



Economy

This guidance is intended to clarify how the Economy Goal and Objectives of the Regional Policy Plan (RPP) are to be applied and interpreted in Cape Cod Commission Development of Regional Impact (DRI) project review. This technical bulletin presents specific methods by which a project can meet the goal and objectives.

Economy Goal: To promote a resilient, inclusive, and diverse regional economy that protects and builds on the Cape's competitive advantages.

- ***Objective EC1 – Support traditional and emerging businesses and industries***
 - ***Objective EC2 – Support local workforce, economic activity, and entrepreneurship***
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The applicability and materiality of these goals and objectives to a project will be determined on a case-by-case basis considering a number of factors including the location, context (as defined by the Placetype of the project's location), scale, use, and other characteristics of a project.

THE ROLE OF CAPE COD PLACETYPES

The RPP incorporates a framework for regional land use policies and regulations based on local form and context as identified through categories of Placetypes found and desired on Cape Cod.

The Placetypes are determined in two ways: some are depicted on a map contained within the RPP Data Viewer located at www.capecodcommission.org/RPPDataViewer adopted by the Commission as part of the Technical Guidance for review of DRIs, which may be amended from time to time as land use patterns and regional land use priorities change, and the remainder are determined using the character descriptions set forth in Section 8 of the RPP.

The project context, as defined by the Placetype of the project's location, provides the lens through which the Commission will review the project under the RPP.



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INTRODUCTION

The stated purposes of the Cape Cod Commission Act (“the Act”) acknowledge that the regional economy is inextricably linked to the health and appeal of our natural and built environment by calling for the Commission to “maintain and enhance sound local and regional economies, and to ensure balanced economic development” while protecting the unique values of the region. To achieve these purposes set forth in the Act, the Commission is charged with “promot[ing] the expansion of employment opportunities” and “implement[ing] a balanced and sustainable economic development strategy for Cape Cod capable of absorbing the effects of seasonal fluctuations in economic activity.”

This technical bulletin serves to clarify the goals and objectives of the Regional Policy Plan (RPP) that pertain to the Cape Cod economy. Its purpose is to help applicants for development projects interpret and apply the basic economic principles contained in the RPP Economy Goal and Objectives. This guidance presents a variety of methods by which a project can meet this Goal and related Objectives.

APPLICABILITY

The economy goal and objectives apply to DRIs with a non-residential component and 10 or more employees (full- or part-time).

SUMMARY OF METHODS

GOAL | ECONOMY

To promote a resilient, inclusive, and diverse regional economy that protects and builds on the Cape's competitive advantages.

Objective EC1 – Support traditional and emerging businesses and industries

METHODS

The following are methods that may be used to achieve consistency with Objective EC1:

- Provide business opportunities in emerging industries
 - Sustain or support traditional and core industries and businesses
 - Support the development of new businesses, technologies, and/or products
 - Support artist and other creative occupations
 - Protect and support shell/fin fishing industries
 - Support or enhance research and development activities
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Objective EC2 – Support local workforce, economic activity, and entrepreneurship

METHODS

The following are methods that may be used to achieve consistency with Objective EC2:

- Provide year-round jobs
- Provide jobs that pay above-average wages relative to similar occupations and industries in the region and relative to the region as a whole
- Provide employees with training for career advancement
- Provide employees with paid sick, vacation, medical and disability benefits
- Provide housing assistance or affordable housing for employees (year-round and/or seasonal)
- Provide services necessary to allow residents to enter or remain in the workforce (e.g., childcare, transportation)
- Provide space for local businesses
- Support businesses selling locally grown or produced products
- Support businesses that export goods

DETAILED DISCUSSION OF METHODS FOR MEETING OBJECTIVE EC1

Objective EC1 – Support traditional and emerging businesses and industries

The intent of objective EC1 is to support the core industries that have and will continue to be crucial to the region's economy, while also fostering new and emerging industries that leverage the attributes and characteristics that make Cape Cod unique and economically viable. Development or redevelopment that fortifies existing core businesses and industries or helps diversify the region's economic mix and is responsive to changes in markets will best serve Cape residents over the long term. Following are methods that may be used to achieve consistency with Objective EC1.

Provide business opportunities in emerging industries

The region will benefit from greater opportunities in new, innovative, and emerging industries that leverage the region's unique characteristics and/or contribute to addressing local and regional priorities. This includes but is not limited to businesses and industries that utilize Cape Cod's coastline and marine and freshwater resources, such as marine science and technology businesses, and those that advance resilience of the natural and built environment to climate change and other challenges. Projects that provide space for, or jobs in, new and emerging industries, such as marine science and technology and other blue economy industries, will help to diversify the region's economy and support those new industries.

Sustain or support traditional and core industries and businesses

While the region should expand and diversify its industries and business opportunities, it is important to also continue to support the existing and traditional industries and businesses currently core to the region's economy. These include the healthcare, hospitality, and retail sectors. Additionally, while comprising a smaller share of the current economic activity, the region needs to continue to support its traditional industries and their needs, such as fishing, aquaculture, and agriculture, which are important to the economy and regional identity. A project may support traditional and core industries in the region by providing jobs in those sectors or providing space for those types of businesses or activity.

