



**Town of Barnstable
Planning & Development Department
Economic Development Commission**

www.town.barnstable.ma.us/economicdevelopmentcommission

EDC Meeting Minutes

February 6, 2018

Members Present: Joyce Flavin, Hank Farnham, Alan Feltham, Hartley Johnson, Chris Kehoe

Absent: Tom Geiler

Also Present: Mike Trovato – Economic Development Specialist, Stacey Hurwitz - Administrative Assistant
Chair Alan Feltham called the Economic Development Commission (EDC) meeting to order at 8:06 am.

Guest Speaker: Wendy Northcross, CEO, Cape Cod Chamber of Commerce:

Northcross: Barnstable is the center of Cape Cod, it has the most jobs on Cape Cod, it's the hub on Cape Cod. Tomorrow we are going to a planning retreat with the Chamber of Commerce, we will define Economic Development - what is success? The Chamber is private non-profit member based organization. Definition of Economic Development: efforts that seek to improve the economic wellbeing and quality of community by creating & retaining jobs and supporting growing incomes and tax base. If you aren't retaining jobs, you aren't doing the work & if you aren't creating jobs you are falling behind other communities. Tax base is probably at the top of your list as well. Primary & secondary homes are most of the tax base (rather than commercial) only 17% of the Town of Barnstable (TOB) tax rate is commercial. Every year the question comes up if Town Council (TC) will raise the tax rate for commercial base. They haven't done it. If they did, it would increase the taxes and really hurt the businesses in town.

Tax rates are discussed.

Northcross: We try to make sure the Cape's gross regional product stays the same as the state's (in excess of 10 billion dollars). Gross regional product includes; population growth, occupational structure of the labor force, urbanization, consumption per capita, infrastructure & social conditions. You can't have a well-developed community with too many social issues. 2016 Gallup Health Ways Well Being Index Barnstable was ranked #2. We used that data in our marketing campaign. The town also ranked high on the Happiness Quotient this past year.

Northcross is concerned how many primary & secondary homes there are now. It has flipped since the economic downturn, now some of our communities are primarily second homes. Those towns have no work-force, this is a big issue. We need to Lower the hurdles for zoning issues to help create housing. The ability to buy a second home predates the ability to rent them out to pay for the mortgage. The Air BnB, VRBO, We Need a Vacation market has affected the hotel/motel business. Air BnB's are now a per night transaction & are priced at a rate that is much lower than the hotels / motels (which are high taxed businesses).

Handout Exhibit B – *Current Meals Excise Tax Revenue*. We are working on overnight stay/short term rental tax. We are the only state that doesn't have it. It doesn't appear to hurt the overnight stay industry where they do have it. That tax money could go towards waste water treatment (to build infrastructure to support additional housing.) Wastewater is important to support additional housing. We are under a court order to make the updates to the waste water which is very expensive. The Chamber is afraid that price tag is going to fall on the businesses. The Federal Clean Water Act requires communities to have an updated 208 plan. The County of Barnstable was sued because their plan wasn't updated since 1970's. We were told to put sewers in because the plan hadn't been updated. Shore to shore sewers would cost 8 billion dollars. We said we can't do that so we were given a 6 year 'stay' to finish the plan & show material progress. We are 3 years into the stay now & we have an approved plan. Cape Cod Commission (CCC) came to the conclusion that we need sewer capacity to meet our peak flow (June, July, August) therefore we are forced to overbuild to cover that. There was a study done by the CCC that asked second homeowners what are they going to do with their houses on Cape? They said they were going to retire here - when those people retire and

the properties are occupied all the time we will be at the top of the flow all the time. We don't feel like we can pursue Economic Development (ED) until we figure out the wastewater issue.

Exhibit C *Barnstable County, MA Economy Overview* (handout developed with the workforce development board – David Augustinho). Northcross suggests the BEDC meet with the Workforce Development Board at least once a year. A hundred years ago there were only 30,000 people here. The state was afraid Cape Cod would be a waste land so they created a tourism business. (Statistics on Page 8 of Exhibit C). There are an exorbitant amount of people that are about to retire on Cape Cod.

