 20% impervious surface, 50-foot parking setback, and 35-foot height restriction all work against sustainable development principles by separating buildings and uses. Low-impact development applications such as clustering buildings to save open space, shared parking and access, taller buildings to reduce footprint, xeriscaping, and LID stormwater and roadway design features, all may be difficult to accomplish with the base SDD requirements.

**Open Space Mitigation** – The Town of Bourne purchased four parcels totaling about 96 acres on the west side of Route 25 in December 2005 for open space. Under Cape Cod Commission policies, the Town has three years following the purchase within which it may designate such open space as mitigation for town-sponsored development. It has been suggested that this property may be utilized for mitigation and open space credit for development in the BDC project area. According to the Development of Regional Impact (DRI) regulations contained in the CCC Regional Policy Plan (which may not apply as strictly to Development Agreements), open space credit "areas that have been dedicated as open space prior to the date of the application" (Minimum Performance Standard 2.5.1.3) can not be used for such purposes.<sup>1</sup> Using a strict interpretation, the first question is whether the town-owned property was "dedicated" as open space. The Commission's definition of open space is "upland set aside and permanently restricted for conservation, agriculture, or passive recreation purposes by a municipality, nonprofit conservation organization or land trust, homeowners association, or person." Therefore, much would depend on the language of the warrant article that was presented to town meeting. If it was purchased with CPA funds for open space purposes, it would likely be considered "dedicated" regardless of CR status, deed restrictions, etc.

<sup>1</sup> From memo to BFDC by Lipman Development Strategies, LLC on July 8, 2008.

If the BDC were a designated **Growth Incentive Zone (GIZ)** under the Commission's regulations, previously "dedicated" open space can be purchased or obtained up to three years prior to application as an "offset" to future growth. Theoretically, the town would apply for a GIZ for the Bourne Development Campus. The challenge is that it is a lengthy process, and the definition of land areas eligible for a GIZ requires that there be some existing development or infrastructure (i.e., a GIZ is much more appropriate for downtown Buzzards Bay than for a completely undeveloped property such as the "Panhandle").

**Regional Development Agreement** - The project partners should negotiate a Development Agreement with the Cape Cod Commission, governing the permitting and approval process for the entire BDC build-out, following the precedent set by the Falmouth Technology Park.

The Development Agreement is designed for special and often large multi-phased projects. A Development Agreement is very appropriate for technology campuses such as the BDC. In conceptual terms, a Development Agreement is a hybrid between planning and regulation - still subject to the Regional Policy Plan's Minimum Performance Standards, but with flexibility allowed in order to achieve goals that are mutually agreed upon by the Commission, the applicant, and the town. Specifically, Chapter D, Section 5(e) states: "The Commission may approve a Development Agreement which is inconsistent with the Act or the Regional Policy Plan or a Local Comprehensive Plan if the inconsistency is necessary to enable a substantial segment of the population to secure adequate opportunities for housing, conservation, environmental protection, education, recreation, or "balanced economic growth". The Bourne Development Campus should be pursued as a Development Agreement rather than a DRI.

Finally, being a third party (e.g., signatory) to a Development Agreement would give the town more political and legal weight (and in turn give the Commission more legal cover) in arguing that an inconsistency with the Regional Policy Plan -- such as accepting previously dedicated open space as mitigation for a development project -- is warranted. In order to be a third party, the town must adopt a local Development Agreement bylaw. This is a relatively simple task which requires Cape Cod Commission review and endorsement by Town Meeting. The project partners should encourage the town to move expeditiously on this.<sup>2</sup>

**Action 6: Create Local Incentives to Attract Desired Businesses and Secure Funding Sources for Final Design and Construction.**

In the regional context, BDC will be competitive in terms of cost and labor market. Bourne is within a state-designated **Economic Target Area (ETA)** and may seek designation from the State and approval by the town as an **Economic Opportunity Area (EOA)**, which will qualify occupants of BDC for certain benefits, including an annual 5% state income tax credit on business investment (improvements and equipment). Under this designation, the Town of Bourne can also make available certain **Tax Increment Financing (or TIF)** options, which are negotiated exemptions and deferrals of property tax. The EOA designation and further definition of a TIF program, as it would apply to businesses in the BDC, should be pursued by BFDC immediately.

