

Town of Somerset, MA

Economic Development Plan

2019

JULY 2019

Table of Contents

| | |
|--|-----------|
| Table of Contents | i |
| List of Tables | ii |
| List of Figures | ii |
| Acknowledgements | iii |
| Executive Summary | 1 |
| Business Landscape | 3 |
| Introduction | 3 |
| Business Landscape | 3 |
| Economic Development Goals | 14 |
| Strategic Recommendations..... | 16 |
| Introduction..... | 16 |
| Goal #1: Business Retention | 16 |
| Goal #2: Business Expansion..... | 17 |
| Goal #3: Community Building + Town Branding..... | 19 |
| Goal #4: Strategic Development Planning..... | 20 |
| Opportunity Sites | 22 |
| Introduction..... | 22 |

List of Tables

| | |
|---|----|
| Table 1 Education Attainment, Ages 25 and Over..... | 7 |
| Table 2 Travel Time to Work, Workers Ages 16 and Older..... | 9 |
| Table 3 Somerset Businesses and Employees, 2005 and 2018..... | 11 |

List of Figures

| | |
|--|----|
| Figure 1 Population and Housing Units Change and Projection..... | 5 |
| Figure 2 Population Change by Age Group..... | 6 |
| Figure 2 2018 Household Income Distribution..... | 8 |
| Figure 3 Somerset Residents and Jobs by Industry..... | 10 |
| Figure 4 Somerset Tax Levy, 2005 and 2018..... | 13 |

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Executive Summary

In Fall 2018, VHB commenced work on a Comprehensive Master Plan for the Town of Somerset, Massachusetts. As part of this process, VHB has developed an Expanded Economic Development Plan, presented in this report. The purpose of this document is to confirm strategic goals for the future of Somerset's economy and identify strategies for achieving these goals. This document can be reviewed and referenced either as a supplement to the Comprehensive Master Plan, or as a standalone document.

VHB's process consisted of data collection and analysis, review of existing conditions (both regional and local), economic needs assessment, and development of goals and recommendations. The process also included two public meetings; one with key stakeholders from the local business community, and one with residents. In each of these meetings, VHB presented initial findings and solicited candid feedback from participants.

The key outcome of VHB's process is the set of recommendations and implementation strategies that are outlined on the following pages. According to VHB's findings, Somerset's goals can be grouped under the following headings:

1. Business Retention
2. Business Expansion
3. Community-Building + Town Branding
4. Strategic Development Planning

For each of these goals, VHB has identified both short-term and long-term implementation strategies. Many of these recommendations require further review and verification in order to carry them forward within Somerset's specific policy and legislative framework.

Executive Summary

This document ends with a high-level overview of eight geographic areas within Somerset that have been identified as Opportunity Sites. Each site is grounded in Somerset's natural strengths and stands to benefit the economic health of the entire community. This section offers an overview of the eight sites, describes why they are significant, identifies general strategies for advancing or improving them, and establishes a preliminary position on action items required at the municipal level.

1

Business Landscape

Introduction

As a first step in identifying the best economic development strategy for Somerset, it is critical to develop an understanding of baseline demographic and economic conditions. In this chapter, we will provide a regional context, followed by a high-level summary of local patterns in relation to population, education, income, businesses, employment, tax policy, and economic development policy.

Business Landscape

Regional Trends

No town exists within a bubble, and local economic development strategy must be informed by an understanding of regional economic patterns. This includes trends in the regional labor force, education and skills attainment, priority industries, sectoral shifts, and areas of critical concern.

The Southeastern Massachusetts Labor Market Blueprint, 2018, indicates significant growth in the following industry sectors: Health Care and Social Assistance, Accommodation and Food Service, Construction, Arts, and Transportation and Warehousing. Moderate growth has been achieved in Public Administration and Professional and Technical Services. The region has seen a decline in the Manufacturing and Other Services sectors.

Priority industries for the region are identified as Health Care and Social Assistance; Professional, Scientific and Technical Services; and, Finance and Insurance. These sectors have demonstrated significant growth potential and high wages. In particular, the Health Care and Social Assistance industry is growing and now represents the largest industry sector in the region. Manufacturing and Construction, and Emerging Industries were identified as critical industries because of their historical importance to the region. While manufacturing is declining overall, it remains a substantial employer in the region and offers a career pipeline for unskilled labor. An upcoming challenge for manufacturing businesses is that regionally, many workers are aging out of employment (approximately 34 percent of manufacturing employees are over 55 years old).

The Southeastern Regional Planning & Economic Development District (SRPEDD) prepared the report Growing the Economy of Southeastern Massachusetts, Comprehensive Economic Development Strategy (CEDS) in 2017. The CEDS report produced a series of findings and recommendations for improving the economy of southeastern Massachusetts. Some of the key findings include:

- ▶ More jobs are needed to keep pace with growing population.
- ▶ The region's change in economic profile creates a need to shift the economic development strategy.
- ▶ Quality of life and environmental concerns are becoming important economic development factors.
- ▶ Small business remains the cornerstone of the regional economy.
- ▶ Traditional and technological infrastructure improvements are needed,
- ▶ Education is an important need, and
- ▶ The region must collaborate in an environment of innovation to remain competitive.

The CEDS concluded with six principal goals for the region:

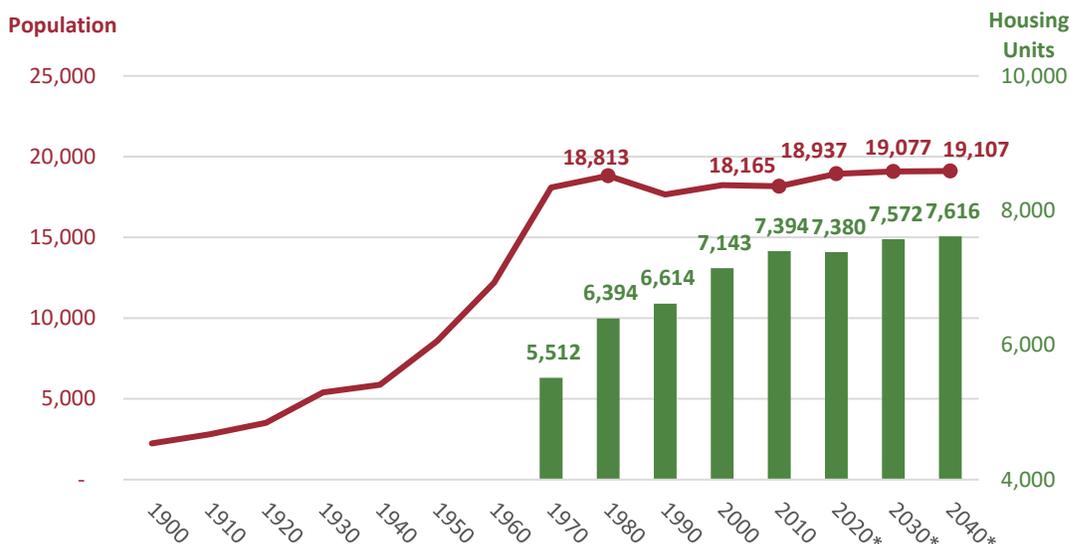
- ▶ Support the development of small business and new startups in the region.
- ▶ Support the development of infrastructure for economic development.
- ▶ Pursue sustainable development and enhance the region's quality of life.
- ▶ Broaden the region's economic profile; promote employment opportunities in emerging sectors such as marine science, biotech and the creative economy.
- ▶ Provide institutional support for economic development.
- ▶ Support and encourage economic resilience in the regional economy.