Exhibit D – *Workforce Development Task Force Summary June 2017*. We asked businesses about the workforce here. They said they could find educated/suitable employees & offer competitive wages to other areas of the state however finding housing for their employees was a big problem. Support housing, support the people we have here.

Johnson: We need to focus heavily on higher paying jobs, a really strong campaign to get attract big business here.

Northcross: The median household income on Cape Cod is \$9,000 higher than national average. Housing prices are driven higher, the wage rates are not. We pay the highest energy rates in the nation. We have some of the highest healthcare costs in the country. Some of the young professionals we have talked to on the Cape and they would like to stay on Cape Cod but they can't find a house they can afford. (Statistics in handout D are reviewed) Our population is decreasing however our job trends are increasing but growth falls short of the National Growth Rate average which is 7.2% we only grew by 4.6% in Barnstable County.

Feltham: You could be retired, playing the stock market and taking in 2 million a year here doing that, the stats should be based on job related income (workforce), which with the service industry here, is probably pretty low.

Kehoe: There are ½ million dollar homes & then there are \$300,000 homes that you wouldn't let your dog live in & they would need to put \$100,000 into to make it livable. We don't have the jobs, we don't have housing, we do have the schools but I can see why young families would go elsewhere.

Northcross: Affordable housing is defined as housing which allows a person who works on Cape Cod can afford to live here. Here are things we can work on to support the growth and job growth in the community;

- Zoning: Form Based zoning (increasing density)
- Transportation & Infrastructure to support growth: public transportation, new canal bridges etc., so people can work or live in Plymouth (off Cape) and commute here or vice versa.
- Wastewater infrastructure: each homeowner is going to pay for it whether they get the wastewater or not. Hoping the short term rental tax will pass & funds will come back to a 'clean water trust fund' for Cape Cod.
 - Boston had 1,000,000+ residents to help pay for it & it was a huge increase for them. We have the same price tag here & we only have 214,000 residents. I don't know how we are going to pay for it.
- Broad Band: Build out that last mile of broad band. It's expensive & the tax payers don't want to fund it.
- Encourage Entrepreneurs

What do we have here that no one else has? Water, we have 559 miles of coastline on Cape Cod & you are never more than 7 minutes to get to the water from anywhere on Cape Cod. We already have a world reputation with the Scientific Community in Woods Hole.

Johnson asks about the results of the Blue Economy Initiatives? Johnson asks what we can do as a Town?

Northcross: Blue Economy is the value of our location close to the water, for water related business opportunities. The Chamber received a MA Seaport Grant to study the concept of Blue Economy www.bluecapecod.org . (The Blue Economy video was showed to the group: <http://www.bluecapecod.org/blue-video> & website was previewed.) Encourages the BEDC to read the 50 page plan on the website. We got a short extension on our grant, to work on the implementation of the Blue Economy plan. We launched a 5013C foundation called the Blue Economy Foundation actively working to pursue a Federal Grant and looking for other partners.

You have to have access to water; a fishing pier aquaculture beds, broadband, safe, educational component, housing that will fit the workforce. You have to set the table and make sure the Hyannis waterfront always remains accessible to people ie. Fishing boats etc. Even though there are those that don't want fishing boats or aquaculture beds here. It is part of who we are and what we are and we need to have them here. It is important. Referring to *Exhibit D: Workforce Development Task Force Summary June 2017 & Exhibit E: Tucked into the Tax Bill, a Plan to Help Distressed America* (article New York Times) Tucked into the recent federal tax bill there is a plan to help underperforming communities in America, Barnstable may be eligible for that because you are a Gateway City. *Exhibit F: State Senate Retail Task Force Comments 1/22/2018*. We provided some data for the Senate on retail.

While people are here they spend \$180 million dollars spent here just by visitors. It's not why they come here but shopping is the #1 thing visitors do while they are here. It is keeps your village centers vital. Don't ever forget that.

Farnham asks about the last mile of Broad Band. Northcross: The last mile of Broad Band from the spine down Cape Cod is from the spine to your business. The infrastructure to install it is very expensive, the subscriber needs to buy the last mile (infrastructure). It is a barrier for a lot of small businesses.

Broadband build out is discussed. Trovato suggests the BEDC invite Steve Johnston (CEO of Open Cape) to speak.

