

Sandwich Economic Development Initiative Corporation

Summary Information

Sandwich today faces significant challenges. The challenges arise from our dependence on residential property for tax income, our commitment to maintain top-quality public education and public services, and our desire to retain the historic character of the Town.

The Task Force to study an Economic Development Initiative Corporation (SEDIC), comprised of six Sandwich residents appointed by the Board of Selectmen a year ago, strongly believes that an SEDIC would add an important resource to the Town's efforts to meet its current challenges. This paper outlines what an SEDIC would be, what it would do, who would be in charge of the organization, and how it would benefit the Town of Sandwich, its taxpayers, and its future citizens.

BACKGROUND

An Economic Development Corporation is an entity within a specific locale that is charged with maintaining, improving and expanding economic development within that locale.

PERFORMANCE PROFILE

The most successful corporations to date in the Commonwealth are true public-private partnerships created by and between the local town government and the local private-business sector.

CONTRIBUTING FACTORS

Depending on the needs and aspirations of the specific locale, Economic Development Corporations (also referred to as EDIC's) can take on a variety of developmental roles; roles ranging from a simple advisory body, to a specific project director, to that of an economic planning, policy development and operating body on behalf of the specific locale. The classic EDIC model (M.G.L. 121c) does not apply to Sandwich because it hinges on high local unemployment to establish the need for such a corporation. However, many Massachusetts towns, including Bourne, Mashpee, and Plymouth, have established Economic Development Corporations through special legislative acts based on 121c by homerule petition.

THE ADVOCATED PLAN

The Task Force appointed by the Board of Selectmen is recommending a homerule petition to form a true public-private Economic Development Corporation, authorized first by Town Meeting and then a separate enabling act of the State Legislature.

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THE MISSION

The charge to the Corporation would be to maintain and further stimulate economic development within the Town of Sandwich while preserving the historic nature and character of the Town.

The proposed mission statement for the Corporation:

To work cooperatively with the elected and appointed officials in the Town of Sandwich to achieve the best and highest use possible of land and buildings for the expansion of Sandwich's property tax base while creating new job opportunities and expanded services for the citizenry.

To seek funding from the private sector, grants (state and federal), and in kind contributions to support the activities of the Corporation in achieving its goals as set forth by the enabling legislation and by-laws.

To work with all existing land, building owners, and business owners to maintain Sandwich's existing employee and tax base while assisting in the development of master plans for future growth.

To plan for future growth and expansion in concert with other towns and regional planning agencies to improve the quality of life and business climate in Sandwich.

GOVERNANCE

This non-profit Corporation would be governed by a nine member volunteer Board of Directors, with representation from the public, private and non-profit sectors in Sandwich.

THE VISION

The role of the Corporation would be to help maintain the existing economic base within the Town while fostering appropriate economic development under an agreed upon master plan for the Town of Sandwich. The Task Force is not seeking to supplant the Town's existing planning & policy development body, but rather to cooperate in the implementation of that policy. In addition to existing town priorities, current professional planning studies being commissioned by the Sandwich Chamber of Commerce and the Cape Cod Canal Region Chamber of Commerce in conjunction with the town of Sandwich are expected to become points of guidance for the Corporation as it assesses opportunities to facilitate economic development. While the Corporation is envisioned as a long-term partner with the public and governing body of the Town, the Task Force does not anticipate any initial start-up funding requests to the Town of Sandwich.

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THE BENEFIT ASSESSMENT

During its review and deliberative investigation, the Task Force recognized a number of benefits that would accrue to the Town as a result of the formation of an Economic Development Corporation. While it is generally agreed that commercial property has a more positive net effect on the property tax base than residential property, our current tax base in Sandwich is approximately 95% residential and only 5% commercial. Most people in town agree that this is a major reason for the current structural tax gap. A major goal of the Corporation would therefore be to increase the commercial percentage of the tax base through pro-active economic development and redevelopment as well as business and job creation that fits within the character and desired business scale/scope of Sandwich.

First and foremost, the Corporation would be focused on economic issues within the Town: the preservation of existing jobs, the appropriate growth/expansion of existing businesses, the creation/attraction of new businesses and new jobs, stimulation of an expanded business sector contribution to the tax base, more extensive communication within and among the Town bodies charged with overseeing development, and, advisory leadership and/or management in specific economic development projects.

As an independent body (vs. a Town appointed/elected Board or Committee), the Corporation can seek out, receive and manage Grants (both private and public, at the State and Federal level) for which the Town is not eligible. As an independent economic development body, the Corporation may mix public and private resources unlike any other Town appointed/elected body.

The composition of the Board of Directors would include individuals with economic development experience, individuals who are dedicated to stimulating the local economy while preserving the character and quality of life already present in Sandwich. These individuals have experience in seeking grants and private sector funds, in managing and working on previous economic development projects and marketing Cities/Towns to prospective new and relocating businesses. Board Members would be prohibited from profiting from the activities of the Corporation and would be required to disclose any potential conflicts of interest.

The Corporation may assist the Town in the management of its newly adopted Tax Increment Financing (TIF) program. The TIF may be used as a tool to help draw relocating businesses to Sandwich as well as assist existing businesses expand within Sandwich (as opposed to having them move away to neighboring cities/towns). A key role of the Corporation would be active out-reach, in both the public and private sectors, to promote the Town of Sandwich as a business location that possess an exceptional quality of life, combined with an existing infra-structure capable of accepting appropriate site-specific business development.

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THE BENEFIT ASSESSMENT (cont'd.)

In its communication role, the Corporation may also serve as a 'sounding board' for other sectors of the Town of Sandwich, able to offer a valid business perspective on the issues and concerns of the Town in its deliberations. The Corporation should also serve as a communications facilitator with the Chamber(s) of Commerce and the non-profit sector, both of whom are concerned with the approach to and outcome of economic expansion and further development within the Town.

In keeping with our town's Long Range Plan, there is a goal of raising the commercial tax base in future years to lessen the burden on our residential taxpayers. If we can take the current approximately 5% commercial tax base and raise it, for example, to Barnstable's 11% over the next ten or fifteen years, the Sandwich Economic Initiative Corporation will have provided a very valuable benefit for both the town and the taxpayers. Taxpayers should be aware that any increase, no matter how small, will help cover some of the annually rising costs of running the town.

Lifestyle is a benefit of local business growth that is often overlooked. Over the last couple of years we have looked at the work situations of gainfully employed Sandwich taxpayers. What we found is that almost 90% of them do not work in Sandwich. A large number of them cross the bridge every morning and spend up to four hours on the road getting to and from their jobs. They choose this commuting pattern, not because they like driving or bus riding, but, because jobs similar to theirs are not available in Sandwich. If the efforts of the Sandwich Economic Initiative Corporation results in even 10% of our fellow citizens being able to commute for twenty minutes instead of two hours, the SEIC will have provided a valuable service to the town and its citizens.