Other potential incentives and cost-sharing opportunities that should be explored by the BFDC, town, project partners, and business prospects are the following:

**District Improvement Financing Program (DIF)** – Chapter 40Q of the Act of 2003 authorized the District Improvement Financing Program (or DIF). DIF is a public financing alternative available to all municipalities that provides for a variety of tools to promote development in targeted geographic areas such as the BDC. In particular, the DIF program enables municipalities to finance public works and infrastructure projects in designated areas by "capturing" the increase in property tax revenues derived from new housing, commercial, or industrial activity in the area and applying such revenues towards the

<sup>2</sup> From memo to BFDC by Lipman Development Strategies, LLC on July 8, 2008.

municipality's development program. This "tax increment" can be pledged entirely or partially to the invested revenue district and associated development program. A municipality can bond against future tax revenues or it can use these funds from year to year. The town could designate just the developable portion as the DIF district or may opt to create a larger district, encompassing nearby areas such as the Bourne Road Corridor that is part of the interchange plan on Route 25.

A **Development Program**, which is required as part of a DIF, is a statement of means and objectives adopted by the municipality and approved by Economic Assistance Coordinating Council (EACC) designed to improve the quality of life, physical facilities, and structures and the quality of pedestrian and vehicular traffic control and transportation within the district. This may also include a means and objective statement for affordable and market rate housing. The procedures for DIF are established in 402 CMR 3.01 through 3.18 and administered by the EACC. They are responsible for reviewing and approving "development districts" and "development programs."

The town is in an excellent position to create a **District Improvement Financing (DIF)** for the BDC that would create a revenue stream for financing needed infrastructure in the park used to attract perspective tenants. The town and BFDC may also be able to secure grants and low-interest loans to subsidize or finance selected development.

**Commonwealth Capital Score Application** – The town should prepare and file a Commonwealth Capital application with the state. This application will position the BDC as well as other areas of Bourne for grant funding necessary to implement economic and community development goals. The Commonwealth Capital policy of the Office for Commonwealth Development coordinates state capital spending programs that affect development patterns to ensure that state investments promote projects consistent with the sustainable development principles and partnerships with municipalities seeking to advance the Commonwealth's development interests. Commonwealth Capital explicitly endorses planning and zoning measures that are in accord with administration policy and encourages municipalities to implement them by linking state spending programs to municipal land use practices. More than 20 state grant programs representing \$97 million in grants and \$450 million in low-interest loans provide a financial incentive to encourage communities to implement land use policies consistent with Smart Growth principles. Communities are not required to submit a Commonwealth Capital application to be eligible for funding, but their proposals will be significantly less competitive without one. Commonwealth Capital pertains to the following grant and loan programs:

- Public Works Economic Development Program (EOT)
- Bike and Pedestrian Program (EOT)
- Transit-Oriented Development Bond Program (EOT)
- Community Development Action Grant (DHCD)
- Affordable Housing Trust Fund (DHCD)
- Housing Stabilization Fund (DHCD)
- Economic Development Fund/CDBG (formerly Ready Resource Fund, DHCD)
- Housing Development Support Program (DHCD)
- Commercial Area Transit Node Program (DHCD)
- State Revolving Fund (EOEA - DEP)
- Urban Brownfields Assessment Program (EOEA)
- Self-Help Program (EOEA - DCS)
- Urban Self-Help Program (EOEA - DCS)
- Land & Water Conservation Fund (EOEA - DCS)
- Agricultural Preservation Restriction Program (EOEA - DAR)
- EOEA Land Protection Programs (EOEA - DCR, DFG)
- Drinking Water Supply Protection Grant Program (EOEA)

- UrbanRiver Visions Implementation Program (EOEA)
- Coastal Pollutant Remediation Grant Program (EOEA - CZM)
- Off-Street Parking Program (EOAF)
- Smart Growth Technical Assistance Program (EOEA)

**Public Works Economic Development Grants (PWED)** – PWED funds are used for construction and reconstruction of existing and/or newly located public access roads, streets, bridges, curbing, sidewalks, lighting systems, traffic control and service facilities, drainage systems and culverts associated with municipal economic development opportunities. The program is administered by the Executive Office of Transportation and Construction (EOTC)

**Community Development Block Grant Program (CDBG)** – CDBG is a federal (HUD) program that provides annual block grants to the state and larger cities (entitlement communities) for several types of community development activities such as affordable housing, economic development, social services where the majority of beneficiaries are low and moderate income and the activity removes slum or blight and/or fills an urgent community need. Funds are accessed by applying to DHCD and there are several different programs depending on the community's needs. The Community Development Funds (CDF) I and II (the largest program) and the Housing Development Support Program (HDSP) take applications annually. A number of cities and towns have also created an additional income stream from their CDBG loan repayments (called program income) to support additional housing needs. The **Small Cities Program** provides annual grants (about \$38 million/year) out of the of HUD CDBG funds to support housing and community development activities in the communities, which do not receive CDBG entitlement funds directly from HUD. Communities apply to DHCD for funds for specific projects.

