

STURBRIDGE ROUTE 15 CORRIDOR STUDY

Project Report from the Central Massachusetts Regional
Planning Commission

May 30, 2018

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PROJECT SUMMARY

In early 2017, the Town of Sturbridge submitted a request to the Central Massachusetts Regional Planning Commission (CMRPC) for a District Local Technical Assistance (DLTA) grant. The Town asked CMRPC to perform a Market Study for the Route 15 Corridor in Sturbridge in order to help identify the kinds of uses that would support a robust, local economy in that Corridor.

The Corridor runs from the intersection of Route 131 and Route 15 at its northernmost end and runs south to the Exit 1 On/Off Ramp of Route 84. It consists of approximately 153 acres of primarily underdeveloped land. The area was taken over by the Town from Mass Department of Transportation (Mass DOT) in 1992. The Corridor falls into two separate zoning districts: a Historic Commercial District in the northern end and a Special Use District in the south. The two districts are divided by the Quinebaug River. There are currently no infrastructure services such as water and sewer along the parcels fronting Route 15. With the exception of a solar farm, there has been little development within the Corridor.

The Town of Sturbridge applied for and was granted a DLTA grant in 2013 to perform an analysis of the Route 15 Corridor. A number of challenges related to the zoning and infrastructure were noted in the report, which have resulted in significant market uncertainty and proved a deterrent to potential development. The report stressed a need for the community to more clearly articulate its development objectives in that area by narrowing the list of permitted uses.

The 2013 CMRPC study highlighted three business sectors as viable options for the Route 15 Corridor: recreation, warehouse, and/or medical businesses. CMRPC has been asked to work with the Economic Development and Tourism Coordinator to identify the best usage for the area and to identify which of these three options (if any) presents as the strongest market choice. The recommendations in the resulting report will assist the Planning Board in developing new Zoning Bylaws for the district and those amendments will then be presented at a future Sturbridge Town Meeting.

REVIEW OF PRIOR STUDIES

The CMRPC project team began by reviewing six reports about or related to this site which were conducted between 1992 and 2014. These projects include:

Route 15 Corridor Study (Town of Sturbridge, 1992) – Original report that sought to evaluate the development potential of the parcels along the Route 15 Corridor.

Recommendations: The Study recommended zoning changes that would effectively maintain the rural viewshed along the Corridor while also allowing for developments with manageable impacts. It was alternatively recommended that if the Town wished to pursue a new zone along the Corridor, a zone centered around non-profit as well as for-profit recreational uses should be explored. The report stated that it is in the best interest of the Town and the Corridor to bring forth re-zoning proposals on an individual basis employing contract zoning or other such mechanisms to promote sound, controlled development.

Route 15 Study Committee Report (Town of Sturbridge, Route 15 Study Committee, 1997) – Plan to review current zoning and develop proposed amendments.

Recommendations: This report recommended the implementation of the Special Use District and Planned Unit Business Development zoning which is currently in place. The proposed zoning changes sought to discourage high traffic generating uses, uses detrimental to historic town center and rural character of Corridor, and those that would potentially burden town services.

Final Report on the Wastewater/Water Study (Tighe and Bond, 2010) – This report was submitted to the Town of Sturbridge by Tighe & Bond.

Recommendations and findings:

- Soil conditions in the Route 15 Study Area are generally capable of supporting on-site wastewater disposal systems, but wastewater alternatives were tabled due to limited available permitted flow capacity at the Sturbridge Wastewater Treatment Facility (WWTF), an ongoing upgrade to the WWTF, and uncertainty of the EPA's approval of future WWTF flow re-rating request by the Town.
- The Town should proceed with planning for a water main extension along Route 15, explore funding sources, and develop a project schedule. Four alternatives to the water main extension were presented.

Town of Sturbridge Master Plan (Town of Sturbridge, 2011) – The project team reviewed the economic development and land use sections of the 2011 Master Plan for the Town of Sturbridge

Recommendations and Findings:

- Intended development objectives in the Corridor are not clear and the regulations are quite restrictive, thus resulting in an area that does not appear to actively encourage commercial development. The district does not list retail uses as “allowed”. Sturbridge residents noted at the time that there are sufficient areas in town where retail can be developed and that Route 15 may be more suitable for other types of development.
- The Town should revise the purpose and redevelopment requirements of the Special Use District to clarify economic development priorities.
- The Town should decide if the district will focus on entertainment/recreation, manufacturing and warehouse/distribution or healthcare/medical establishments. Given the surrounding residential development, two existing family campgrounds,

and the Town's preference for maintaining the forested landscape and rural character, it is likely that promoting the area for tourism/recreation-related and/or healthcare/medical uses might be a more successful approach.

Central Thirteen Prioritization Project (CMRPC, 2012) - The Route 15 Recreation/Light Industrial area was identified as a Priority Development Area (PDA) in the Central Thirteen Prioritization Project, part of a region-wide effort begun in 2011 to encourage regionalization of economic development efforts. The Central Thirteen project was completed in 2012 and identified one priority development area in Sturbridge¹, the Central Tourism District.

Route 15 Priority Development Area (PDA) Analysis (CMRPC, 2013-14) – CMRPC determined that the Special Use District contained restrictive zoning criteria, unclear objectives, and lack of utilities, creating “*a significant deterrent to potential development.*” The goal of the 2014 Sturbridge PDA Analysis was to synthesize existing information into one document and come up with findings and recommendations that can assist the town in moving forward with development of the PDA. DLTA Program funding was used to identify goals and objectives for the future of the Route 15 Recreation/Light Industrial area.

Recommendations and Findings:

- The vision of the Route 15 area cannot try to be too many things at once. While flexibility is helpful, the more certainty that the Town can provide to a potential applicant, the better. The Town can create certainty by allowing more uses by-right or minimize Special Permit requirements, which will attract more willing developers to consider working in Sturbridge.
- The next steps for the Town should be to revisit district regulations and ensure that the suitability factors of the study area, the surrounding uses, and the stated goals and objectives by the Town match up. The Town appears ready to narrow its goals and expectations for the Special Use District.

According to the Town Planner, a 2010 application to develop a commercial recreation facility, called the Sturbridge Arena, was well-received by the Town and was approved for both a Special Permit and a variance on the property at 17 Kelly Road and 90 River Road. The plan proposed a domed indoor sporting complex with adjacent outdoor fields and a disc golf course, plus concessions, associated retail, and restrooms. The project was not constructed due to the economic conditions at the time.

¹ Central Thirteen Prioritization Project website and reports can be found at http://www.cmrpc.org/Central_PP

STUDY AREA



Figure 1 - Center of study area, Main and Haynes Streets

The Route 15 PDA is in two zoning districts. Part of it lies in a Historic-Commercial district in the north along Main Street to the Quinebaug River to the south. The rest is part of a Special Use District, which was adopted at the April 27, 1998 Town Meeting. The study area boundary is defined by Main Street in the north where it intersects with Route 15 (Haynes Street), Farquhar and River Roads to the east, the intersection of Route 15 and Mashapaug Road to the south, and Route 15 along the western boundary. The district may be Sturbridge's best direct access to and from Interstate 84 (I-84) but lacks municipal water and sewer.

The Route 15 Corridor from the Route 131 intersection to Mashapaug Road has been the subject of numerous studies and analyses. The Town of Sturbridge remains keenly interested in the orderly and timely development of the Corridor with a focus on key opportunity parcels. Yet the development that was planned for through zoning changes and other actions has not come about. The area of focus for this study is essentially the same area corresponding to the Special Use District. However, the Town requested CMRPC to focus more specifically on several parcels that could be good opportunities for development or redevelopment.