Population

Somerset experienced rapid population growth throughout the 20th century due to the expansion of its industrial sectors and suburbanization. These trends peaked during the 1980's and have since stabilized. According to the latest population count by the U.S. decennial census, Somerset had a total population of 18,165 in 2010, which was decreased slightly from 18,234 in the year 2000. The 2016 American Community Survey

estimated a total population of 18,279, which represents an increase of 114 persons from 2010, catching back up to the year 2000 level. Over the next 20 years, it is projected by the Southeastern Regional Planning and Economic Development District (SRPEDD) that Somerset’s population will remain stable with minor increases (see **Figure 1**).¹

Figure 1 Population and Housing Units Change and Projection



* SRPEDD 2020-2040 Projection

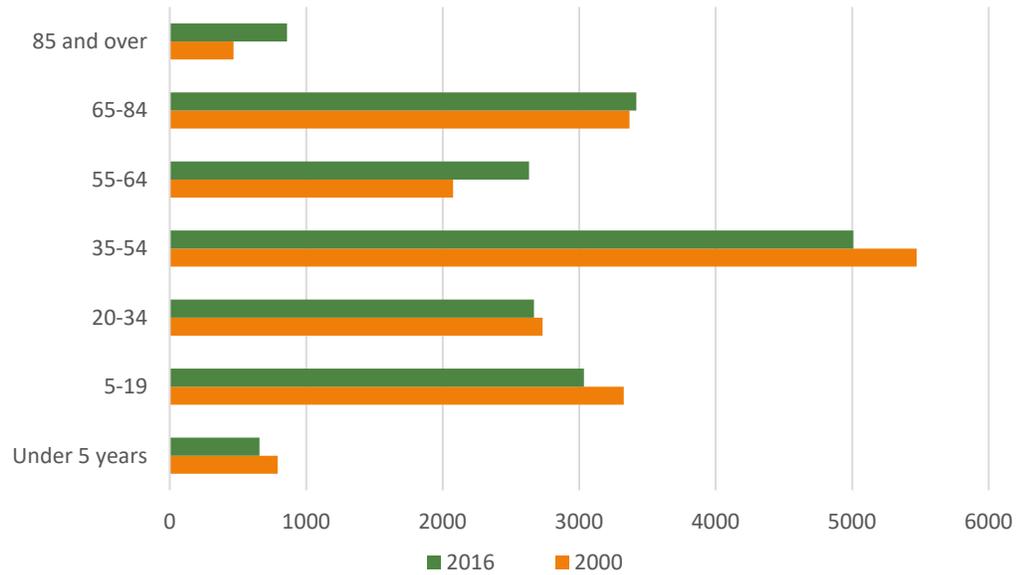
Source: US Census, SRPEDD Projections, adopted from Somerset Master Plan Housing Element

Although the 2016 estimated population is roughly equal to the 2000 population count, a closer look at the age structure of the population reveals significant shifts within the town’s demographics. As shown in **Figure 2**, between 2000 and 2016, the town’s senior population increased significantly, particularly seniors over 85 years old and between 55 and 64. At the same time, the population under 55 years old in Somerset decreased at all age levels, most notably adults between age 35 and 54, and school age children between 5 and 19 years old. The town’s median age increased from 43 years old in 2000 to 47.2 years old in 2016.

While these demographic shifts are in tune with the national trend of an overall aging population, these changes will likely pose challenges for Somerset in both providing adequate senior housing and services, and providing diverse and affordable housing options, services, and job opportunities to keep, as well as drawing young people and families to Somerset, all elements that are essential to having a sustainable local economy.

¹ SRPEDD is in the process of updating the build out analysis at the time of this Master Plan, therefore the build out projection will likely change.

Figure 2 Population Change by Age Group



Source: US Census, American Community Survey Five-Year Estimate 2012-2016, adopted from Somerset Master Plan Housing Element

The 2016 ACS estimate also shows that among senior residents 65 years and over who are not living in a nursing home or other type of institution, 35 percent have some level of disability. Seniors with self-care and/or independent living difficulties may be in need of supportive services or congregate housing, although recent trends show a desire to remain at home or opt for assisted living arrangements if possible. In addition, while the majority of the town’s households have access to vehicles, among the 5 percent that don’t have vehicles, 3.3 percent or 230 households are led by people 65 years and over. This indicates potential needs for housing located close to amenities, service centers for seniors, and enhanced options for accessible public transportation.

Education

As shown in **Table 1**, 23.7 percent of adults ages 25 and over in Somerset have a bachelor’s degree or higher. Another 52.1 percent have taken some college courses or have an associate’s degree and 31.2 percent have graduated from high school. These rates are similar to Bristol County as a whole, although the County has a slightly higher percentage of population with a bachelor’s degree or higher (26.6 percent).

Table 1 Education Attainment, Ages 25 and Over

| | Somerset | | Bristol County | |
|---------------------------------|------------|--------|----------------|--------|
| | Population | % | Population | % |
| Total Population | 13,829 | 100.0% | 383,924 | 100.0% |
| Less than High School Graduate | 2,005 | 14.5% | 62,422 | 16.2% |
| High School Graduate | 4,319 | 31.2% | 115,218 | 30.0% |
| Some College, No Degree | 2,896 | 20.9% | 69,541 | 18.1% |
| Associate’s Degree | 1,336 | 9.7% | 34,930 | 9.1% |
| Bachelor’s Degree | 2,062 | 14.9% | 64,704 | 16.9% |
| Graduate or Professional Degree | 1,211 | 8.8% | 37,109 | 9.7% |

Source: US Census, American Community Survey Five-Year Estimate 2012-2016

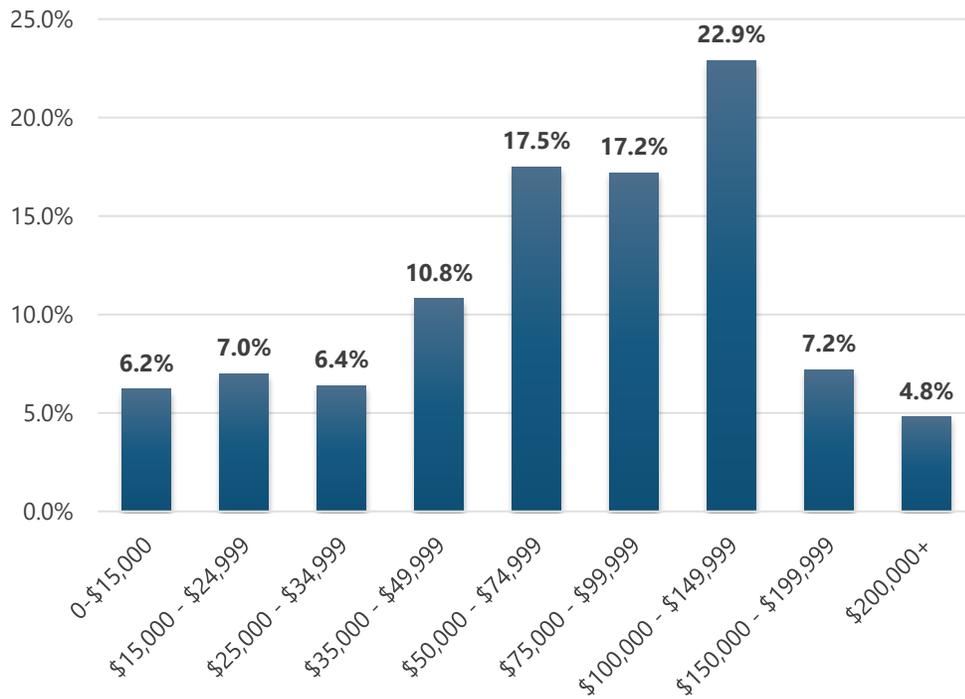
Income

Median household income in Somerset is \$77,278, which is comparable to the median household income of \$77,518 in Massachusetts and higher than the median household income of \$63,131 in Bristol County. Income in Somerset is expected to grow approximately 9.4 percent by the year 2023.²

Figure 3 below shows the household income distribution for Somerset in 2018. As shown, almost 35 percent of households have an income of between \$50,000 and \$99,999 and approximately 23 percent make between \$100,000 and \$149,999. The poverty rate in Somerset is 8.0 percent.