Support the development of new businesses, technologies, and/or products

Expanding businesses, technologies and products can bolster the region's economy. A project may propose to create a new business in the region or develop new technologies or products to expand regional wealth and economic activity.

Support artist and other creative occupations

As stated in the 2024 Comprehensive Economic Development Strategy ("CEDS"), "the region's arts and culture sector is a critical component of Cape Cod's identity and economy...and it is a characteristic element of what draws people to the region." Continuing to support and foster artists and creative occupations will help support a key element of the region's economy. A project may support artists or other creative occupations by providing space for such businesses, integrating public art into its design, partnering with artists or other creative organizations in the region, or employing or providing other support for artists and creative occupations.

Protect and support shell/fin fishing industries

The commercial fishing and aquaculture industries are key for the region, both economically and culturally, and can provide critical year-round employment opportunities. A project may help sustain these industries by preserving access to the fishing grounds, protecting or providing needed infrastructure to ensure the continued viability of these industries, or working directly with commercial fishing and aquaculture businesses in the region.

Support or enhance research and development activities

Capitalizing on research and development activities and industries can provide higher-wage year-round employment opportunities and can attract a more diverse industry mix to the region in the future. A project could support or enhance research and development activities by providing jobs or space for such endeavors or through supportive partnerships with institutions and organizations already carrying out this work.

DETAILED DISCUSSION OF METHODS FOR MEETING OBJECTIVE EC2

Objective EC2 – Support local workforce, economic activity, and entrepreneurship

The cost of living and demand for leisure-related services and housing limit both workforce and business diversity in the region. Current employers have difficulty retaining and attracting labor as the cost of living far outstrips the average wage in the top industries. While these challenges are systemic and individual development projects cannot fix them, it is essential that wages, job benefits, and opportunities for employment and workforce development contribute to providing a more resilient, inclusive, and diverse economy. Following are methods a project may use to demonstrate consistency with Objective EC2.

Provide year-round jobs

The region's economy is highly seasonal with employment fluctuating between winter and summer months. This can result in lower wage jobs and high unemployment in the winter months, forcing workers to leave the region permanently or during the off-season. Providing year-round jobs is critical to stabilizing and strengthening the economy and allowing residents to live and work in the region year-round. A project can support local workforce by providing year-round jobs.

Provide jobs that pay above-average wages relative to similar occupations and industries in the region and relative to the region as a whole

Many of the jobs in the region are concentrated in lower paying industries, such as retail, food services, and other tourism-related industries. Projects providing jobs that pay higher wages relative to other jobs in the region help enable local workforce participation by compensating for the high cost of living, attracting and retaining more local workers.

Provide employees with training for career advancement

Continuing to provide training so local workers can advance in their careers and provide the labor necessary for changing industry needs is important for the longevity of the region's workforce and economy. Projects can provide employees with regular training opportunities for career advancement, partner with local workforce training and educational institutions to identify workforce training needs and develop programs,

and support employees in continuously aligning their skills with the needs of local businesses.

Provide employees with paid sick, vacation, medical and disability benefits

To maintain and attract workers in the region, businesses should offer competitive benefits, which can also help with the cost of living. Projects should provide employees with paid sick, vacation, medical and disability benefits.

Provide housing assistance or affordable housing for employees (year-round and/or seasonal)

Housing in the region is unaffordable for most residents and for average wages in most industries. To help offset the high cost of living and provide opportunities for employees to live and work in the region, a project or development can provide housing assistance for its employees. This may be done through vouchers, providing actual housing for the employees (which may be particularly necessary for seasonal workers), or developing and/or contributing to development of housing in appropriate locations to increase the year-round and seasonal workforce housing supply in the region.

Provide services necessary to allow residents to enter or remain in the workforce (e.g., childcare, transportation)

Housing is not the only factor in cost of living and workforce participation. Access to affordable childcare can be a pivotal factor in whether a parent may be able to participate in the workforce. Additionally, having transportation to a job can be another critical hurdle. Providing support or services, such as affordable and accessible childcare and efficient and affordable transportation, are ways a project can help support local workforce participation. This could include providing free or discounted childcare or eldercare, subsidies for transportation, and/or coordinated transportation or transit services to and from the business.

Provide space for local businesses

The size of the economy is impacted by business ownership; locally owned businesses retain and circulate money within the regional economy to a greater degree than non-local businesses. Securing a location for a business to operate can be a challenge generally and financially. A project can provide space for local businesses, either

permanently or as pop-ups, to help local businesses test their concepts and gain exposure to customers in the region. If employing this method, project plans should show a space specifically available to local businesses and details on planned programming for it. This can help support the establishment and continued operations of local businesses, which are vital for local economic activity and entrepreneurship.