ZONING

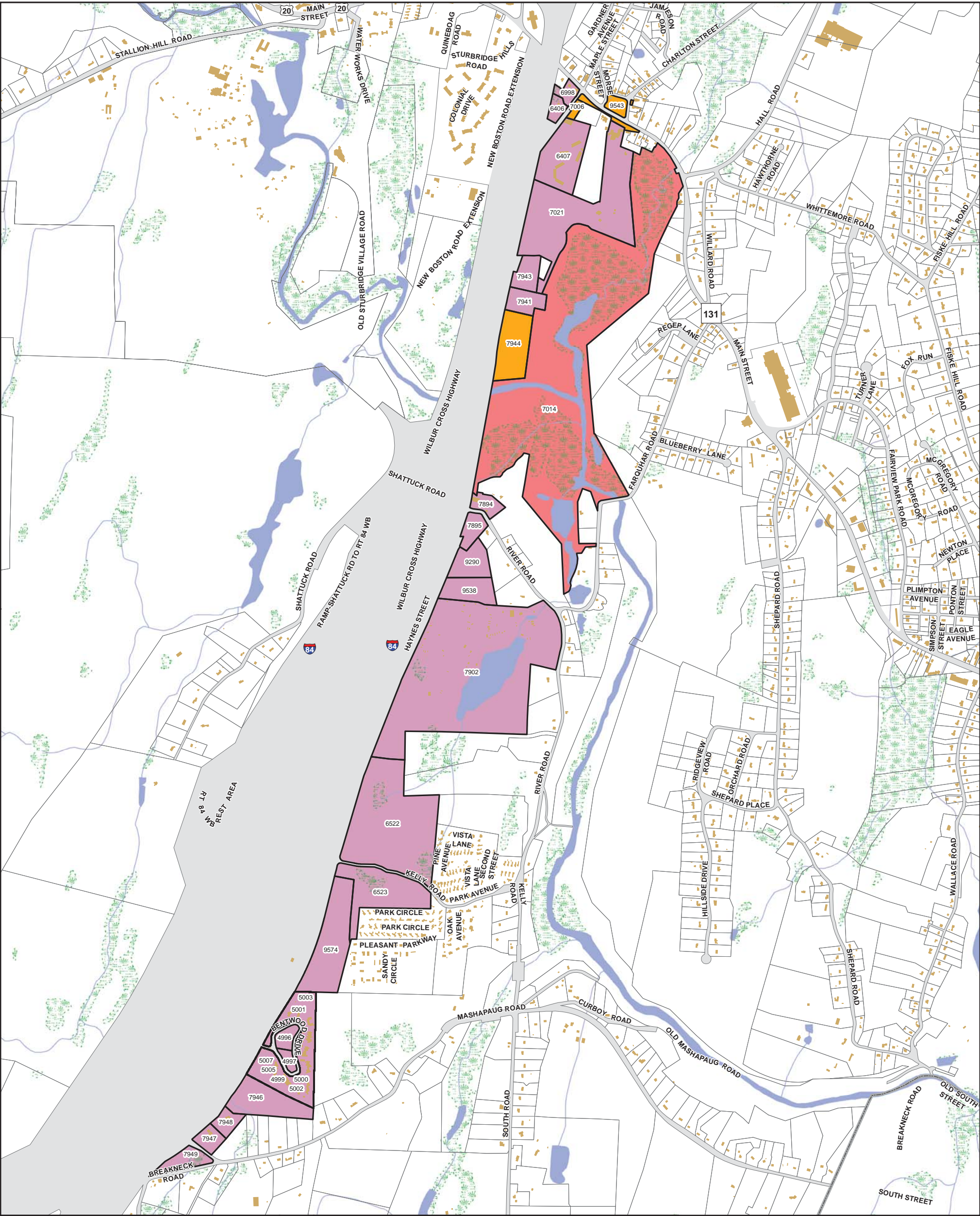
Historic Commercial District (HCD): The HCD covers the parcels in the northernmost portion of the study area (see Map 1). The purpose of this district is to “allow for a mixture of residential and limited service, retail and cultural uses, while maintaining the integrity of the character of the nearby National Register Historic District (“NRHD”)”. The NRHD is an area of town that represents the “historic, civic, religious and commercial” heart of the Town of Sturbridge. Commercial and cultural uses in this district include (see Zoning Bylaw, Ch. 13, section 13.01 for full list of uses) the following:

- Hotel, motel
- Libraries, museums and galleries
- Walking, hiking and outdoor recreation
- Limited farming
- Bed and breakfasts

Developments in this district must adhere to guidelines for the preservation of existing historic structures. The largest commercial structure in the HCD is the Publick House along Main Street. Currently there are six (6) parcels with approximately 39 acres of undeveloped space in this district with frontage along Haynes Street.

Special Use District: The Special Use district is not heavily developed currently and is home to two family campgrounds, plus residential neighborhoods. Development advantages and constraints of Route 15 include highway access, utilities, development regulations, and the potential for conflict with abutting residential uses. The largest collection of non-residential vacant land in the town is located in this study area. However, the lack of municipal sewer considerably reduces the development potential. Only 58 acres were estimated to have adequate parcel size and highway frontage to make it relatively easy to establish commercial or industrial uses on these sites. Development on these properties becomes complicated and more limited due to zoning requirements associated with this district and the Town’s Planned Unit Business Development (PUBD) overlay criteria. It will be an important aspect of development planning for this area to balance future uses with existing ones.

There around 16 parcels in the study area, representing more 160 acres of land between them. Of these, approximately 60 acres are unoccupied. More than 20 acres are covered by watershed or some other absolute constraint which renders them unbuildable (see Map 3).



Focus Parcels

Property Parcels

Structures

Mass. DEP Wetlands

Stream

Parcel Ownership

Private

Town of Sturbridge

Federal Government

##

Object ID #

LEGEND

Source: Data provided by the Central Massachusetts Regional Planning Commission (CMRPC), massDOT and the Office of Geographic Information (MassGIS), Commonwealth of Massachusetts, Information Technology Division.

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Central Massachusetts Regional Planning Commission

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Overview Map

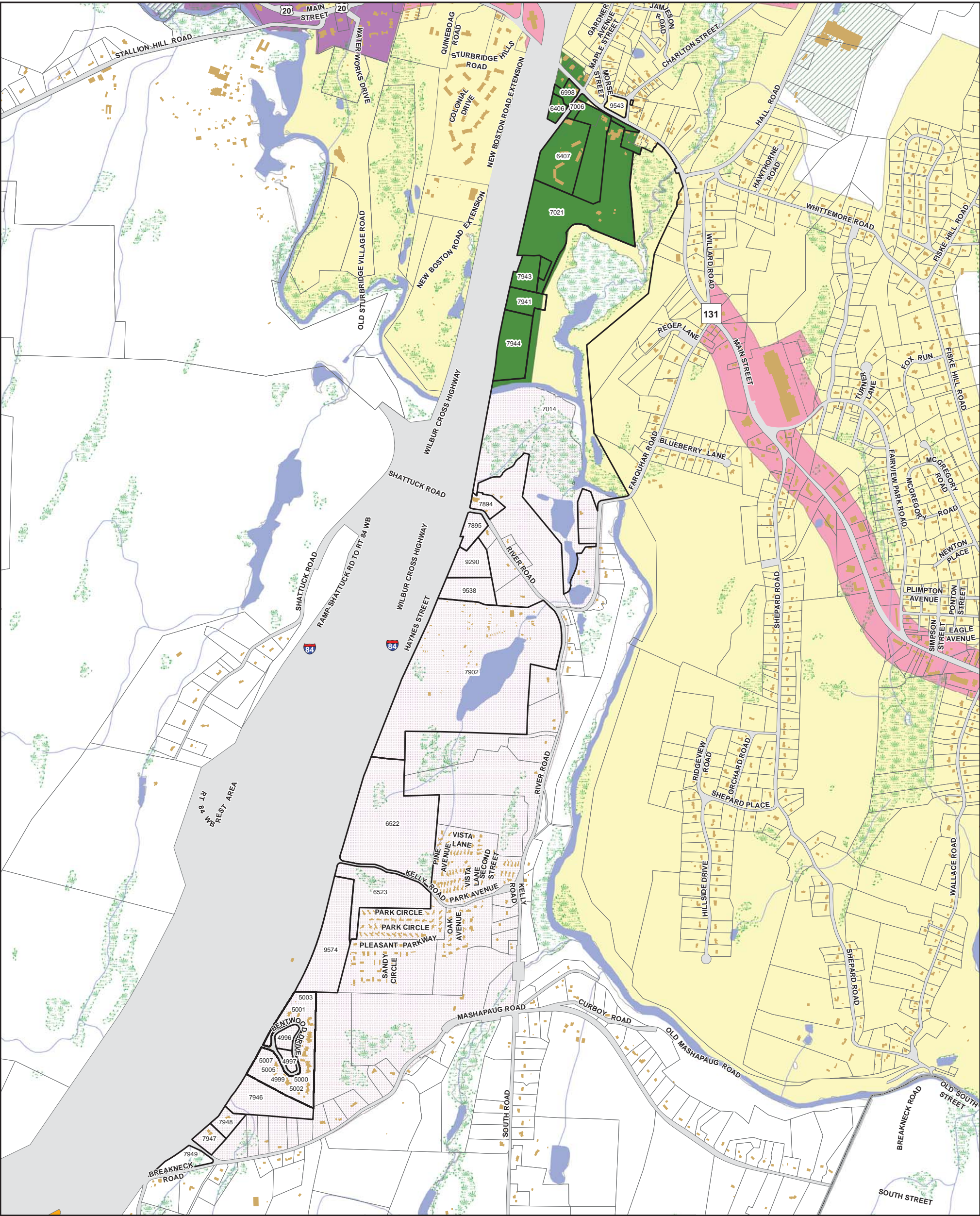
Haynes Street PDA Analysis

Town of Sturbridge, Massachusetts

740 370 0 740 Feet

SCALE 1 in = 750 feet

Date: 12/5/2017 Path: H:\Projects\COMPACT_APRS\PDA_Sites_Work\pda_2017\pda287_HaynesSt_Overview_Map_18x24.mxd