Schools & the trades are discussed.

Northcross: The Chamber was created 100 years ago. Group business like sporting events, kids sporting tournaments, sailing events, golf tournaments - they occur all year. They fill rooms & restaurants, it is good exposure.

Johnson talks about the costs of tourism and the lifecycle. Where is the Cape in its life cycle?

Northcross talks about sustainable tourism. Brief discussion on the Growth Incentive Zone (GIZ) Reauthorization and the Oceanside Performing Arts Center. Northcross leaves the meeting at 9:25 am.

BEDC Administrative Discussion: Meetings may change to the 4th Thursday to include Elizabeth Wurfbain.

BEDC discusses future presenters: Kristy Senatori, Dr. Alexander (for an update), David Augustinho, Will Crocker, Julian Cyr & Maria Marasco, also the Housing Committee/School Committee & Mayor of Waltham are mentioned.

Articles on the CCC are handed out: *Exhibit G: Mr. Niedzwiecki Looks Back on Role in Commission & Exhibit H: Acting Executive Director Named for Cape Cod Commission*

Minutes: Motion made by Farnham, seconded by Flavin to accept the January 2, 2018 minutes as amended. Vote: All, Aye.

Membership Discussed: Schulz resigned, Tom Geiler? Elizabeth Wurfbain & John Curtis are prospective BEDC members. *Exhibit I: Correspondence from Chair Alan Feltham Handed Out.*

The BEDC's role is discussed. Objectives: Flavin asks how to get Blue Economy companies here? Flavin speaks to objectives, next steps & zoning. Our objectives should be a subset of the Town Council objectives.

Kehoe: The Economic Development Coordinator will be heading up outreach. We're not going to do outreach, we are an advisory commission to the Town Manager & Town Council. There are concrete things we can do ie. the zoning on West Main Street.

Farnham believes we should hold off on our objectives. We need to do something, we have been shut off on anything that goes on, for years.

Trovato brings up 'Form Based Zoning' and encourages the BEDC to find out more about it.

It is suggested to have one speaker next month CCC or Dr. Alexander, discuss how the BEDC can support those efforts. Then in April we have a working session (to create objectives).

Flavin: How do we fit into the Blue Economy? These are the types of questions we want to answer for the Town of Barnstable. They are not telling us to do anything and they are making great progress on zoning.

Trovato: Planning & Development updates include: Transformative Development Initiative (TDI): We submitted our application & are waiting to hear if we were chosen or not. New CEO of Hyannis Chamber is Todd Deluca. Cape Built received Certificate of Appropriateness from the Hyannis Historic Main Street Waterfront District Appeals Committee to proceed with the Furman building project. GIZ Reauthorization Application is in front of the TC & Planning Board. The Regulatory Agreement map was expanded to include the K-Mart Plaza, in the works is the Request For Proposal (RFP) for the lease on that same property. Kristy Senatori is new acting Director at the Cape Cod Commission. Trovato hands out: *Exhibit J: Town of Barnstable Economic Development Report*

Meeting is adjourned at 9:46 am

Next BEDC meeting March 6, 2018 at 8:00am

List of documents / exhibits:

- Exhibit A: Agenda dated February 6, 2018
- Exhibit B: Current Meals Excise Tax Revenue
- Exhibit C: Barnstable County, MA Economy Overview
- Exhibit D: Workforce Development Task Force Summary June 2017
- Exhibit E: Tucked into the Tax Bill, a Plan to Help Distressed America - Article
- Exhibit F: State Senate Retail Task Force Comments 1/22/2018
- Exhibit G: Mr. Niedzwiecki Looks Back on Role in Commission – Article
- Exhibit H: Acting Executive Director Named for Cape Cod Commission - Article
- Exhibit I: Email correspondence from Alan Feltham January 2018
- Exhibit J: Town of Barnstable Economic Development Report

Respectfully Submitted,
Stacey Hurwitz, Administrative Assistant

Public files are available for viewing in the Planning & Development office located on the 3rd floor of Town Hall, 367 Main Street, Hyannis. **Further detail may be obtained by viewing the video via Channel 18 on demand at www.town.barnstable.ma.us **