Support businesses selling locally grown or produced products

Supporting locally grown or produced products or businesses that add value to local raw materials helps support local economic activity and local businesses. A project can partner with businesses that sell local goods, utilize or sell local raw materials, or contract directly with local suppliers to help support local businesses, growers and producers. Supporting these local businesses can also be a way to stimulate and support the local economy and local entrepreneurship.

Support businesses that export goods

The regional economy expands when products made locally are sold (or exported) to non-residents, or when goods previously imported are made and sold locally (known as import substitution). Businesses that export goods can expand and improve local economic activity. Partnering with or providing resources for businesses that export goods from the region is one way a project can support these businesses and local economic activity.

GENERAL APPLICATION REQUIREMENTS

All applicants must provide an Economic Narrative with their initial DRI application. The narrative should include a brief description of the project and describe the methods by which the applicant will meet the Economy Goal and Objectives. DRI projects being reviewed for consistency with the Economy Goal with 25 or more employees (full- or part-time) are required to complete a full Economic Impact Assessment (EIA).

Depending on various factors such as project location, geographic context (as defined by the Placetypes), scale, and proposed use, the Commission may request a full EIA from the applicant for projects with less than 25 employees, in addition to the Economic Narrative. The required elements of these documents are outlined below.

ECONOMIC NARRATIVE

An Economic Narrative should include the following:

- Brief description of the proposed development project, including a description of the products or services that the project will provide and the customers this project will primarily serve (for example, residents of the region, summer residents/second homeowners, tourists, or customers located outside the region);
- Description of the basic elements of the development project, how much it will cost to construct (i.e., total investment including all design and permitting costs), how many jobs will be created, and expected wages and salaries;
- Narrative and documentation describing the methods used to meet the Economy Goal and related Objectives.

ECONOMIC IMPACT ASSESSMENT (EIA)

An EIA should provide detailed information and data on the project, the employment opportunities related to the project, and the expected fiscal impact of the project on the community and the region as a whole.

In addition to the data and information requested below, applicants are welcome to provide economic analyses commonly used to show how the proposed project is favorable to the regional economy. This could include simple location quotient and shift-share analyses or more complex impact assessments using in-put/out-put multipliers, econometric models, and/or fiscal impact models.

An EIA must include the following information:

1. Locus Map(s): Provide a map or maps showing the location of the project relative to:
 - a. Community Activity Centers
 - b. Direct competitors
 - c. Suppliers
 - d. Customers
2. Market Niche: Detailed description of the products or services that the project will provide and the customers this project will primarily serve
3. Corporate and/or Ownership Information: Provide documentation of the following as appropriate:
 - a. Incorporation type for tax purposes
 - b. State of incorporation
 - c. Location of corporate headquarters
4. Estimated Cost of the Project: Provide the following information on the estimated investment required to complete the proposed project:
 - a. Total investment required to complete the building of the project including construction materials, labor costs, and related development services
 - b. Total investment required to acquire the land and any existing buildings located on the property being developed
5. Employment Information: Employment information for the last three years (if applicable) and estimated employment for three years following completion of the project. Actual company data should be provided when available rather than general industry norms.
 - a. Short-term, Construction-phase Employment:
 - i. Total work hours estimated to complete the project
 - ii. Total labor costs for construction
 - iii. Average wage(s)/salary(ies) anticipated
 - b. Workforce Data:
 - i. Total number of individuals to be employed at the site after construction has been completed and specify how many will be full-time, part-time, temporary, and/or seasonal.

- ii. Full-time Equivalent Employment: Provide the total number of full-time equivalents (FTEs) to be employed at the site after construction has been completed based on a standard work week (40 hours).

For each category, please specify if these employees will be working on a full or part-time basis.

6. Wage Data:

- a. Total Payroll: Provide the total wages to be paid annually to all employees.
- b. Net New Payroll: Provide a three-year average of the total payroll and payroll per FTE generated at the site by the applicant.
- c. Wages: Provide the average wage, median wage, and maximum and minimum wage to be paid to employees working at the site after construction has been completed. For salaried employees, provide the annual salary and the standard number of hours worked per week for full-time employees. Unless otherwise noted, 40 hours will be used as the standard week.

7. Employee Benefits Data: Provide official company documentation regarding the following:

- a. Types of benefits: Provide a list of all the benefits offered to employees (i.e., medical, dental, vision, retirement, disability, childcare, eldercare, transportation.)
- b. Eligibility for Benefits: Provide the policies regarding the eligibility of employees for benefits as determined by hours worked, employment classifications, or other qualifying factors. Provide the number and percent of employees meeting these eligibility requirements.
- c. Cost of benefits: Provide the total cost of the benefit package provided to employees including the percent paid by the employer and the percent paid by the employee
- d. Career Advancement & Training Data: Provide documentation outlining programs and funding allocated to the following:
 - On-site or In-service Training
 - Apprentice Programs
 - Tuition Reimbursement

RESOURCES

General Economic Data Resource links:

- Data Cape Cod: <https://datacapecod.org>
- American Fact Finder: <https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>
- STATS America: <http://www.statsamerica.org/>