| | | |
|--------------------|-----------------------|--------------------------------|
| Focus Parcels | Commercial District | Historic / Commercial District |
| Property Parcels | Commercial 2 District | Industrial Park |
| Structures | Commercial / Tourist | Rural |
| Mass. DEP Wetlands | General Industry | Special Use Zone |
| Stream | | Suburban Residential |
| Object ID # | | |

LEGEND

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Zoning Map

Haynes Street PDA Analysis

Town of Sturbridge, Massachusetts

740 370 0 740 Feet

SCALE 1 in = 750 feet

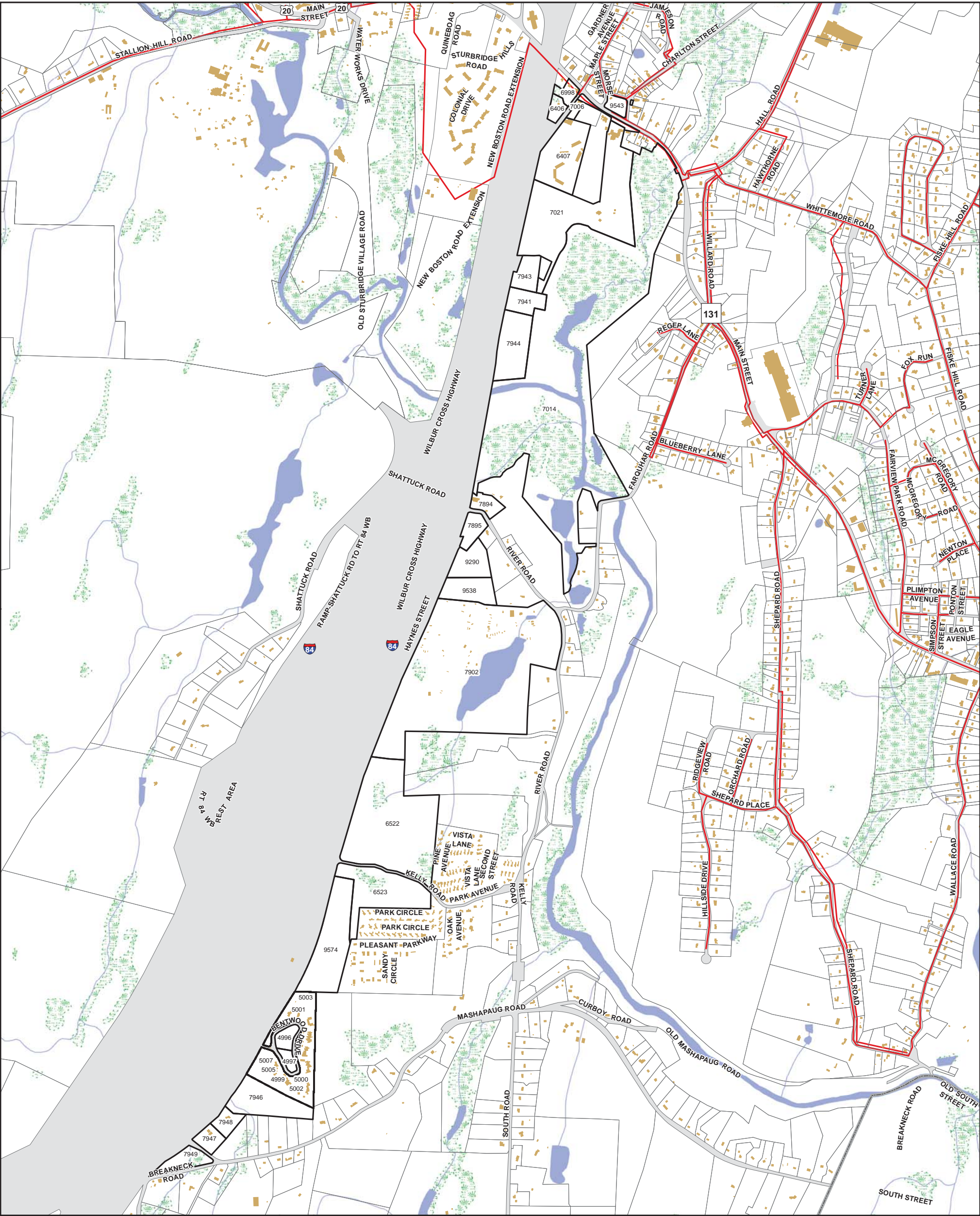
Planned Unit Business Development (PUBD): Within the Special Use Zone, the Town has made provisions for the development of what are known as Planned Unit Business Developments (PUBD). The purpose of a PUBD is “to encourage the efficient and creative use of the parcels of land in Sturbridge that are suited for primarily non-residential use.” This allowed development type is meant for non-residential (generally), non-retail developments of at 50 acres or more. This amount can be reduced to 25 acres with special permit of the Zoning Board of Appeals (ZBA). The PUBD district allows the following mix of uses:

- Executive offices
- Laboratories for research and development
- Professional and medical offices
- Light industrial operations
- Public recreational facilities
- Hotel/Motel
- Commercial recreational facilities
- Limited residential uses that are appropriate in relation to the proposed non-residential uses in terms of the public health, safety and welfare and Sturbridge’s housing needs.

CONSTRAINTS

Water and sewer: Water and sewer are both limited in the study area. The Town has explored numerous options for extending sewer either along River Road or down Haynes Street (Route 15). However, to date, no plan has come to fruition. Map 2 shows the current extent of water and sewer.

Absolute and partial constraints: Additionally, much of the study area is protected watershed. This severely restricts the development potential of many of the sites. Map 3 illustrates the extent of absolute and partial constraints.



Focus Parcels

Property Parcels

Structures

Mass. DEP Wetlands

Stream

##

Object ID #

Sewer Lateral

Sewer Main

LEGEND

Source: Data provided by the Central Massachusetts Regional Planning Commission (CMRPC), massDOT and the Office of Geographic Information (MassGIS), Commonwealth of Massachusetts, Information Technology Division.

