



## CAPE COD COMMISSION

3225 MAIN STREET  
P.O. BOX 226  
BARNSTABLE, MA 02630  
(508) 362-3828  
FAX (508) 362-3136  
E-mail: [frontdesk@capecodcommission.org](mailto:frontdesk@capecodcommission.org)

### TECHNICAL BULLETIN # 04-001

## DEVELOPMENT OF REGIONAL IMPACT (DRI) GUIDELINES FOR ANALYSIS OF AFFORDABLE HOUSING NEEDS GENERATED BY COMMERCIAL DEVELOPMENT

Adopted October 7, 2004

### **BACKGROUND**

The 2002 Regional Policy Plan (RPP) specifies that “For commercial DRI’s, the applicant shall provide an analysis of affordable housing needs generated by the project.” (Minimum Performance Standard 5.3.1) These Guidelines summarize the information that shall be submitted by the applicant along with a recommended methodology for an analysis that will be used by the Cape Cod Commission staff and members to assess the project’s consistency with MPS 5.3.1 as well as any potential affordable housing benefits and/or detriments of the project.

Since one of the affordable housing goals of the 2002 RPP is to “promote fair, decent, safe affordable housing for both renters and homeowners that meets the needs of present and future Cape Cod residents,” the applicant may include in their analysis conducted according to this Technical Bulletin any special circumstances that the applicant believes may mitigate the impact of the proposed development on the availability of housing for low and moderate income residents.

### **INFORMATION TO BE SUBMITTED**

The applicant shall provide data for the last three years (if applicable) and estimates for the three years following the development’s completion of the following:

- 1) Gross Floor Area (GFA): Provide third party documentation of GFA as defined in Section 1(c) of the Cape Cod Commission Enabling Regulations in effect at the time of application.
- 2) Gross Leasable Area (GLA): Provide third party documentation of the GLA (e.g. executed lease, architect’s certification, etc.) by use category as defined by the North American Industrial Classification System (NAICS) or by Standard Industrial Classification (SIC). Gross Leasable Area for the purposes of this Technical Bulletin is defined as the portion of Gross Floor Area that is designed for tenant and/or owner occupancy and exclusive use. It is the area that produces rental income and typically excludes stairs, elevator shafts, flues, pipe shafts, vertical ducts, and balconies.

3) Workforce Data:

- a) Total number of people employed. Specify numbers of part-time, full-time, temporary, and seasonal;
- b) Total full time equivalent (FTE) positions. Use 40 hours as the standard work week to calculate FTE's.

4) Wage Data:

- a) Total annual payroll. Provide the total wages to be paid annually to all employees.
- b) Minimum, median, and maximum annual wage paid.

5) Industry and Job Classifications: The Massachusetts Department of Labor and Workforce Development (MA DLWD) maintains employment information at a county level for a number of SIC codes. Using the most current MA DLWD classifications, the applicant shall indicate which of the following industry classifications will be involved in the proposed project. If there will be more than one industry classification, then the applicant shall indicate the number of FTE's and portion of payroll attributable to each:

- a) Agricultural (SIC Division A);
- b) Construction (SIC Division C);
- c) Manufacturing (SIC Division D);
- d) Transportation, Communications & Public Utilities (SIC Division E);
- e) Wholesale Trade (SIC Division F);
- f) Retail: Eating and Drinking (SIC 58);
- g) Retail: All Other (SIC Division G not including SIC 58);
- h) Finance, Insurance, and Real Estate (SIC Division H);
- i) Hotel and Lodging Services (SIC 70);
- j) Amusement and Recreation Services (SIC 79);
- k) Health Services (SIC 80);
- l) Social Services (SIC 83);
- m) All Other Services (SIC Division I not including SIC 70, 79, 80, and 83).

**CONTENT OF ANALYSIS**

**1) Employment Density: GLA/FTE**

For the purpose of determining the employment density of the development, the applicant shall divide the GLA by the number of FTE's generated by the development for each of the three years before and following the development's completion.

The Commission will use the most current U.S. Department of Energy's Energy Information Administration's (EIA) nationwide survey of commercial buildings as a guide (see Appendix A). For developments with employment densities that are 5% or greater outside the ranges listed in the most current EIA survey, the Commission may require additional information and/or explanation.

## **2) Average (Mean) Annual Wage: Total Payroll/FTE**

Throughout this Technical Bulletin, the term “average wage” is used to represent the mean wage. For the purpose of determining the average wage of the development, the applicant shall divide the total payroll by total FTE’s (use 40 hours as standard work week).

The Commission will refer to the Massachusetts Department of Labor and Workforce Development’s most current Annual Employment and Wages Summary for Barnstable County as a guide. The Commission may require additional information and/or explanation of average wages that vary by 5% or more from the Department’s Summary.

## **3) Determination of Impact on Affordable Housing**

For the purposes of determining the impact of the proposed development on the availability of housing for low and moderate income residents, assessing the project’s consistency with MPS 5.3.1, and evaluating the affordable housing benefits and detriments of the project, the Commission will use the most current annual MA DLWD Employment and Wages Summary to categorize applications as follows:

- a) If the average wage paid for the jobs generated is 80% or less of the average for all jobs in Barnstable County, then the proposed DRI shall be considered to have a HIGH IMPACT.
- b) If the average wage paid for the jobs generated is greater than 80% and less than or equal to 100% of the average for all jobs in Barnstable County, then the proposed DRI shall be considered to have a MODERATE IMPACT.
- c) If the average wage paid for the jobs generated is greater than 100% and less than or equal to 120% of the average for all jobs in Barnstable County, then the proposed DRI shall be considered to have a LOW IMPACT.
- d) If the average wage paid for the jobs generated is greater than 120% and less than or equal to 150% of the average for all jobs in Barnstable County, then the proposed DRI shall be considered to have a VERY LOW IMPACT.

At the time of adoption of this Technical Bulletin, the most current (2002) average wage published for Barnstable County is \$32,028.

## **4) Mitigation and Special Circumstances**

The applicant may propose mitigation to alleviate the affordable housing impacts. Such mitigation may include the creation or support of affordable housing on or off site. In evaluating the affordable housing benefits and detriments of the project, the Commission will weigh the type and amount of proposed mitigation against the impacts.

The applicant may also describe any special circumstances of the project that the applicant believes may lessen the impact of the proposed development on the availability of housing for low and moderate income residents. Such circumstances may include but are not limited to developments with a mixed employee base or developments aimed for seasonal use only.

## **APPENDIX A**

<b><u>Principal Building Activity</u></b>	<b><u>Mean SF Per Worker</u></b>	<b><u>Median SF Per Worker</u></b>
Education	969	1,000
Food Sales	1,014	833
Food Service	459	500
Health Care- Inpatient	557	563
Health Care- Outpatient	367	501
Lodging	1,919	2,031
Mercantile- Retail (Other than Mall)	1,021	1,250
Mercantile- Retail (Enclosed and Strip Malls)	838	650
Office	416	500
Public Assembly	1,396	2,500
Public Order and Safety	686	425
Religious Worship	2,059	3,000
Service	744	1,111
Warehouse and Storage	1,685	1,417

Source: U.S. Department of Energy's Energy Information Administration's 1999 nationwide survey of commercial buildings.