

TSAKALOS REALTY TRUST
P.O. Box One
Forestdale, MA 02644

Phone: (508) 888-6448

Email: trt@tsakalosrealtytrust.com

Fax: (508) 888-8075

February 4, 2014

James Pierce, Chairman
Sandwich Board of Selectmen
130 Main Street
Sandwich, MA 02563

Re: South Sandwich Village

Chairman Pierce:

The purpose of this letter is to inform the Board of Selectmen that Tsakalos Realty Trust is no longer presently interested in acquiring the fifty-six (56) acre parcel of Town-owned property known as "South Sandwich Village" and, moreover, no longer intends to further participate in the permitting and/or construction of the proposed five hundred thousand plus (500,000+) gallon per day wastewater treatment facility. Indeed, the plan that I have proposed mirrors the Town's Local Comprehensive Plan approved by the voters at Town Meeting in May 2009, designed to create jobs and increase tax revenues.

We have now reached a point in the permitting and development process that will require me to make an additional investment of several hundreds of thousands of dollars to enter into an unprecedented three-party Development Agreement between Tsakalos Realty Trust, the Cape Cod Commission and the Town of Sandwich. The collective comments of the Board Members, together with the contents of Mr. Dunham's letter to me dated December 19, 2013, have caused me to re-evaluate my plans. It has become clear to me that I do not have the unequivocal support of the Board of Selectmen, given its inability to apparently muster a single vote in support of my plans for development at its closed-door session.

It is clear that the Board appears to be intent upon exerting an additional and significant degree of control over how, when and where development within the one hundred plus (100+) acres of land. We thought that the Town would have been an integral part of the three-party Development Agreement process, but obviously the Town does not understand the need to participate on a level playing field with the developer.

Although I was encouraged by the comments of the Cape Cod Commission Executive Director, I am concerned about the estimated four million (\$4,000,000.00) dollars in traffic mitigation expense projected as part of the Development Agreement and how that would be viewed by any potential development partner.

I am no longer confident that I, or any of the potential development partners with whom I have spoken, would have the requisite flexibility necessary to develop this project and make it a successful endeavor. I believe that the current Board of Selectmen quite simply do not understand how to facilitate development of a project the scope and magnitude of the one that I had proposed.

The basic dilemma, as I see it, is that the Board of Selectmen wish to know who my potential development partners will be and what tenants they may bring—while the potential development partners I have spoken with have indicated that they will only seriously consider developing in Sandwich after I have secured the necessary permits and approvals. Cape Cod as a whole, and particularly the Town of Sandwich, have developed an “anti-business” reputation over the years because of their perceived unwillingness to allow large-scale commercial projects to commence. Without a vote of confidence and action by the Board of Selectmen, this project is effectively stalled.

Under these circumstances, I have decided to terminate my plans to acquire the Town’s parcel and for the development and redevelopment of other land within the golden triangle, including plans to construct a wastewater treatment facility.

I thank the Town staff for their hard work and effort. I am disappointed that my vision will not become a reality because I sincerely believe that it was in the best interest of the residents of the Town of Sandwich.

Very truly yours,


Thomas Tsakalos

TT/epd

Cc: John Keenan, Selectman
Frank Pannorfi, Selectman
Ralph Vitacco, Selectman
Susan James, Selectwoman
George Dunham, Town Administrator
John W. Giorgio, Esq., Town Counsel
Paul Niedzwiecki, Executive Director – Cape Cod Commission