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Sewer Map

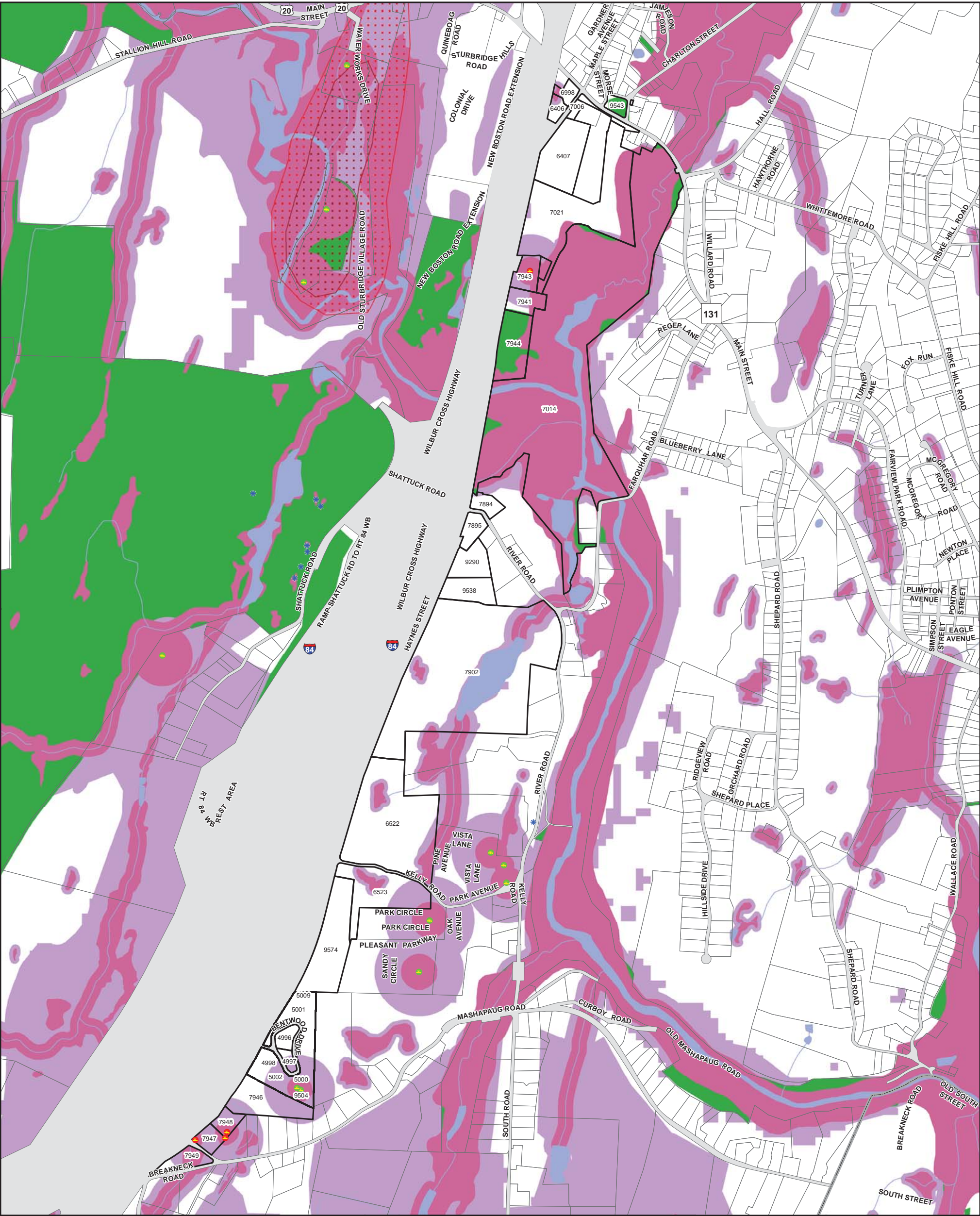
Haynes Street PDA Analysis

Town of Sturbridge, Massachusetts

740 370 0 740 Feet

SCALE 1 in = 750 feet

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Focus Parcels

Property Parcels

Structures

Stream

##

Object ID #

*

NHESP Certified Vernal Pools

Community Groundwater Source

Non-Community Groundwater Source

Medium Yield Aquifer

High Yield Aquifer

Absolute Constraint

Partial Constraint

Protected Open Space

LEGEND

Source: Data provided by the Central Massachusetts Regional Planning Commission (CMRPC), massDOT and the Office of Geographic Information (MassGIS), Commonwealth of Massachusetts, Information Technology Division.

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740

370

0

740 Feet

SCALE

1 in = 750 feet

Constraints Map

Haynes Street PDA Analysis

Town of Sturbridge, Massachusetts

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ECONOMIC CONDITIONS

POPULATION TRENDS

Sturbridge has seen some of the fastest population growth in the CMRPC Southwest sub-region. Between 2000 and 2010 the population increased by 1,583 or around 17%, increasing from 7,837 to 9,268 residents. Estimated growth in the subsequent period, from 2010 to 2016 has been significantly slower, though this may be accounted for by the methodology of the American Community Survey (ACS) which produced the estimates. These estimates show that Sturbridge grew by around 1,614 residents in the past six (6) years or around 2%. Table 1 below summarizes these trends. This again, is slower than the previous Census period, though it is in line with the sub-regional average rate. For comparative purposes, the ACS estimated that the CMRPC Southwest sub-region grew by less than 2%, while Worcester County as a whole grew around 3% during this period.

Table 1 - Population Change in the CMRPC Southwestern Sub-Region, 2000 - 2016; U.S. Census Bureau American Community Survey, 2010-2016

| Charlton | Population | | | Change in Population 2000-2016 | Percent Change in Population | | |
|-------------|------------|--------|--------|-----------------------------------|------------------------------|-----------|-----------|
| | 2000 | 2010 | 2016 | | 2000-2010 | 2010-2016 | 2000-2016 |
| Auburn | 15,901 | 16,188 | 16,393 | 492 | 1.80% | 1.27% | 3.00% |
| Charlton | 11,263 | 12,981 | 13,292 | 2,029 | 15.25% | 2.40% | 15% |
| Dudley | 10,036 | 11,390 | 11,608 | 1,572 | 13.49% | 1.91% | 14% |
| Oxford | 13,352 | 13,709 | 13,844 | 492 | 2.67% | 0.98% | 4% |
| Southbridge | 17,214 | 16,719 | 16,824 | -390 | -2.88% | 0.63% | -2% |
| Sturbridge | 7,837 | 9,268 | 9,451 | 1,614 | 18.26% | 1.97% | 17% |
| Webster | 16,415 | 16,767 | 16,838 | 423 | 2.14% | 0.42% | 3% |

Historically, the Town population has an average growth rate of 23% per decade. CMRPC population projections (included in Table 2 below) anticipate a slower than average rate of growth between 2020 and 2040. These projections estimate an average rate of population growth of around 9% per decade during this period. This is consistent with projections from the Metropolitan Area Planning Council (MAPC), which projects an average of 8% growth between 2010 and 2030².

² MAPC Housing Data Portal, [www. http://www.housing.ma/sturbridge](http://www.housing.ma/sturbridge), accessed 05/16/2017

Table 2 - Historic population changes, 1930 to 2010 with Projections; U.S. Census Bureau, CMRPC

| Year | Population | % Change |
|--------------------|------------|----------|
| 1930 | 1,772 | |
| 1940 | 2,227 | 26% |
| 1950 | 2,805 | 26% |
| 1960 | 3,604 | 28% |
| 1970 | 4,878 | 35% |
| 1980 | 5,976 | 23% |
| 1990 | 7,775 | 30% |
| 2000 | 7,837 | 1% |
| 2010 | 9,268 | 18% |
| Projections | | |
| 2020 | 10,400 | 12% |
| 2030 | 11,502 | 11% |
| 2040 | 12,000 | 4% |

INCOME TRENDS

In terms of income, the Town of Sturbridge had an estimated median household income of around \$85,000 in 2016. This is on par with the Area Median Income (AMI) for the CMRPC region. In 2017, the regional AMI was \$85,800 for a four-person household. Compared to Worcester County as a whole, Sturbridge is significantly more affluent. The 2016 median household income for the county was \$69,295, according to the ACS estimates.

In general, incomes are rising across Massachusetts. Statewide, incomes increased between 2011 and 2016 around 7.5%. Sturbridge median household income has risen from \$79,000 to \$85,000, or an increase of around 8%. During this same period, Worcester County saw income growth of less than 2%.