² ESRI Business Analyst Online, 2018

Figure 3 2018 Household Income Distribution



Source: U.S. Census Bureau, Census 2010 Summary File 1. ESRI forecasts for 2018 and 2023

Employment

Approximately 5.9 percent of the civilian working population in Somerset is unemployed.³ In general, the South Coast has had a higher unemployment rate than Massachusetts over the past decade, attributable to the on-going attenuation of manufacturing activity.⁴ The top industry sectors for Somerset residents include Health Care and Social Assistance, Retail Trade, Educational Services, Accommodations and Food Services, and Manufacturing.

Workers who live in Somerset largely work close to home, with approximately 64 percent of workers commuting less than 30 minutes to work, and 36 percent of workers commuting 30 minutes or more. The average travel time to work is approximately 26 minutes.

³ ESRI Somerset Community Profile, 2018

⁴ SRPEDD Comprehensive Economic Development Strategy, 2017, Page 22

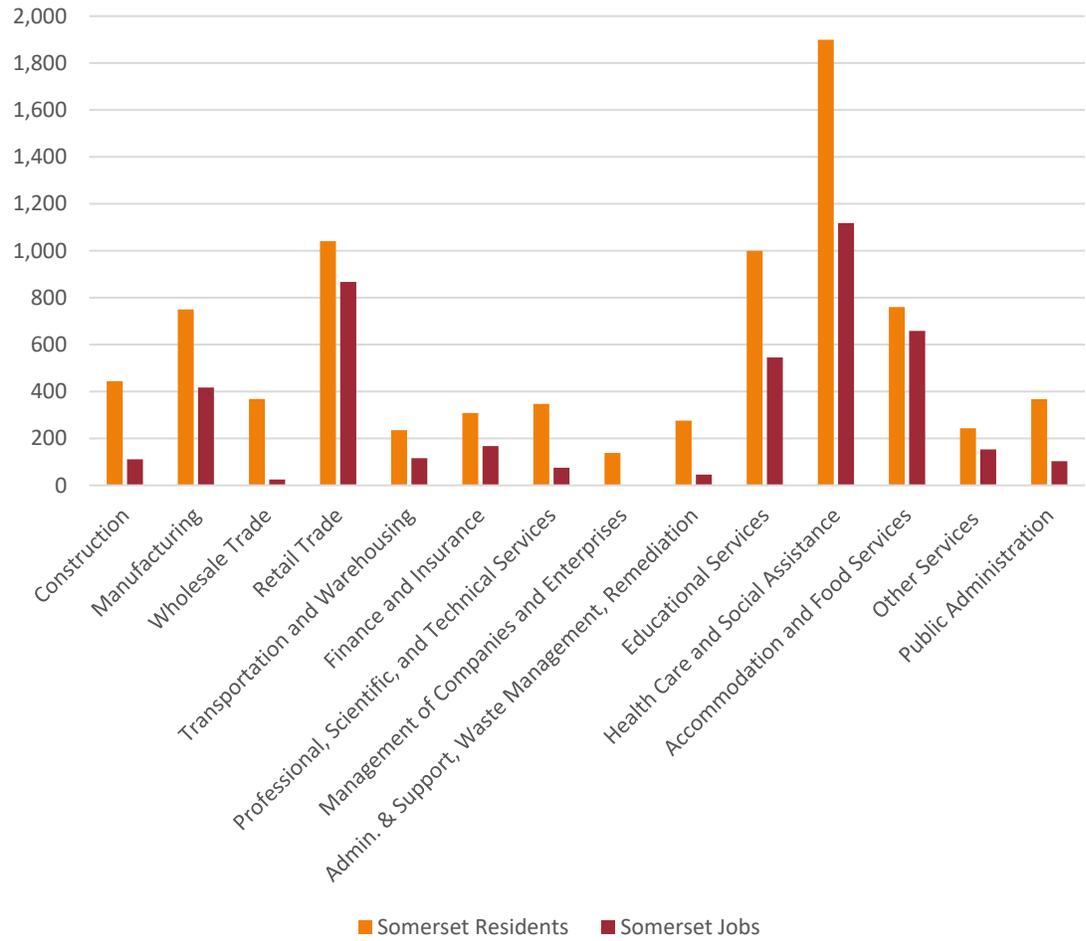
Table 2 Travel Time to Work, Workers Ages 16 and Older

| Travel Time | % of Workers Ages 16+ |
|-----------------------------|-----------------------|
| Less than 10 Minutes | 9.1% |
| 10 to 14 Minutes | 18.7% |
| 15 to 19 Minutes | 15.4% |
| 20 to 24 Minutes | 13.5% |
| 25 to 29 Minutes | 7.3% |
| 30 to 34 Minutes | 14.7% |
| 35 to 44 Minutes | 7.2% |
| 45 to 59 Minutes | 6.3% |
| 60 or More Minutes | 7.9% |
| Average Travel Time to Work | 25.8 Minutes |

Source: US Census, American Community Survey Five-Year Estimate 2012-2016

According to Longitude Employer Household Dynamics On-the-Map data, as of 2015, there were 1,082 people who lived and worked in Somerset and another 7,548 workers who lived in Somerset but worked outside of Somerset. Approximately 3,741 workers were employed in Somerset but lived elsewhere. A comparison of workers who live in Somerset and workers who work in Somerset shows that the largest industry sectors that Somerset residents have to leave Somerset to find employment include Health Care and Social Assistance; Education Services; Construction; Manufacturing; Wholesale Trade; and Professional, Scientific, and Technical Services. The discrepancy in education services workers is likely explained by the colleges located in nearby communities such as Bristol Community College. However, the presence of other industries suggests that there may be sectors that are underrepresented in Somerset.

Figure 3 Somerset Residents and Jobs by Industry



Source: LEHD On the Map, 2015. Does not include all labor sectors.

Somerset Businesses

The business landscape in Somerset has been shifting since 2005, when the Town’s last Master Plan was published. **Table 3** below compares the number of Somerset businesses and employees by industry in 2005 and 2018. As shown, the number of employees in industries such as construction and manufacturing have decreased, while the number of employees in the retail trade and services industries have increased significantly. Together, the retail trade and services industries employ over half of the employees in Somerset.