**Community Development Action Grants (CDAG)** – A state-funded program using housing bond bill funds to help finance infrastructure necessary to make affordable housing and economic development projects feasible. CDAG funds have been used for economic development on publicly owned or managed properties including work on buildings or other structures, facades, streets, roadways, thoroughfares, sidewalks, rail spurs, utility distribution systems, water and sewer lines, playgrounds; site preparation and improvements, including demolition of existing structures; relocation assistance; and other revitalization efforts in the project area. Priority is given to projects that provide substantial employment or other direct benefit for low-income persons, significantly improve the condition of a low-income neighborhood, or provide reinforcement of other housing or community development related investments by the Commonwealth.

**Economic Development Fund (Former Ready Resource Fund )** – A DHCD program to help fund economic development activities in eligible communities. The fund is part of the CDBG Small Cities Program and must satisfy a national objective. Communities must have a long-term downtown plan and an existing downtown organization with at least one year of active effort. Applications are accepted on a rolling basis.

**Other Federal and State Funding for Infrastructure** – A number of programs could possibly be used to fund a significant portion of the project's infrastructure costs. These programs are competitive and funding levels may vary from year to year.

- **Federal Programs** – The National Highway System (NHS) program could be used for the interchange. This program provides 80 percent funding for certain types of projects along NHS roadways including Route 25). The Surface Transportation Program (STP) and the Congestion Mitigation/Air Quality (CMAQ) programs both offer 80 percent funding. Other infrastructure needs including internal and access roads may be addressed through the Economic Development Administration (EDA).

- **State Programs** – Two new potential funding sources are the Massachusetts Opportunity Relocation and Expansion (MORE) Jobs capital program, designed to help cities and towns finance infrastructure improvements to spur economic development (a specific company has to be identified as part of the application). The Infrastructure Improvement Incentives (I-Cubed) program is aimed at stimulating job growth through both private and public investments in development related infrastructure improvements.

In terms of other potential funding, there are a number of public and private sources that may be available for various stages of planning and development. The **Massachusetts Technology Council** has funding available for wind power development for nonprofit corporations and municipalities. Predevelopment funds may be available from various state agencies including MassDevelopment and DHCD. The Massachusetts Clean Energy Council is a new organization that may be able to provide technical or funding assistance. The regional technology development commission is a facilitator of sustainable technology business incubators. Other federal funding sources may also be available for the project as well.

**Action 7: Explore the Opportunities to Expand Education and Technology Research in the BCLRP Project Area.**

The BDC and project partners should explore synergies with local institutions and technology firms to discuss opportunities for on-the-job training and long-term employment at firms occupying the technology campus. The development team will explore opportunities with the following organizations (not an exclusive list): Cape Cod Community College, Upper Cape Cod Regional Vocational Technical School, Massachusetts Maritime Academy, Bourne Public Schools, Army Corps of Engineers - Cape Cod Office, and other organizations as necessary and applicable.

**Action 8: Proceed with the Development of the Bourne Development Campus.**

Upon completion and acceptance of the BCLRP-BDC Existing Conditions Report, conceptual site plans, market study, and municipal fiscal impact analysis (Phases I and II), the BFDC should proceed to the next stage of planning and development as follows:

**Phase III** – Prepare engineering and architectural plans for preliminary and final site plans, roadway and infrastructure plans, specifications and details, development cost estimates, and architectural guidelines for the new green business park.

**Phase IV** – Prepare local, regional, state, and federal permit applications as necessary and obtain permits from various permitting authorities. Work with town and CCC on land use regulation revisions and economic incentive programs.

**Phase V** – Identify development funding sources, prepare financing plans, prepare applications, and obtain additional funding for project development based on the final BDC site plans and associated development costs. Implement marketing and recruitment program.

**Phase VI** – Secure a contractor and begin construction. Prepare operational and management plan for BDC.