Table 3 shows that, although incomes have grown on average throughout Sturbridge,

Table 3 - Population changes per income bracket; U.S. Census Bureau, American Community Survey, 2010 - 2016

| | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|---------|---------|--------|--------|--------|--------|
| INCOME AND BENEFITS (IN 2016 INFLATION-ADJUSTED DOLLARS) | | | | | | |
| Total households | 3,602 | 3,609 | 3,578 | 3,647 | 3,594 | 3,655 |
| Less than \$10,000 | 91 | 113 | 171 | 227 | 276 | 297 |
| \$10,000 to \$14,999 | 155 | 203 | 159 | 121 | 105 | 109 |
| \$15,000 to \$24,999 | 246 | 241 | 263 | 285 | 222 | 220 |
| \$25,000 to \$34,999 | 239 | 198 | 253 | 193 | 210 | 168 |
| \$35,000 to \$49,999 | 298 | 261 | 291 | 249 | 260 | 267 |
| \$50,000 to \$74,999 | 563 | 592 | 525 | 694 | 583 | 685 |
| \$75,000 to \$99,999 | 399 | 514 | 586 | 591 | 582 | 528 |
| \$100,000 to \$149,999 | 924 | 631 | 562 | 494 | 547 | 644 |
| \$150,000 to \$199,999 | 292 | 451 | 418 | 497 | 492 | 443 |
| \$200,000 or more | 395 | 405 | 350 | 296 | 317 | 294 |
| Median household income (dollars) | 85,000 | 83,806 | 79,711 | 77,096 | 83,375 | 79,044 |
| Mean household income (dollars) | 108,945 | 108,986 | 99,599 | 92,700 | 93,815 | 93,086 |

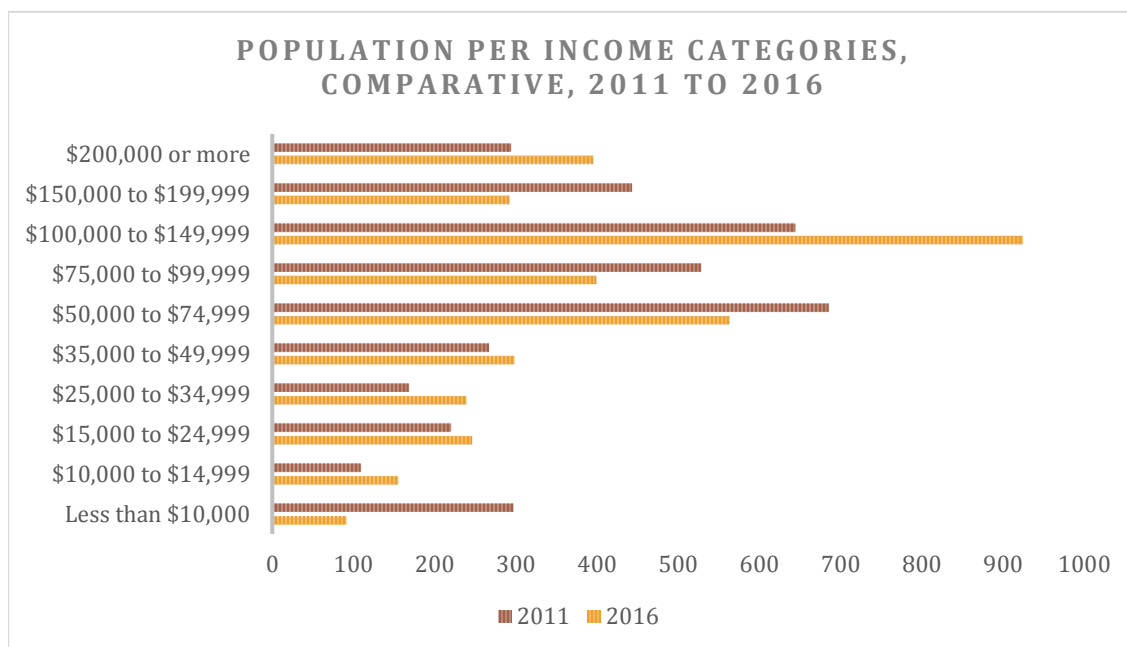


Figure 2 - Population changes per income bracket, 2011 to 2016; U.S. Census Bureau, American Community Survey, 2010 - 2016

gains have been realized disproportionately. Between 2011 and 2016, population growth was highest in the in the \$100,000 to \$200,000 income bracket, as well as the \$10,000 to \$49,000. At the same time, the number of households in the upper-middle income brackets (\$50,000 to \$99,000) declined. Figure 2 shows this concentrated growth in the lower and upper income brackets with much slower growth, or even reductions in the middle-income brackets. This trend is partially reflected in the employment trends discussed below.

EMPLOYMENT TRENDS

Unemployment has kept pace fairly well with state averages over the past nine (9) years. Since 2008, the Sturbridge unemployment rate has dropped from a high of 7.9% to 3.7% or about par with state averages (see Table 4). This correlates with earlier reported growth in incomes, firms and locally generated jobs.

Sturbridge has seen significant job growth over the past few years. The largest growth in the Town per industry sector was in Leisure and Hospitality. The Town added new businesses in the Professional and Business Services, Education and Health and Information Sectors as well. At the same time, average monthly employment was relatively stable in Town, losing only a small number of firms in most other

Table 4 – Unemployment rate, 2008 – 2017; Massachusetts Executive Office of Labor and Workforce Development

| Year | Unemployment Rate | |
|------|-------------------|---------------|
| | Sturbridge | Massachusetts |
| 2008 | 5.3 | 5.5 |
| 2009 | 7.8 | 8.1 |
| 2010 | 7.9 | 8.3 |
| 2011 | 7.2 | 7.3 |
| 2012 | 6.6 | 6.7 |
| 2013 | 6.8 | 6.7 |
| 2014 | 5.7 | 5.7 |
| 2015 | 4.9 | 4.8 |
| 2016 | 3.8 | 3.9 |
| 2017 | 3.7 | 3.7 |

sectors and relatively few jobs between 2010 and 2016. Two industry categories, Leisure and Hospitality and Trade, Transportation and Utilities, both saw strong growth in employment despite reductions in absolute number of firms operating during this period. Only manufacturing saw any significant reductions in average employment (see Table 5).

In terms of occupations, residents of Sturbridge are primarily employed in the education, health care and social assistance fields, generally more skilled and more affluent professions. This is followed by professional/managerial and manufacturing trades (see Table 6, below). These high skilled professions make up a much smaller part of the local job market, however. As Table 5 below shows, the education and healthcare make up a comparatively small portion of the employment opportunities in the Town.

In terms of growth, Sturbridge residents are increasingly working in the professional/managerial fields, retail and information trades. The Town has also seen growth in the number of residents working in manufacturing. During the same period, the Town has seen fewer residents working in construction, finance, food service and agricultural fields, though these fields still account for a substantial portion of residential employment (see Table 6).

Table 5 – Change in number of firms with average monthly employment, 2010 to 2016; U.S. Census Bureau, American Community Survey, 2010 - 2016

| | No. of Establishments | | Change | | Average Monthly Employment | | Change |
|---|-----------------------|------|--------|--|----------------------------|------|--------|
| | 2010 | 2016 | | | 2010 | 2016 | |
| Total, All Industries | 322 | 349 | 27 | | 3926 | 4395 | 469 |
| Leisure and Hospitality | 56 | 47 | (9) | | 1348 | 1487 | 139 |
| Professional and Business Services | 43 | 67 | 24 | | 293 | 431 | 138 |
| Trade, Transportation and Utilities | 85 | 84 | (1) | | 1143 | 1278 | 135 |
| Education and Health Services | 33 | 53 | 20 | | 303 | 394 | 91 |
| Information | 0 | 6 | 6 | | 0 | 50 | 50 |
| Financial Activities | 32 | 31 | (1) | | 154 | 162 | 8 |
| Construction | 21 | 20 | (1) | | 59 | 67 | 8 |
| DUR - Durable Goods Manufacturing | 12 | 12 | - | | 370 | 352 | (18) |
| Other Services | 34 | 25 | (9) | | 101 | 73 | (28) |
| NONDUR - Non-Durable Goods Manufacturing | 4 | 3 | (1) | | 132 | 99 | (33) |
| Manufacturing | 16 | 15 | (1) | | 502 | 451 | (51) |

Table 6 - Resident occupation in Sturbridge by NAICS description; U.S. Census Bureau, American Community Survey, 2010 - 2016

| Resident Occupation by NAICS Sector | 2016 Estimate |
|--|---------------|
| Educational services, and health care and social assistance | 1,270 |
| Professional, scientific, and management, and administrative and waste management services | 759 |
| Manufacturing | 592 |
| Retail trade | 577 |
| Finance and insurance, and real estate and rental and leasing | 427 |
| Arts, entertainment, and recreation, and accommodation and food services | 282 |
| Construction | 192 |
| Wholesale trade | 181 |
| Public administration | 149 |
| Information | 120 |
| Transportation and warehousing, and utilities | 110 |
| Other services, except public administration | 79 |
| Agriculture, forestry, fishing and hunting, and mining | - |

CMRPC also examined recent trends in the office and industrial space market. Vacancy data from CoStar could be suggestive of strong demand in this sector. From 2008 to 2017, vacancy rates dropped from a peak of 30% in 2014 to functionally zero today³ (see Figure 3). This trend is in line with regional patterns which have shown strong demand in the Worcester region. During the fourth quarter of 2017, industrial space in the Worcester region during showed a regional effective vacancy rate of less than 6%⁴. Further, discussions during the business and developer's roundtable discussion suggested strong growth in the warehousing, transportation and light manufacturing were anticipated to be strong through 2018⁵.