Table 3 Somerset Businesses and Employees, 2005 and 2018

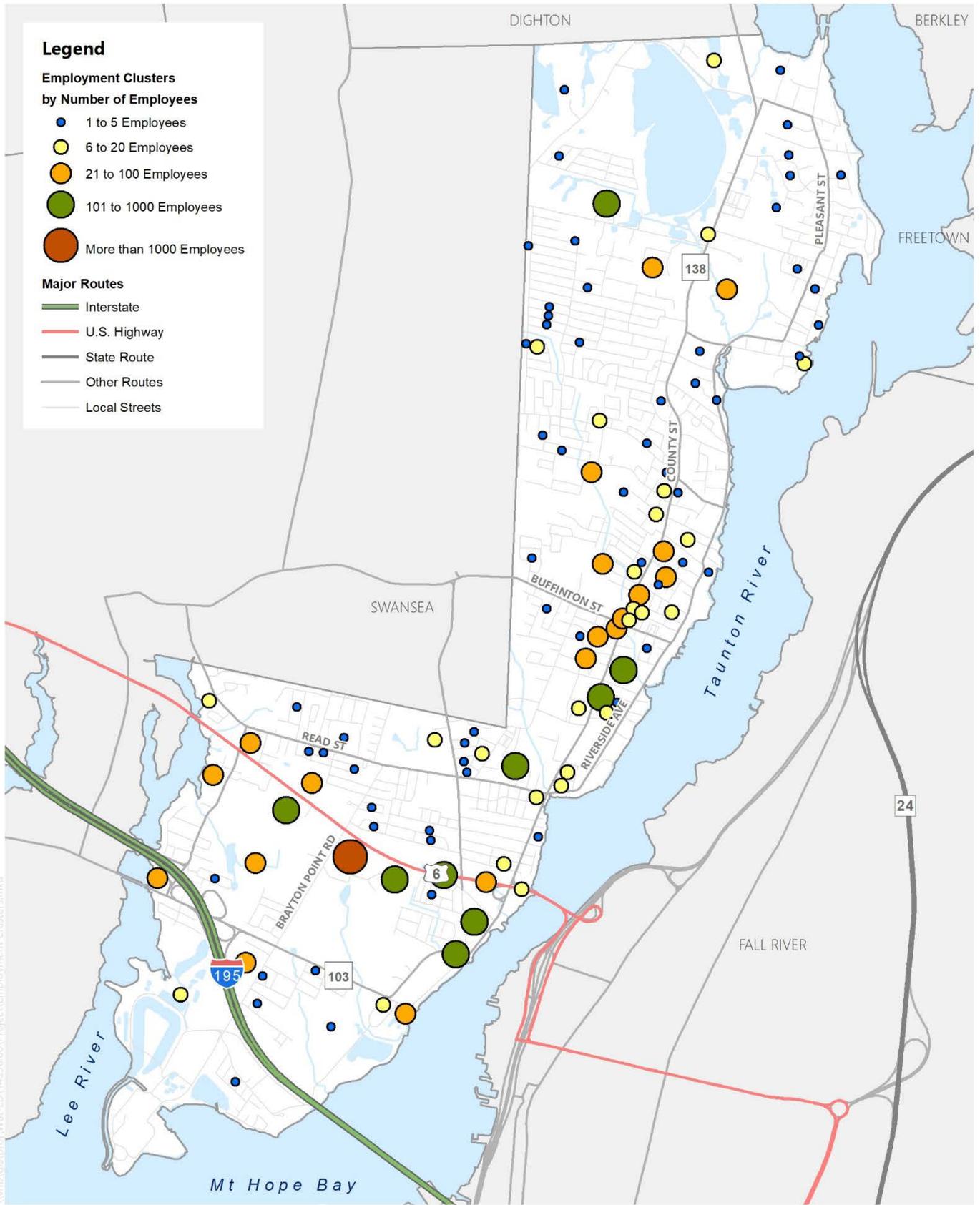
| | 2005 | | 2018 | | % Change |
|---------------------------------|------------|-----------|------------|-----------|----------|
| | Businesses | Employees | Businesses | Employees | |
| Agriculture and Mining | n/a | n/a | 7 | 28 | n/a |
| Construction | 21 | 295 | 32 | 109 | - 63.1% |
| Manufacturing | 17 | 617 | 13 | 165 | - 73.3% |
| Transportation | 10 | 110 | 8 | 142 | 29.1% |
| Communication | 3 | 30 | 5 | 47 | 56.7% |
| Utility | 3 | 374 | 3 | 338 | - 9.6% |
| Wholesale Trade | 17 | 123 | 15 | 73 | - 40.7% |
| Retail Trade | 118 | 1,668 | 137 | 2,277 | 36.5% |
| Finance, Insurance, Real Estate | 34 | 343 | 45 | 248 | - 27.7% |
| Services Industry | 146 | 1,506 | 194 | 1,985 | 31.8% |
| Government | 21 | 167 | 22 | 181 | 8.4% |
| Misc. | n/a | n/a | 17 | 55 | n/a |
| Total | 390 | 5,233 | 491 | 5,620 | 7.4% |

Source: Copyright 2018 Infogroup, Inc. All rights reserved. Esri Total Residential Population forecasts for 2018; Somerset Master Plan: Existing Conditions and Trends, December 2006

Some of the Town’s most significant local employers include retail stores, such as Home Depot and Stop & Shop, and healthcare groups including the Clifton Outpatient Rehab Clinic and Assisted Living Community and the Somerset Ridge Center. Certain manufacturing and construction-related companies still employ significant numbers in Somerset, including Horner Millworks, Fortier Boats, Gladding-Hearn Shipbuilding and Fisher Bus, Inc.

Many of the businesses in Somerset are concentrated in five distinct business districts:

- ▶ Indian Springs Plaza along County Street (Route 138);
- ▶ The County Street Business District, which runs from Riverside Avenue to Town Hall further south along County Street/Route 138. This is the Town’s primary commercial corridor, which is sometimes referred to as the Center of Town. This area includes the Montaup site;
- ▶ Slade’s Ferry District, south of Newhill Avenue, east of Brayton Avenue, and running along the Taunton River waterfront;
- ▶ Route 6, which runs east to west from the Taunton River to the Swansea town line; and,
- ▶ Wilbur/Brayton Point Road.



Town of Somerset Master Plan

Somerset, MA

Source: MassGIS, MA Labor and Workforce Development, US Census Longitudinal Employer-Household Dynamics

Map 1 Employment Clusters

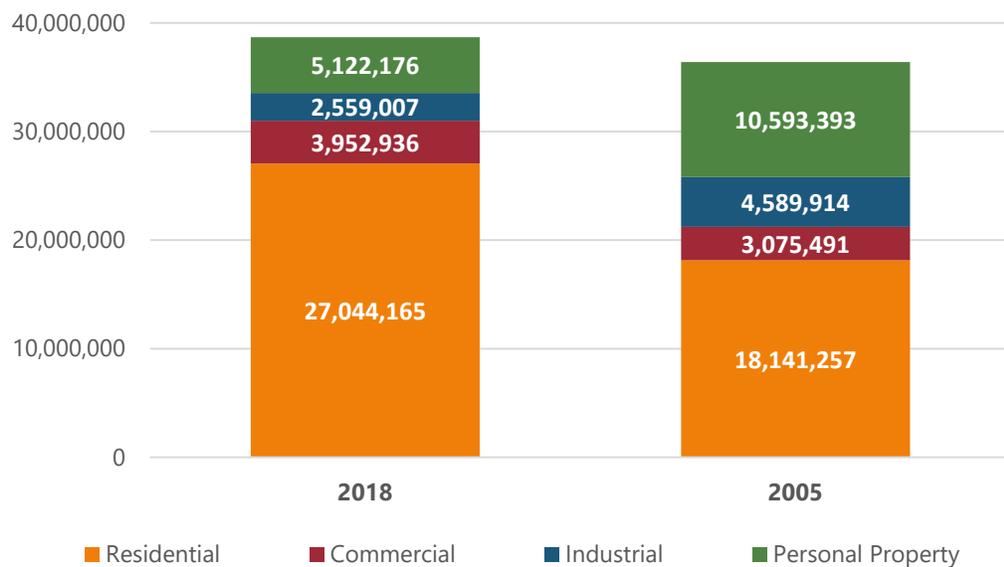
Map 1 shows the employment clusters in Somerset, which overlap with the business districts listed above. As shown, majority of the town’s businesses are concentrated along County Street and Route 6.

