COMMONWEALTH OF MASSACHUSETTS

43D SITE EVALUATIONS



Prepared for:
Massachusetts Alliance for Economic Development
Massachusetts Executive Office of Housing and Economic Development

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Gilboa Street at SR 146 ■ Douglas, MA

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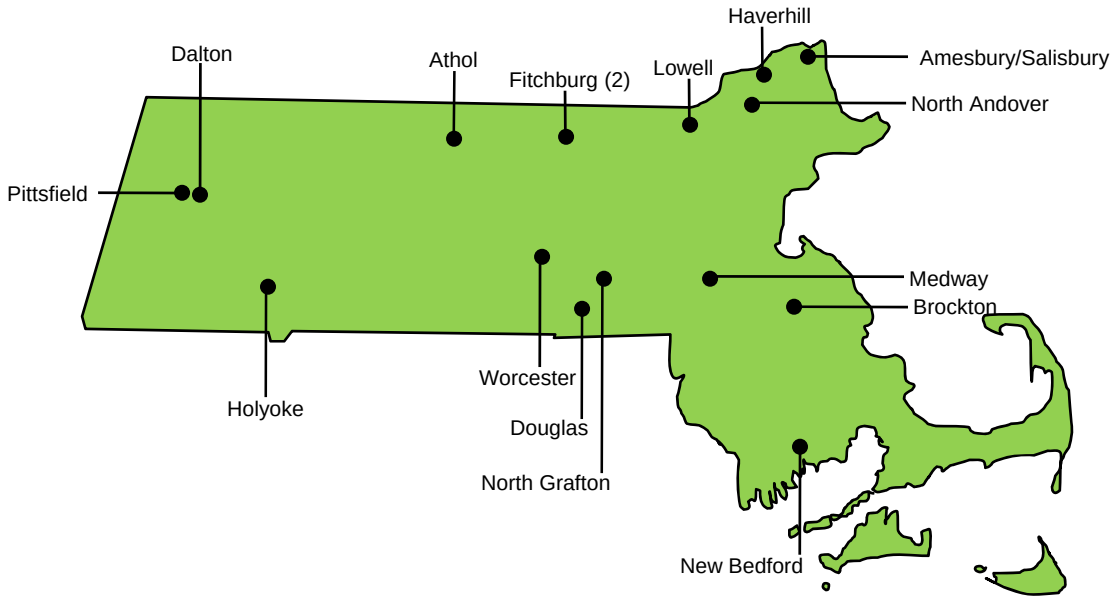
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Introduction

As part of an overall initiative to identify, evaluate and ultimately market sites under Massachusetts General Law Chapter 43D, The Massachusetts Alliance for Economic Development (MAED) along with the Massachusetts Executive Office of Housing and Economic Development retained Moran, Stahl & Boyer, a nationally known site selection and economic development consultant, to perform evaluations of selected sites (see Figure 1 below). The evaluation included on-site reviews, input from site contacts, data collection, and ultimately an assessment of site resources, best uses for the site, and recommendations for any site upgrade required to achieve a needed level of readiness.

Figure 1 – Location of the 43D Sites That Were Included in the Site Evaluation Process

Location	Description
Pittsfield	Former GE site being developed as William Stanley Business Park of the Berkshires
Dalton	Ashuelot Park (former Beloit manufacturing complex currently owned by Crane & Co.)
Holyoke	Multiple sites within Crossroads Business Park off I-91
Athol	North Quabbin Business Park at corner of SR 2 and SR 32
Fitchburg (2)	Sand and gravel operation off Airport Rd and site off Princeton Road (former sludge pits)
Lowell	Downtown Lowell Hamilton Canal District
North Andover	1600 Osgood Street (former Lucent Technology complex)
Haverhill	Industrial land off SR 125/Hilldale Avenue on NH/MA border
Amesbury/Salisbury	Golden Triangle site at intersection of I-95 and I-495
Worcester	South Worcester Industrial Park
Douglas	Current sand and gravel operation and other adjacent lots off SR146 and Gilboa St
North Grafton	Grafton Science Park adjacent to the Tufts University School Veterinary Medicine
Medway	Medway Industrial Park at I-495 and SR 109
Brockton	Former Howard Johnson and other food processing plant at 309 Battles St
New Bedford	Former Polaroid office and manufacturing complex in the New Bedford Business Park



Site Evaluation Overview

Site evaluation is a multi-step process that includes information gathering, reflecting on options, and assigning best use(s) as outlined in Figure 2 . Information is packaged into seven modules as noted in Figure 3 and presented as tabular data, maps and photographs. A sample Site Evaluation Form is presented at the end of this section.