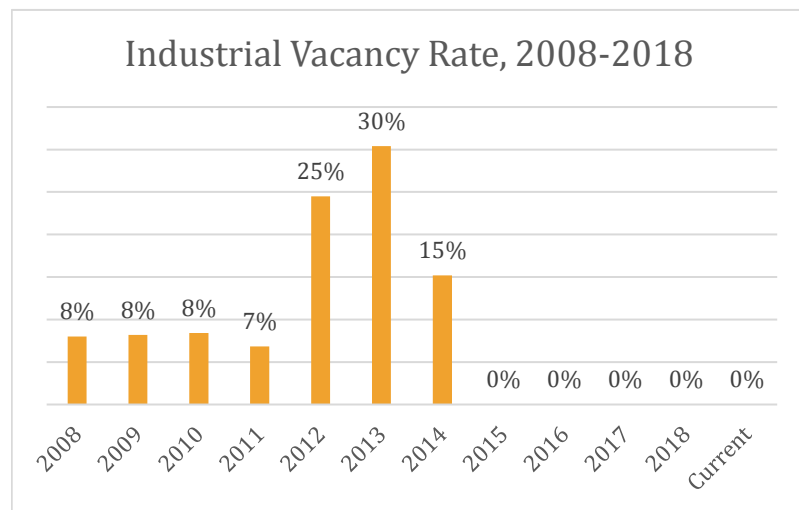


Figure 3 - Historic Vacancy Rates for Industrial Property, 2008-2018; CoStar, 2018

³ CoStar Group, www.costar.com, accessed May, 2018

⁴ Cushman and Wakefield, 2018, "Market Beat, Greater Boston, Industrial Q4, 2017," see appendix 3

⁵ Business owners and broker's breakfast was held in January 25, 2018 at the Publick House in Sturbridge

INDOOR/OUTDOOR RECREATION

Key-Takeaway: There is high market potential in the region for more indoor/outdoor recreation, but lack of adequate water and sewer may be a barrier

One of the key areas of interest for the town has been identifying commercial recreational uses for this area. Currently, the study area contains a great deal of open space and one commercially operating campground, the Jellystone Park campground, which covers a 73-acre parcel. Several other outdoor recreation use options were explored as part of this study. In particular, outdoor “adventure” style courses have increased in popularity. One proposed development was recently announced for the Town of Berlin. That development proposal contains a ropes course, obstacle courses and other amenities. This and other examples are included in the appendices.

Another use that was discussed with the Town and community members was the creation of a “blue trail”. The Quinebaug River is a potentially viable point of connection from these parcels to the Old Sturbridge Village. On January 25, 2018, CMRPC and the Town of Sturbridge hosted a “Broker’s Breakfast” at the Publick House in Sturbridge. The meeting gathered business owners and commercial real estate professionals to discuss opportunities and barriers to development of the Corridor. The “blue trail” option was discussed and opinions were mixed as to its viability. CMRPC recommends further study as part of Sturbridge’s open space planning efforts in 2018.

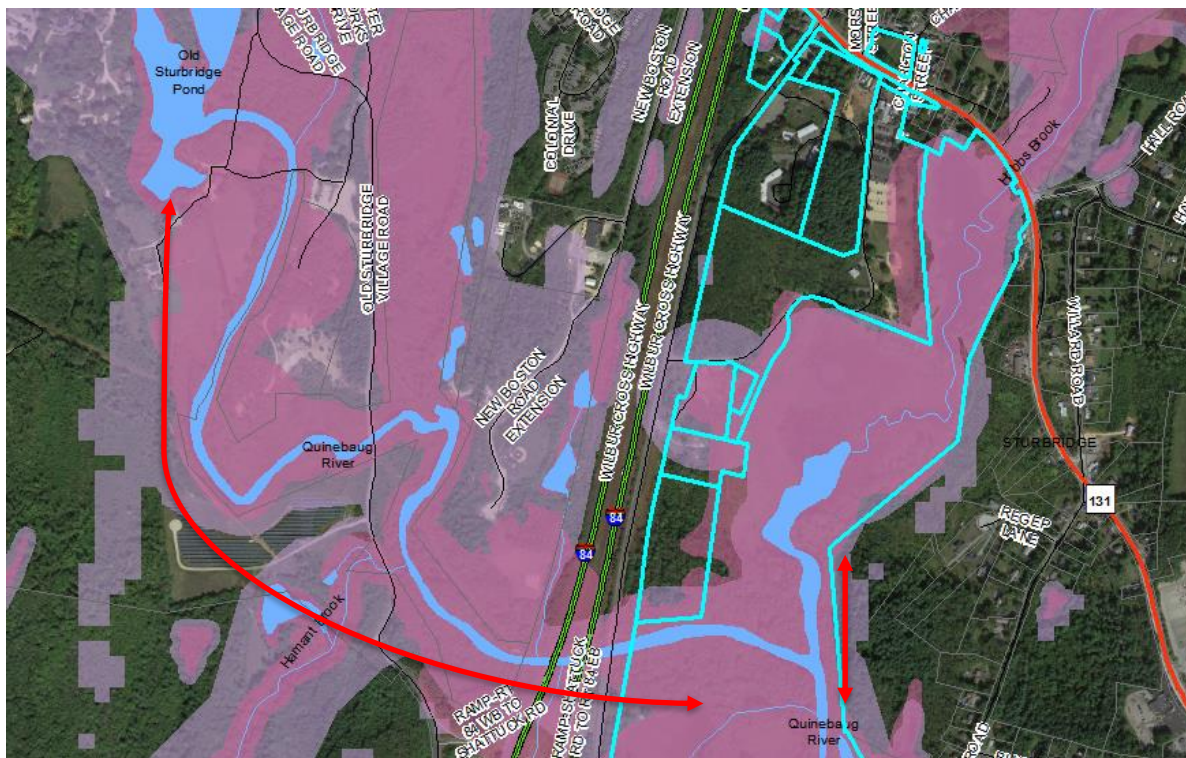


Figure 4 - Quinebaug River course showing end point in Old Sturbridge Pond; Pink areas show areas protected from development

MARKET

According to the most recent data, retail and accommodations services⁶ combined are the largest employers in the Town. Around 55% of the total private workforce in 2016 was dedicated to servicing the recreation trade (accommodations and services 30%, retail trade, 25%). Further, these industries both recorded growth between 2009 and 2016. During this period, these two categories combined grew about 13%. This suggests that there is still unmet capacity in this sector.

Survey data collected by ESRI Business Analyst showed the greatest market potential for outdoor recreation with passive outdoor recreation (hiking, boating and canoeing, fishing, etc) and organized sporting events (baseball, basketball, etc). Table 7 shows the ESRI estimated Market Potential Index (MPI) for several of more common outdoor recreation activities. The MPI is a measure of regional spending potential compared to national averages where a score of 100 aligns with the national average. The scores sampled in Table 7 are at or above 100, indicating greater spending potential than the national averages.

| Product/Consumer Behavior | MPI |
|--|-----|
| Participated in backpacking in last 12 months | 125 |
| Participated in canoeing/kayaking in last 12 months | 117 |
| Participated in roller skating in last 12 months | 115 |
| Participated in baseball in last 12 months | 110 |
| Participated in bicycling (mountain) in last 12 months | 109 |
| Attend sports events: baseball game - MLB reg seas | 108 |
| Participated in boating (power) in last 12 months | 108 |
| Participated in fishing (fresh water) in last 12 months | 107 |
| Participated in bicycling (road) in last 12 months | 105 |
| Spent on sports/rec equip in last 12 months: \$100-\$249 | 104 |
| Participated in horseback riding in last 12 months | 104 |
| Participated in swimming in last 12 months | 101 |
| Participated in archery in last 12 months | 101 |
| Spent on sports/rec equip in last 12 months: \$250+ | 100 |

Table 7- Market Potential Index (MPI); ESRI Business Analyst, 2017

Development of new indoor/outdoor recreation activities could have positive knock-on effects for the hospitality industry. Even if such facilities do not in themselves become a “destination” they could offer enough added value to encourage visitors to prolong their stay.