Somerset has a significant area of waterfront along the Taunton River, Mount Hope Bay, and the Lee River. As documented at a recent public meeting, many residents and other stakeholders believe this asset is underutilized and that it could be further developed to draw visitors to Somerset and support businesses. Although much of it is privately owned, targeted investments could advance planning goals.

Municipal Taxes

The total real estate and personal property tax levy for Somerset was \$38,678,284 in 2018, up from \$36,400,055 in 2005. **Figure 4** shows the breakdown of the tax levy by tax classification. As shown, the breakdown has shifted since 2005, with residential and commercial taxes composing a greater percentage of the total, and industrial and personal property taxes decreasing. This reflects an increase in both the residential and commercial property tax rates in recent years.

Figure 4 Somerset Tax Levy, 2005 and 2018



Source: MA Department of Revenue

Within the timeframe from 2005 to 2018, two large employment centers, the Montaup and Brayton Point Power Stations, shut down (in 2010 and 2017, respectively). These closures have had a significant impact on annual revenue for the Town. The closures also resulted in the loss of nearly 350 jobs combined. Currently, the Town receives grants from the State to help offset the impacts of these power plant closures. In 2018 the offset was \$3.6 million.

Despite the setbacks, these two large properties present significant redevelopment opportunities. A 2015 study by Ninigret Partners LLC, looked at the potential commercial and industrial uses of the two sites. The study concluded that both sites could be reused for energy-related industry or other commercial uses. Brayton Point was recently purchased by Commercial Development Company, Inc. (CDC), who has assumed responsibility for environmental remediation and repurposing of the site for a multi-use project specifically focused on supporting offshore wind farms. According to CDC's website, the company plans to reposition the retired power plant and develop a market-ready plan to transform the former energy asset for post-coal utilization.

Both the Montaup and Brayton Point sites are zoned Industrial and are equipped with deep-water ports that are within a Designated Port Area (DPA). The DPA program is run by the Commonwealth of Massachusetts with the goal to promote and protect water-dependent industrial uses. These sites are within one of Massachusetts's ten DPA's. Given this designation, the Town envisions both of these properties to maintain their industrial land uses, and may present opportunities for renewable energy industries, including storage, manufacturing and assembly.

Economic Development Goals

Based upon the assessment of the business landscape, the input received from the local residents and stakeholders, and an understanding of Somerset's intrinsic strengths and most promising opportunities, four distinct yet overlapping goals have been identified. These goals have been defined around a shared purpose of strengthening Somerset's economic position as it continues to evolve. These four goals are elaborated upon in **Chapter 2: Strategic Recommendations**. The goals are identified as follows:

Goal #1: Business Retention

Somerset is home to a wide variety of thriving businesses that provide integral goods and services to the Town's residents and residents from the surrounding communities. It is critical for Somerset to retain, support, and strengthen these businesses for the good of the broader community. Stability in the business community will reinforce the concept that Somerset is a smart place to invest.

Goal #2: Business Expansion

As identified in the Comprehensive Plan, the Town needs to expand and diversify the types of businesses located within its borders. Understanding the broader statewide and regional economic context will drive the process of identifying preferred industries that can benefit Somerset's tax base and help to offset the residential tax burden.

Goal #3: Community Building + Town Branding

An important component of attracting new businesses is to showcase the Town's assets to potential businesses. According to a recent report by the Southeastern Regional

Planning and Economic Development District, entitled *Growing the Economy of Southeastern Massachusetts, Comprehensive Economic Development Strategy (CEDS) 2017*, one of the region's greatest liabilities is a negative image shared among the local public as well as metro Boston's businesses and political communities. Successful community building and town branding will help minimize these sentiments. The Town should form a cohesive branding strategy, including both local and regional activity to promote Somerset's image and extend its visibility.

Goal #4: Strategic Development Planning

During the Master Plan process, the Town identified eight areas within which to focus economic development efforts. Strategic plans for these sites will ensure that they are developed in a manner that benefits the Town and its residents. Redevelopment of vacant industrial sites was noted as one of the top economic development strategies during the public participation process for the Master Plan. There are also actions that the Town can take, such as infrastructure upgrades or rezoning, that will make these sites more attractive to developers and businesses. The eight opportunity sites are presented in **Chapter 3: Opportunity Sites**.

Strategic Recommendations

2

Introduction

This chapter identifies strategic recommendations for achieving Somerset's four Economic Development Goals. Each goal is supported by specific short-term and long-term implementation strategies. It should be noted that these recommendations relate to municipal-scale policies and procedures. **Chapter 3: Opportunity Sites** presents recommendations relating to specific sites within Somerset.

Goal #1: Business Retention

Somerset's business community includes a wide variety of thriving and mutually-supportive stores, manufacturers, and professional service offices. Retaining and strengthening these businesses is paramount to Somerset's economic health.

Short Term Recommendations

- ▶ *Support Local Businesses Affected by Closings:* The recent closure of Somerset's two former power plants have already had a significant impact on local businesses who benefitted from their existence. Somerset should identify these businesses, diagnose the impact of the closures, and identify programs or established organizations that can help mitigate these impacts.
- ▶ *Support Small Businesses by Being a Resource:* Small businesses make up a significant portion of the Town's businesses and are integral to the economic health of the Town. The SRPEDD 2017 Comprehensive Economic Development report places a high

priority on the support of existing and development of new small businesses and start-ups in the region. SRPEDD recommends resources such as the Massachusetts Small Business Development Center Network's Southeast Regional Office (MSBDC) and Entrepreneurship for All (EforAll) which can assist small businesses, startups and entrepreneurs. Many small businesses do not have the time or knowledge of existing programs. The Town should become a resource for the small businesses by understanding these programs and their potential to assist small businesses.

Long Term Recommendations

- ▶ *Promote Expansion of Existing Businesses:* Beyond retaining existing businesses, Somerset can benefit from assisting their expansion. The growth of existing businesses can provide pathways for employees to remain and enter leadership positions, provide economies of scale for the business, and grow the customer base. Municipal assistance may come in the form of loans, grants, tax programs, or infrastructure improvements. It is important for existing businesses to know they are appreciated and valued in a community. A recent example of business expansion is the expansion of the Horner Millwork manufacturing facility which added approximately 46,000 square feet with the subsequent addition of solar panels, generating almost all of the plant's electricity needs⁵. The Town should conduct a review of the local development process and by-laws to optimize resources for existing businesses looking to expand. In addition, the Planning Department can help coordinate issues that develop between the different departments that might require changes to the site plans and ease the often times confusing process.