The end result of the evaluation is to address the following questions:

- What types of resources (labor, transportation, education, R&D, industry employment, etc.) are accessible to the site?
- What are the primary attributes of the site and related buildings (as they exist)?
- What level of readiness is the site and related buildings (as they exist), including completion of any studies and securing any permits?
- What are the soil conditions and the presence of rock outcrops and wetlands/flood plain that may impact site development?
- What level of local market competition exists?
- What types of industries and operations would be most interested in the site and related buildings (as they exist)?

With this information, the site owner and/or developer can formulate a strategy for highest/best use as well as for marketing the site and seeking prospects with the most interest.

Figure 2 - Site Evaluation Process

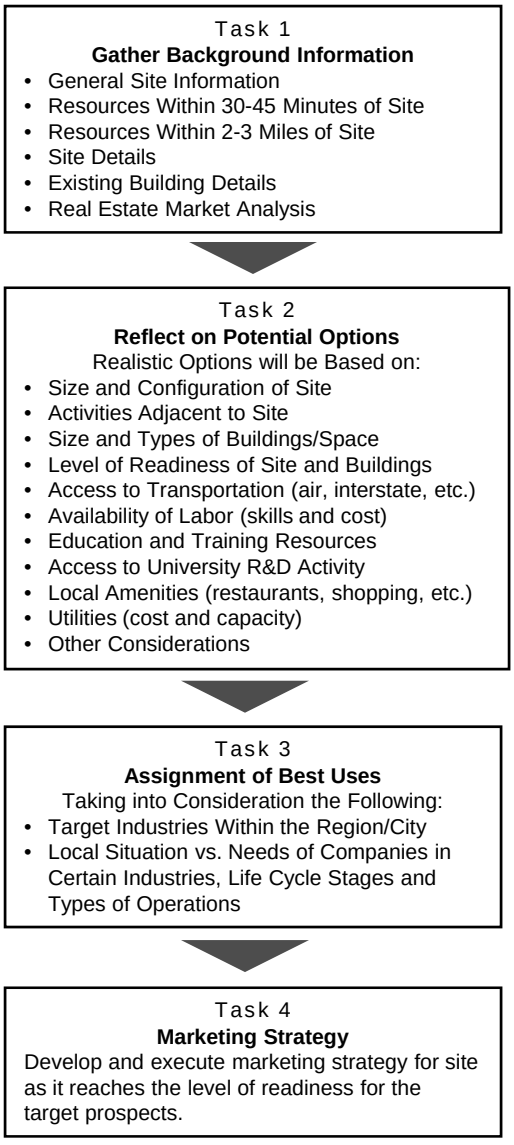


Figure 3 - Information Modules for Site Evaluation

Module 1:
Evaluation of Site

- General Comments and Resource Evaluation
- Recommendations for Site Use and Improvement

Module 2:
General Site Information

- Site designation
- Economic development region
- Address/location of site
- Local contact information
- Property owner(s)
- Current real estate broker
- Map identifying site location

Module 3:
Resources Within 30-45 Minutes of Site

- List regional airport(s) and travel distances
- Demographic map (population concentration) within 30-minute commute distance
- Demographic profile within 30-minute commute distance
  - Population
  - Average annual growth rate over past five years
  - Adult population with HS diploma only*
  - Adult population with 4-year college and above*
  - Median household income*
  - Population in the 25 to 34 year old cohort*

  * Compare with national averages
- Description of housing cost and supply within 30-45 minutes of site

Comment:
For the prospective company, the information related to a 30-minute commute from the site is of greater value than region or metro area data.

Module 4:
Resources Within 2-3 Mile Proximity to Site

- Distance to interstate or major limited access highway
- Condition of access road (pavement condition, shoulders, turning lanes, lights at intersections, etc.)
- Existence/plans for any of the following on the access highway between site and interstate: major shopping areas, schools, hospitals, parks or residential developments
- Access to public transportation (rail and/or bus)
- Access to any of the following amenities within two miles of the site: restaurants, shopping areas, banking, daycare, gym/workout facilities, outdoor trails, personal services
- Access to any of the following business services: copy/printing, office supplies, computer retail/service, etc.

Comment:
The resources that are within close proximity are important for headquarters, back office and R&D operations, and are less important for manufacturing operations.