ISSUES AND CONSTRAINTS

Despite strong market potential of sports and leisure uses in study area, the outdoor adventure park model had too few case studies to draw upon to make an adequate assessment of its commercial viability. Many of the examples CMRPC analyzed were either organized as part of a non-profit (e.g. part of a university) or relatively young and untested commercial ventures. The Boundless Adventures Park, located in Berlin, MA⁷ offers many activities that would be potentially well suited to this corridor (e.g. zip lines, rock climbing, rope swings). However, little information was available to assess the format’s market potential on a regional level. CMRPC recommends ensuring such a format continues to be allowed in the special use, though not necessarily pursuing it as a final option.

⁶ Since there is no tourism category in the ACS, these sectors combined provide an adequate proxy

⁷ Boundless Adventure Park, <https://boundlessadventures.net/ma-park/>, accessed May, 2018

Indoor sports venues (e.g. skating, indoor soccer) are much more tested market. However, these facilities can have severe impacts on infrastructure and the land. Typically, an indoor sports complex requires the clearcutting of forest land. This would have a detrimental impact on efforts to preserve the forest canopy and viewshed in the Corridor.

ZONING AND LAND USE

Commercial Recreational uses are allowable by special permit under the Zoning Bylaw Section 14.02. A Commercial Recreational Area is defined in the bylaw as, “A recreational facility operated as a business and open to the general public for a fee.” The bylaw further limits the allowed activities to the following:

- Miniature golf
- Museums
- Riding stables
- Bowling alleys
- Movie theater
- Live theater
- Indoor musical center
- Athletic fields
- Golf course
- Indoor skating rink
- Indoor or outdoor athletic facility.

Special Use District: Commercial recreation facilities are an allowed use by special permit within the SU district. Current zoning in the SU district requires a minimum lot size of one (1) acre (or more than 40,000 sf). This is obviously much smaller than many of the projects that may be attempted in this category. For instance, one prior proposal for a commercial recreation park in the Kelly Farm area required a minimum of 2 acres, while the proposed Sturbridge Arena was looking as many as 30 acres. Height restrictions within SU zones limit buildings to 35 feet, or around three (3) stories. While the lot sizes within the SU zone allow for this type of use and the minimum lot size is more than flexible for this use, feedback from the business owners’ roundtable suggested that this height limitation may have a negative effect on development. The above-mentioned arena is said to have needed a variance to exceed the 35 ft height limitation. The Town should consider revising this to allow for greater height limitations for only this use, or else liberalize the lot limitations of the PUBD (see below).

PUBD: Commercial Recreational Facilities are an allowed use within the PUBD, by special permit. However, these lots have a number of restrictive conditions.

Minimum Lot Sizes: MLS is 50 acres based on existing PUBD. This is unnecessarily large for this type of use and may be inhibiting the development potential for this use type. Reducing this to 25 sf to start and 20 sf by special permit is recommended.

Set-Backs: PUBD set-backs are 100 feet “from the public way” which should be sufficient to preserve the scenic character of the roadway. However, Haynes Road has a 75 to 100-foot easement on either side of the road. Thus, by defining the setbacks as 100 feet “from the public way” the town may be inadvertently creating as much as a 200 feet setback. The Town should consider revising this language to define the setbacks as beginning from the edge of Route 15.

INFRASTRUCTURE

Water and Sewer: Lack of water and sewer to the bulk of parcels in this area will be a major constraint for this use type, though not necessarily as much for outdoor recreation as indoor. Indoor recreational facilities will require adequate high-quality water for drinking, showers and other facilities. Likewise, lack of an adequate waste water system will likely increase the costs of such facilities if not rule them out completely. Town investment in water and sewer will be critical to the success of this Corridor.

Traffic: The parcels along the Route 15 corridor have direct access to Route 84 North via River Road and Route 84 South via Shattuck Road. Access to most other destinations in Town would be via Route 131 (Main Street) or Old Sturbridge Village Road or other similar, low volume streets. Traffic flows along Route 131 have been identified as a concern, especially where this route intersects with the more heavily traveled Route 20. The concentration of hotels at the Route 20/Route 84 interchange mean that traffic flows along Route 131 would likely increase with the addition of an indoor/outdoor recreation. CMRPC does not have estimates of daily traffic volume for Route 15, however, volumes along the intersection between Routes 15 and 131 were estimated to be between 7.5 to 14.5 thousand cars a day in 2014.

MANUFACTURING AND WAREHOUSE/DISTRIBUTION

Key Take-Away: Demand for light manufacturing may be down, but warehousing and distribution show signs of growth both regionally and state-wide.

Any manufacturing would be difficult in this area without the extension of water and sewer infrastructure. Even light manufacturing can have significant water needs and place significant strains on the waste water management system. Likewise, warehousing and distribution will be greatly constrained by the lack of adequate water and sewer.

MARKET

Although data specific to the Sturbridge area was not available for this study, Cushman and Wakefield snapshot reports (see appendices) shows a net absorption rate for commercial property in Worcester to be more than 300,000 square feet. A positive net absorption number indicates commercial space is being occupied at a faster rate than it is being vacated. Commercial property in this context is referring to office, warehousing and industrial space. This indicates high demand in the county. At the same time, the estimated vacancy rate of 5.6% suggests there may be slightly more demand than supply. In general, a healthy market should be around 6% to 7%.

The report also pegged the average price per square foot for warehouse distribution space at around \$4.91 which is substantially lower than the average of \$7.73 for other “Northern” sub-markets. This suggests that demand is much lower than in other sub-markets. However, this lower price per square foot may also be a marketable opportunity. Since similar space in the areas immediately surrounding Boston are averaging around \$12 per square foot and new construction is thought to be lagging.

At the same time, the Massachusetts Department of Labor and Workforce Development notes that Manufacturing and Wholesale Trade were the two (2) slowest growing employment growth sectors in the State with 16% and 49% decreases respectively from January 2015 to August 2016. However, warehousing and distribution has shown dramatic increases across the state.

ISSUES AND CONSTRAINTS

Warehousing and transportation uses could have a significant impact on the viewshed for route 15. It would be extremely difficult given the position of the available developable parcels to position such developments in way that would minimize the impact to the scenic character of the Corridor. Also, while these have in recent years been areas of faster job growth for the region, they still employ a relatively small fraction of the town's total labor force. Retail and services/accommodation still make up the majority of the available jobs (around 30% in 2016), and have been growing, even if at a somewhat slower pace.

ZONING CONSTRAINTS

Special Use (SU) District: Manufacturing and Warehouse / Distribution is not an allowed use as of right or by special permit in the SU district. This severely limits the options available of potential developers. This use is allowed under the Planned Unit Business Development, however the PUBD, has severe restrictions which make this type of use untenable.

PUBD: The PUBD allows for "Laboratories for research and development (R&D)," and "Light industrial operations" as specifically allowed uses. The zoning bylaw is silent on what types of businesses might qualify as R&D laboratories or "Light industrial operations," though it is not unreasonable to suppose that warehousing and distribution would be allowable. This being said, the aforementioned dimensional restrictions in the PUBD would make development of this use type very unattractive for many developers; 50-acre minimum lot size, a 40% open space set aside and similar restrictions likely drive up the costs and add unnecessary complexity to a proposed development.

INFRASTRUCTURE CONSTRAINTS

Water and Sewer: Lack of water and sewer to the bulk of parcels in this area will be a major constraint for this use type. Any type of light manufacturing facilities would require adequate high-quality water. Likewise, lack of an adequate waste water system will likely increase the costs of such facilities if not rule them out completely. Town investment in water and sewer will be critical to attracting these types of uses.