Goal #2: Business Expansion

It is recommended that Somerset configures its economic development strategy within the broader regional context. This will ensure that the Town's actions consistent with regional objectives and that they are aligned with those of neighboring municipalities.

The SRPEDD 2017 Comprehensive Economic Development Strategy report provides a blueprint for attracting new businesses and industries to the region. Recommendations from the CEDS report that are appropriate for the Town of Somerset are highlighted below, as are industries whose growth is recommended by the local community. Encouraging these industries would support the local tax base and help form regional partnerships that contribute to economic stability.

Short Term Recommendations

- ▶ *Health Care Industry:* Plan for and support the expansion of the health care industry. Doctors' offices, urgent care, home health support, medical supplies, and physical therapy are just a few of the businesses that should be encouraged. Consider the

market for an additional assisted living facility, which would support the aging population of the Town and attract supportive businesses.

- ▶ *Marine-Dependent Businesses:* Seek marine-dependent businesses to take advantage of one of the Town's strongest assets. Marine science, manufacturing, and businesses that expand trade through use of the deep-water port. Deep-water access is a unique asset that needs to be promoted.
- ▶ *Restaurants/Bars/Taverns:* There is public desire to attract new restaurants, bars, taverns, and microbreweries. Ensure that these establishments are permitted in the Town zoning and consider encouraging these types of businesses in conjunction with mixed use development where these businesses tend to thrive.
- ▶ *Manufacturing:* Although manufacturing is on the decline overall, Somerset has several assets that support manufacturing and manufacturing is generally supported by the community. The Town needs to consider the needs of modern manufacturing, such as craft food production, medical supply manufacturing, distribution, supply chain manufacturing, etc., and ensure that the Town's zoning code supports new types of businesses. Further, the Town should encourage the development of spaces that can be used by start-up businesses, either in privately-owned facilities, or in Town-owned facilities that are currently underutilized.

Long Term Recommendations

- ▶ *Expand Tourism:* Tourism benefits local economies by bringing in money from outside of the local community and by expanding the customer base for local businesses. It is not expected that the Town of Somerset would be able to accommodate large scale tourism, but there are opportunities to draw outside visitors by showcasing and celebrating the Town's rich history. Developing tourism takes time but can be accomplished. The first step is to identify the unique experiences, history, sites, or events that would draw tourists. The second step would be to develop marketing plans for the various experiences, history, sites, or events.
- ▶ *High-tax Low-impact Development:* This type of development, which includes some manufacturing, energy, back offices, data centers, or other similar industries, focuses on businesses that yield taxes while not requiring significant public services in return. These businesses can be encouraged in appropriate areas that meet the needs of the business and can be buffered from residential areas. The Town should review its zoning code to ensure the different business districts allow for these types of industries and that the bulk and parking regulations meet current industry standards.

Goal #3: Community Building + Town Branding

Community building and town branding work hand in hand to strengthen and promote and build the community, helping to instill town pride, overcome negative impressions, and showcase the Town's assets and opportunities.

Short Term Recommendations

- ▶ *Increase Community Building:* A Town's best marketers are often the people who live there, making community building essential to fostering interest in commercial growth. Community events, such as the annual Spirit of Somerset help shape and emphasize the Town's brand, build community pride and show potential businesses that a strong market exists. A close-knit community can encourage residents to shop locally and seek out local services. Community events and markets are also an important entryway for local entrepreneurs and artists. The Town should identify key events and develop a marketing program around those events to increase tourism and community building. Initial steps can include targeting social media and other specific media outlets to promote the events. Local businesses can also be a great avenue for promotion as well.
- ▶ *Develop Town Branding:* Town branding presents an effective toolbox for promoting local economic development. This can include showcasing Somerset (what makes Somerset unique and interesting), marketing campaigns (glossy photos, social media, a new slogan or logo, a consistent message and look), and aggressive strategic promotion. The Town should look towards developing a branding program that would not only demonstrate it is open for business but coincide with efforts to increase tourism.

Long Term Recommendations

- ▶ *Improve Visual Appeal:* During a public input session for the Master Plan update, the community cited "visual appeal of the town" and "lack of economic strength" as the two biggest challenges to improving quality of life in Somerset. Improving the aesthetics of the Town can contribute to the Town's economic strength by enticing customers, promoting the Town, and building community. Enhancing visual appeal can occur in many ways, including business façade improvements, infrastructure upgrades (park, utility, or roadway improvements), streetscaping (pedestrian sidewalk amenities like benches, decorative pavement, garbage cans, lighting, etc.), public art installations (sculptures or murals), coordinated signage, and buffers between different types of uses (plantings, fences, etc.). The Town should identify and develop visual improvement programs or guidelines to help strengthen the visual appeal of the Town's business districts. In addition, the Planning Department could investigate grants or other sources of funding to develop a façade improvement program.
- ▶ *Increase Mixed-use Housing in Business Districts:* The creation of multifamily housing in mixed-use districts will further the goals of the Master Plan update while encouraging the growth of the service economy. Mixed-use developments contribute vibrancy and supply service businesses with a steady customer base. Multifamily housing is often

attractive to seniors and young people who may otherwise move out of the area in search of smaller housing units within walking distance of services and entertainment. Promoting a diversity in age groups and incomes is good for businesses and a successful and sustainable community. The Town currently allows for multifamily use in its Slade's Ferry Crossing and the Mixed-Use Overlay Districts. However, the bulk regulations and maximum densities are an obstacle to mixed-use development. The Town should consider revising the zoning code to allow mixed-use development in all of its business districts and increase the overall bulk and density standards to allow for more multifamily units to be developed. This may mean repealing the current Mixed-Use Overlay District and amending the Slade's Ferry Crossing District.

Goal #4: Strategic Development Planning

These broad recommendations provide a framework for the Town to establish itself as business-friendly.

Short Term Recommendations

- ▶ *Create Pamphlet of Land Use Approval Process:* Whether you are a new business or looking to expand an existing business, knowing what the process is and the timeline is essential for businesses who are trying to budget for these projects. The Town should create a pamphlet that provides an overview of the land development approval process. In addition to describing the approval process, the pamphlet would provide frequently asked questions for businesses from various departments such as the Planning, Building, Highway, and Water. This creates an impression that the Town is open for business and it helps guide those looking to do business in Somerset.

Long Term Recommendations

- ▶ *Zoning Review:* Beyond the issue of mixed-use development, Somerset should engage a third party to conduct a comprehensive and critical review of current zoning by-laws. Consideration should be given to rationalizing the zoning code, clarifying requirements, and incentivizing desirable development.
- ▶ *Expedited Permitting:* Establish an expedited permitting process for economic development projects to entice new growth. The Town may consider opting into the Massachusetts Chapter 43D Expedited Local Permitting program. This will help facilitate a streamlined approval process for targeted development.
- ▶ *Opportunity Site Strategic Plans:* **Chapter 3: Opportunity Sites** provides an overview of eight sites of targeted opportunity in Somerset. Preparing site-specific strategic plans for these sites will help to capitalize on the unique opportunities at each site. A one-size-fits-all approach does not work in a community with diverse assets such as a waterfront primed for recreation, marine dependent businesses, manufacturing, and a historic area.
- ▶ *Incentive Programs:* An array of local, state and federal incentive programs may be available to new and existing businesses and development. These programs include

the Housing Development Incentive Program (HDIP), District Improvement Financing (DIF), the Chapter 40R Smart Growth Zoning District, Historic Tax Credits, New Market Tax Credits, and federal Opportunity Zones. Town staff should be knowledgeable of these programs and seek opportunities to educate the existing business community and help new businesses and developers to use these programs and incentives to promote investment and growth.