Traffic: Although the majority of the available land in the Route 15 Corridor has direct access to Interstate 84, traffic in the area is of particular concern for the Town. The Town has been experiencing considerable a log jam at the intersection of Route 131 (Main Street) and Route 15 (Haynes Street), due to the constrained geometry at this intersection. The surrounding historic structures do not allow for expansion of this intersection (as referenced in the Sturbridge- Route 15 PDA Analysis, July 2015, page 7.) This could be exacerbated by increased shipping traffic, especially trucks that need adequate turning radii at the intersection. The most recent traffic volume estimates from CMRPC (2014) show Route 131 bearing an average daily traffic volume of 7.5 to 14.5 thousand cars a day. While it is possible Route 15 itself could accommodate more commercial traffic, at the time of this report no daily volumetric data was available.

HEALTHCARE/MEDICAL ESTABLISHMENTS

Key-Takeaway: *Healthcare and medicine are high-growth, high-wage industries. However, major improvements in water and sewer systems will be needed to accommodate these uses.*

Healthcare and medical could likewise benefit from the access to Route 84. It is also a growing industry in terms of overall employment. In 2016, healthcare professions made up around 8% of

the total private workforce in Sturbridge. Between 2009 and 2016 these positions grew about 38%. Further, these jobs, while fewer in number, tend to be higher skilled, higher paying positions, making them an attractive alternative to retail or warehousing.

MARKET

The Massachusetts Department of Labor and Workforce Development notes that Education and Health Services were the third leading employment growth sector in the State with 4.45% increase from January 2015 to August 2016. It is likely therefore, that this use would have a positive impact on local employment, creating more opportunities for residents to find jobs closer to home, reducing overall commute times locally and regionally. This sector also has very strong long-term growth potential. Across the Southwestern CMRPC sub-region, median ages have been rising. Since demand for healthcare services is closely tied to age, this sector is anticipated to be among the most stable of the sectors considered for the Corridor.

ISSUES AND CONSTRAINTS

Healthcare and medical, like manufacturing uses, would require heavy investment into water and sewer infrastructure. They often require substantial amounts of land and would thus have a major impact on scenic character of the Corridor. Of the parcels suitable for large scale development, only a few areas would have the necessary acreage to accommodate such heavy impact development.

ZONING AND LAND-USE

Special Use District: The SU district specially names “Hospital or medical treatment building” as an allowed use. This use is not defined in the bylaw, but could reasonably be read as allowing doctors or medical or dental offices, urgent care centers, or even dentistry. However, other medical uses such as research or lab work would not likely be covered under so narrow a set of terms. Thus, many potential medical uses may be excluded based on this language.

PUBD: the PUBD makes allowances for those medical uses not allowed under the SU district. The bylaw specifically names “Laboratories for research and development,” and “Professional and medical offices” as allowed uses. These terms should reasonable allow for medical records management, lab work and other uses not allowed under the SU district. However, the size limitations of the PUBD (see above) would likely constrain the market for such developments. Allowing for more flexibility in the PUBD could make these uses more viable.

INFRASTRUCTURE CONSTRAINTS

Water and Sewer: Lack of water and sewer to the bulk of parcels in this area will be a major constraint for this use type. Any type of health treatment facilities would require adequate high-quality water. Likewise, lack of an adequate waste water system will likely increase the costs of such facilities if not rule them out completely. Town investment in water and sewer will be critical to attracting these types of uses.

Traffic: As with the other uses, daily access to any site on Route 15 would likely increase the overall traffic flow along the key intersection of Routes 15 and 131. Healthcare uses tend to be high-volume employers. Many medical office uses would bring with them increases in the number of daily vehicles along this corridor both in the form of customer traffic and daily commuting employees. Further, unlike outdoor recreation, this increase would not be bound to seasonal variation. Thus, of the three options explored here, it is likely that this use would have the most significant impact on year-round daily traffic volume.

RECOMMENDATIONS

While retail and service industries remain a key piece of the economic puzzle for the Town, CMRPC does not believe it should be a strategy focus for this Corridor. Retail uses need high visibility and would not be well suited to the types of setbacks the Town has put in place to preserve the existing viewshed along the Corridor. As stated elsewhere in this report, Warehousing/Distribution and Indoor/Outdoor recreation have good market potential in the current climate and provide strong opportunities for preserving the character of the Corridor. Indoor/outdoor recreation in particular would provide a strong development foundation while having a minimal impact on water and sewer, year-round traffic and the existing natural environment. If combined with passive recreation activities like hiking and blue trails, this use could create an economic center to build future development upon.

In order to pursue these uses, CMRPC recommends the following:

BYLAW AMENDMENTS

Planned Business Unit Development: As written, the PUBD is well suited for the use-types envisioned by the Town. The minimum lot size requirements are too large for the available land and are better suited to office park or light industrial developments than either warehousing/distribution or indoor/outdoor recreation. CMRPC recommends the following options for this provision:

Strategy 1 - Repeal the PUBD provision of the Town Zoning Bylaw (Chapter 15): This strategy would repeal Chapter 15 in its entirety and roll certain uses which are currently only allowed under the PUBD into the Special Use District. Specifically, this strategy should make the following uses allowable under the Special Use District:

- Warehousing/distribution and/or light manufacturing
- Public recreational facilities

Currently, “Commercial Recreational Facilities” require a special permit under the SU district. “Public recreational facilities” may be added into Chapter 14, Section 14.02 with the same caveat attached, (e.g. “subject to a Special Permit being issued by the Planning Board,”) should the Town deem it necessary. However, as noted in the Special Use recommendations below, CMRPC believes allowing recreational uses as a permitted use (under section 14.01) would provide more clarity.

Strategy 2 – Retain the PUBD with amendments: In this strategy, Chapter 15 would be amended to reduce the lot size requirements (Section 15.09) to no more than 25 acres, reducible to 20 by special permit. This will allow the district to better match the size of existing undeveloped parcels in the Corridor.

Other Amendments:

- **Section 15.09, Minimum Lot Dimensions:** Consider amending the language to make the lot dimensions reducible to 20 acres by grant of the planning board, rather than special permit of the ZBA.
- **Section 15.11, Setbacks:** Currently the language reads, “No building shall be constructed within one hundred (100) feet of any public way.” Community input suggested that this has been interpreted to mean the 100 feet from the end of the conservation easement along Route 15, said to be somewhere between 75 and 100 feet from the edge of the roadway. Consider amending the language to clarify that

the setback measurement begins at edge of the Route 15 right-of-way, thereby allowing the easement to be included in the calculation.

Special Use District: The principal objection to the SU district in previous reports was the lack of clarity around permitted uses. Where ever possible, the language of Chapter 14 should be simplified to better reflect the desired uses and provide developers more options. CMRPC recommends the following amendments:

- **Section 14.01, Permitted Uses:** Amend these uses to be consistent with those under the PUBD. These should be considered regardless of whether the Town repeals or amends the PUBD provision in Chapter 15. This will allow for more clarity of purpose in this district and provide more options to developers.
 - Single Family Detached dwelling – make special permitted use under section 14.02
 - Commercial Recreation Facilities – make a permitted use, rather than requiring special permit
 - Public Recreational Facilities – add as permitted use
 - Light industrial/warehouse/distribution – add as permitted use
- **Section 14.02, Permitted by Special permit**
 - Executive offices – add as special permit use
 - Laboratories for research and development – add as special permit use
 - Professional and medical offices – add as special permit use
- **Chapter 19, Height Limitations**
 - Consider raising maximum height from 35 to 60 feet, for at least permitted uses. This would eliminate the need for recreational developments which are not large enough to qualify under the PUBD to build without a height variance.

WATER AND SEWER

Water and sewer must be extended along the Route 15 Corridor in order to attract the kind of development sought by the town. CMRPC recommends the Town invest in water-sewer extensions to at least the parcels within the vicinity of the former Hebert Candy store parcel. These parcels are among the most promising for immediate development. Improving the water and sewer options into this area may entice other developers to invest in further extensions.

The Town should consider pursuing a [MassWorks Grant](#) for this extension. The MassWorks Infrastructure Program provides funds for municipalities and other eligible public entities to support and accelerate housing and job growth in the Commonwealth. The MassWorks Infrastructure Program is a competitive grant program that provides a robust and flexible source of capital funds for municipalities and other eligible public entities to complete public infrastructure projects that support and accelerate housing and job growth throughout the Commonwealth.

MassWorks Grants will fund utility extensions, including sewer and water lines so long as the extension run either through town owned land or along public rights of way. The current round of applications is due in mid-August 2018. Projects must be ready to begin construction the following spring (2019). See appendices for more details.