- ▶ *Infrastructure upgrades:* Infrastructure upgrades can assist in retaining businesses, as well as attracting new businesses. For example, a key part of the Slade's Ferry Crossing plan is to provide signage to mitigate for the recent loss of traffic due to roadway changes and promote new development. Other infrastructure needs could include broadband accessibility, transportation access, and roadway conditions. Upgrading or building new public parks and spaces are also encouraged as a means of fostering and serving the community, as well as boosting and supporting tourism. Public connections to the waterfront are also important in these efforts.
- ▶ *Sustainable Development:* Support and encourage energy efficient development and LEED certified buildings. Encourage and support the new alternative energy uses to locate at the Brayton Point site and support smaller businesses that can provide supplies and services to these businesses to create a culture of renewable energy.

Opportunity Sites

3

Introduction

The Town of Somerset has identified eight specific sites located throughout the community that present the opportunity to advance the Economic Development Plan's key goals and objectives. Each site is grounded in Somerset's natural strengths and stands to benefit the economic health of the entire community.

Each site has a unique character, and each one presents a unique set of opportunities. For instance, some sites are landlocked while others are located along the shoreline. Some sites are natural locations for retail, while other sites are better suited to support industrial development. Similarly, whereas some sites are largely vacant, others are almost entirely built out, but still have great potential to play a role in Somerset's broader economic development strategy.

This report offers an overview of the eight sites, describes why they are significant, identifies general strategies for advancing or improving them, and establishes a preliminary position on action items required at the municipal level. For each site, further investigation and planning is needed to verify specific procedural requirements.

In addition to describing the sites, this report identifies specific categories of local, state, and federal financial incentive programs that may be applicable for development at each site. This includes the following programs:

- ▶ Federal Opportunity Zone Program. This program establishes a mechanism for high-net-worth individuals to defer their capital gains taxes by investing development capital in specific census tracts that have been historically ignored by investors. The southern half of Somerset has been established as an Opportunity Zone.

- ▶ Tax Increment Financing. TIF districts offer tax breaks to developers by luring them to blighted areas that they may otherwise ignore. In a TIF district, landowners receive tax exemptions of up to 100% of the tax increment for a fixed period of time.
- ▶ District Improvement Financing. In a DIF districting program, a municipality designates an area (up to 25% of the town's land area) for inclusion in a DIF initiative. The town can then acquire land, fund improvement, incur debt, and/or pledge tax increments and other revenues for debt payments.
- ▶ Chapter 40R. The Chapter 40R Program is also known as the Smart Growth Zoning Overlay District Act. This Massachusetts state program seeks to increase the supply of housing and decrease its cost through smart growth zoning.
- ▶ Historic Tax Credits. Historic Tax credits are provided at the state and the federal levels. Up to 45% of qualifying project costs can be funded through this program.

The map on the next page identifies the eight sites, which are described in further details on the following pages.

Opportunity Sites

- | | |
|----------------------------------|--|
| 1. Route 6 Commercial | 5. Montaup Site |
| 2. Wilbur Ave Property | 6. Route 138 South (Center of Town) |
| 3. Maritime Development District | 7. Route 138 North (Indian Springs Plaza Area) |
| 4. Slade's Ferry Mixed-Use Area | 8. Somerset Village |



Site 1. Route 6 Commercial Corridor

- ▶ Area: 120 Acres
- ▶ Zoning: Business / Limited Partnership
- ▶ Ownership: Mixed Private
- ▶ Existing Businesses: Large-Format Retail, Grocery Stores, Gyms, Restaurants, Manufacturing
- ▶ Potential Incentive Financing: Federal Opportunity Zone, Chapter 40R, TIF/DIF

Route 6 is a regional corridor, connecting Providence in the west to Cape Cod in the east. In each of the towns and cities located along this corridor, automobile-dependent commercial uses have flourished, including industrial, offices, and retail.

Somerset has identified a one-mile stretch of Route 6 that is currently home to many thriving businesses. These businesses range from small, locally-owned stores to large-format chain retailers. Additionally, Horner Millworks, one of Somerset's largest employers, operates a manufacturing center and retail space within the corridor district.

The Route 6 Commercial Corridor district is Somerset's preferred destination for regional shopping activity. Somerset will continue to support sustainable growth in this area. It is recommended that Somerset review area zoning and assess parking and access management.



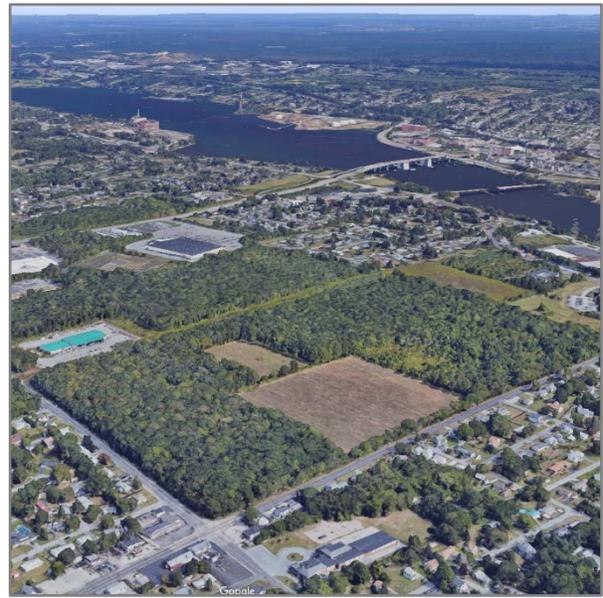
Site 2. Wilbur Avenue Property

- ▶ Area: 98 Acres
- ▶ Zoning: Residential / Commercial
- ▶ Ownership: Town of Somerset
- ▶ Potential Uses: Industrial or Business Park / Data Center / Back Offices
- ▶ Potential Incentive Financing: Federal Opportunity Zone, Chapter 40R, TIF/DIF

The Wilbur Avenue property is a large tract of land that presents the greatest short-term development opportunity in Somerset. This greenfield site boasts regional accessibility, located approximately 1,000 feet from the nearest entrance ramps on Route 195. The local street network provides ample opportunity for vehicle access and well-integrated traffic circulation.

Somerset is currently exploring alternative scenarios for site programming. For instance, the site could host “high-tax, low-impact” developments (e.g. data centers, back offices). Alternatively, the site could host a publicly or privately managed industrial or business park, similar to the parks that have flourished in nearby communities like Fall River and Freetown.

The property is located in close proximity to the Maritime Development District (see Site 3), and the Slade’s Ferry Mixed-Use Area (see Site 4). Somerset will explore potential synergies between this site and the surrounding area.



Site 3. Maritime Development District

- ▶ Area: 120 Acres
- ▶ Zoning: Business / Industrial
- ▶ Ownership: Mixed Private / Public
- ▶ Existing Businesses: Shipbuilders, Metal Fabricators, Composite Pilings, Forklift Dealer, Bowling Alley
- ▶ Potential Incentive Financing: Federal Opportunity Zone, TIF/DIF

Somerset is rich in shoreline, and rich in industrial activity. The Maritime Development District represents the intersection of these two assets. This location is already home to an active cluster of water-dependent industrial operations and associated businesses, anchored by the Gladding-Hearn Shipbuilding plant and Fortier Boats.

This area contains multiple underutilized or vacant parcels with high potential for commercial or industrial redevelopment that can tie into the existing cluster and take advantage of the site's marine and land accessibility.

Somerset aspires to continue to strengthen the local workforce through internship program outreach to area high schools and trade schools. As these programs develop, the Maritime Development District will attract increasing interest from investors. Consideration will be given to leveraging southern Somerset's status as a Federal Opportunity Zone program to promote business expansion in this area.



Site 4. Slade's Ferry Mixed-Use Area

- ▶ Area: 66 Acres
- ▶ Zoning: Business / Limited Partnership. Slade's Ferry Crossing Overlay District
- ▶ Ownership: Mixed Private / Public
- ▶ Existing Businesses: Banks, Appliance Store, Florist, Physical Therapist, Shoe Store, Restaurants
- ▶ Potential Incentive Financing: Federal Opportunity Zone, Chapter 40R, TIF/DIF

Slade's Ferry Crossing is a waterfront business district that was once centrally located along a major corridor, but through traffic was significantly reduced when a new bridge crossing was built to the north on Route 6. Over the past decade, the Slade's Ferry district has benefited from extensive planning exercises, including a Visioning Plan (2010), Concept Plan (2013), and Feasibility Study (2015). The area has been rezoned to allow for increased density and mixed-use development. Currently, Somerset is focusing on implementing the vision for this district. The site is rich in locational advantages. It features a significant stretch of shoreline, it has a direct connection to Route 6, and it is already home to a variety of successful, home-grown retail businesses and professional services.

As Somerset explores how to catalyze development in Slade's Ferry, several methods will be considered. This includes streetscape improvements, architectural design guidelines, and signage regulations. The Town will also consider reprogramming Slade's Ferry Avenue as a one-way street to rationalize the flow of traffic and allow the private sector to control more land area. Further, the Town will consider creative programming and events to take place in the district's open spaces.



Site 5. Montaup Site

- ▶ Area: 40 Acres
- ▶ Zoning: Industrial
- ▶ Ownership: Private
- ▶ Potential Incentive Financing: Federal Opportunity Zone
- ▶ Potential for Public-Private Partnership

The Montaup site is the former location of the Somerset Power Plant, which was closed down in 2010. The site's current owner purchased it at auction in 2013. Since that time, limited marine commercial activity has taken place, but the site remains largely underutilized, and its future remains undetermined.

The Montaup site features the rare amenity of a deep-water port, as does the industrial site located across the river in Fall River. For this reason, it is included within the Mount Hope Bay Designated Port Area (DPA) boundary (one of ten DPA's in Massachusetts). Under this designation, use of the site is limited to water-dependent industrial uses. Additionally, significant environmental remediation will need to be performed in order to make the site suitable for redevelopment.

Despite these limitations, there is great interest amongst the community in promoting sustainable investment in this important and highly visible waterfront property.



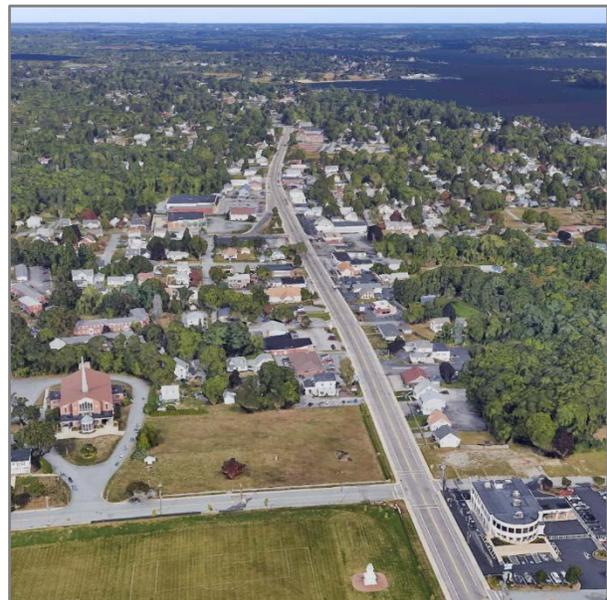
Site 6. Route 138 Corridor South (Center of Town)

- ▶ Area: 30 Acres
- ▶ Zoning: Business
- ▶ Ownership: Mixed Private
- ▶ Existing Businesses: Pharmacies, Florists, Dry Cleaner, Gas Station, Boutique Shops, Law Offices, Insurance Offices, Banks / Credit Unions, Beauty Salons, Restaurants, Bakery
- ▶ Potential Incentive Financing: Chapter 40R

Relative to the Route 6 Commercial Corridor, which serves a regional customer base, Somerset's Center of Town functions as a hub of local activity. This district boasts a vibrant mix of locally-owned businesses, many of which have served the community for decades. Additionally, this area hosts a variety of community-building events throughout the year.

Pharmacies, florists, and boutique shops are mixed in with professional service offices of lawyers and insurance agents. This eclectic mix is an asset; however, Somerset desires to bring a greater aesthetic consistency to the Center of Town. This may include streetscape improvements as well as guidelines for signage, facades, and landscaping. Somerset will also focus on rationalizing the patterns of access and parking, which is currently inconsistent.

Somerset is currently working with the Southeast Regional Planning and Economic Development District (SRPEDD) to identify the best methods for improving the economic health of this important district.



Site 7. Route 138 Corridor North (Indian Springs)

- ▶ Area: 80 Acres
- ▶ Zoning: Business
- ▶ Ownership: Mixed Private
- ▶ Existing Businesses: Storage, Liquor Store, Church, Restaurants, Farming Equipment, Bank, Somerset Water Department
- ▶ Potential Incentive Financing: Chapter 40R

Similar to the Center of Town, Indian Springs Plaza and the surrounding area contains a variety of businesses. Its location near the northern edge of Somerset makes it a natural gateway to the town for those driving south along Route 138. For these reasons, the area is rich in potential.

However, the current mix of businesses is inconsistent, and there is no unifying quality to the streetscape, landscape, or parking areas.

In order to better leverage the area's strategic location, it is recommended that Somerset undertake placemaking efforts, including visioning, streetscaping, access management and parking studies. Further, Somerset should develop design guidelines, to provide a regulatory framework for architectural aesthetics, signage, and landscaping. Lastly, it is recommended that Somerset review redevelopment opportunities within the area's vacant or underutilized parcels.



Site 8. Somerset Village

- ▶ Area: 120 Acres
- ▶ Zoning: Residential / Business / Recreation
- ▶ Ownership: Mixed Private / Public
- ▶ Potential Incentive Financing: Historic Tax Credits

In many ways, this area in the northeast of town is Somerset's historic and cultural center. It offers ample opportunity for the community to celebrate its unique history and heritage. Moreover, it is a pleasant and walkable waterfront district with built-in charm.

Given its identity as a historic center, this district is almost entirely developed, and there are little or no opportunities for large-scale developments. The town will focus on preserving historic structures where appropriate, branding the history through signage and wayfinding, and incentivizing strategic infill where possible.

The town already hosts a variety of community programming in Somerset Village. This is vital to support engagement with the district and promote tourism.