Module 5:
Site Details

- Aerial photo of site noting proximity to other businesses, retail options and nearby residential properties
- Site plan of developed site/park
- Overall size of site/developable acres
- Level of site readiness to build new or move into existing structures
- Zoning classification/description and maximum allowable build-out (sf)
- Use/zoning of adjacent land
- Presence of wetlands or sections within 100-year flood plain
- Greenfield or brownfield site and current land cover
- Site studies completed, such as:
  - Environmental review (Phase 1 and 2)
  - Environmental Impact Study
  - Wetlands and flood plain review
  - MEPA review
  - Archaeological sites review
  - Traffic impact study
  - Soils analysis
- Site plans prepared
  - Overall site plan
  - Runoff Water Management Plan
- Permits secured
  - Site plan approval
  - Overall environmental permit
  - Wetlands permit
  - Highway access/curb cut permit
  - Army Corps permit (100-yr. flood plain)
  - Steep slope permit
  - Other permits
- Overview on utility services (power, gas, water, sewer, and telecom)
  - Name of utility
  - Capacity/availability (particularly water)
  - Dual feed/backup for power and telecom
  - Cost of power (cents/kWh)

Comment:
Site details provide not only general attributes of the site but also factors that help define the level of readiness of the site. Refer to Tables 3 and 4 for details on site readiness.

Module 6:
Existing Building Details

- Number of buildings on site
- Designated use(s) of buildings (office, light manufacturing, warehouse, lab, etc.)
- Age and condition of each building and class of office space (A,B or C)
- Overall square footage and size of floor plate for each building
- For industrial buildings: ceiling height, column widths, slab thickness, crane rails in place, etc.
- Parking capacity (open or garage)
- Lease or buy options
- Offering price/lease rate for space
- Level of building readiness (months to move in)
- Is this a LEED certified building?

Comments:

- For office space, parking capacity is often quoted in spaces per 1,000 sf of office.
- LEED Designation: the U.S. Green Building Council has defined The Leadership in Energy and Environmental Design (LEED) Green Building Rating System™ to encourage and accelerate global adoption of sustainable green building and development practices.

Module 7:
Real Estate Market Analysis

- Overall market situation (strong or weak)
- Average purchase price for land in similar situation (stand alone, within office or industrial park, etc.)
- Description of comparable property/building
- Average lease rate for comparable space
- Other information about local market

Comment:

The ability to define comparable market data will be determined by the level of specialization and unique features the site offers. The average lease rate for generic office and industrial space and gross inventory of space (in metro areas) will be the easiest information to gather from the marketplace.

Figure 4 – Sample Site Evaluation Sheet

General Comments and Resource Assessment

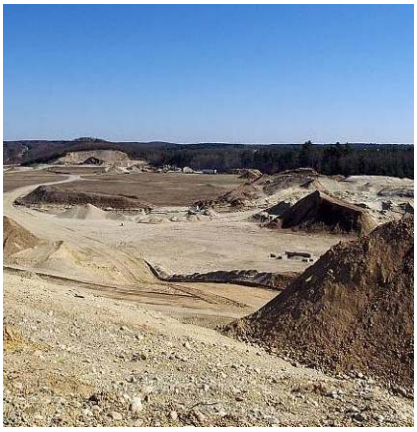
Site Designation	Address or other designation
Ownership	Current owner(s) of site
General Description of Site and Buildings	Overall size of site and usable acres as well as size of buildings and floor plate
Readiness of Site and Buildings	The time required to complete the site and/or building before the prospective company can have employees productively at their jobs
Site/Building Amenities	Parking, café, locker rooms, trails, etc.
Transportation Access	Air, interstate, rail, port and public transportation
Labor Resources	Population growth, education levels and specific industry presence
Education & Training	Two/four-year colleges and other technical/business training resources
University R&D Access	R&D as an economic engine and the support of specific industries
Amenity Access	Access to shopping, restaurants, personal services, gym, bank, etc.
Utilities	Note any extreme situation in capacity or cost for water, electric power, gas, sewer or telecom
Other Comments	Unique aspects of site or situation

Recommendations

Highest/best use for site/buildings

1. Considerations for improving the site
2. Other recommendations

Ashuelot Park



Douglas, MA

General Comments and Resource Assessment

Site Designation	Gilboa Street at SR 146
Ownership	Multiple owners
General Description	Current sand and gravel operations with adjacent "undisturbed" contiguous lots located along SR 146 in the Worcester/Providence corridor.
Site and Building Readiness	Sand and gravel operation is estimated to have approximately five more years of operations before site reaches final grade for development.
Site/Building Amenities	None
Transportation Access	Air Access: TF Green (35 mi) and Logan Int'l (57 mi) Interstate/Limited Access Highway: Direct access to Route 146 adjacent to site.
Labor Resources	Solid growth rate with good blend of high school and college education attainment. Highest concentration of industrial labor is in nearby Northbridge and Uxbridge. Worcester is located 15 miles north of the site.
Education & Training	Closest colleges/universities located in Worcester area.
University R&D Access	Worcester Polytechnic Institute and UMass Worcester.
Local Amenities	None
Utilities	Electric power will be drawn from the grid (relatively high costs) and water uses for large users may be an issue as the region fully develops.
Other Comments	In the long term, site will be under pressure to be developed by large box retail and/or residential. Current land owners have expectations that this land will be sold for $100,000 per acre.

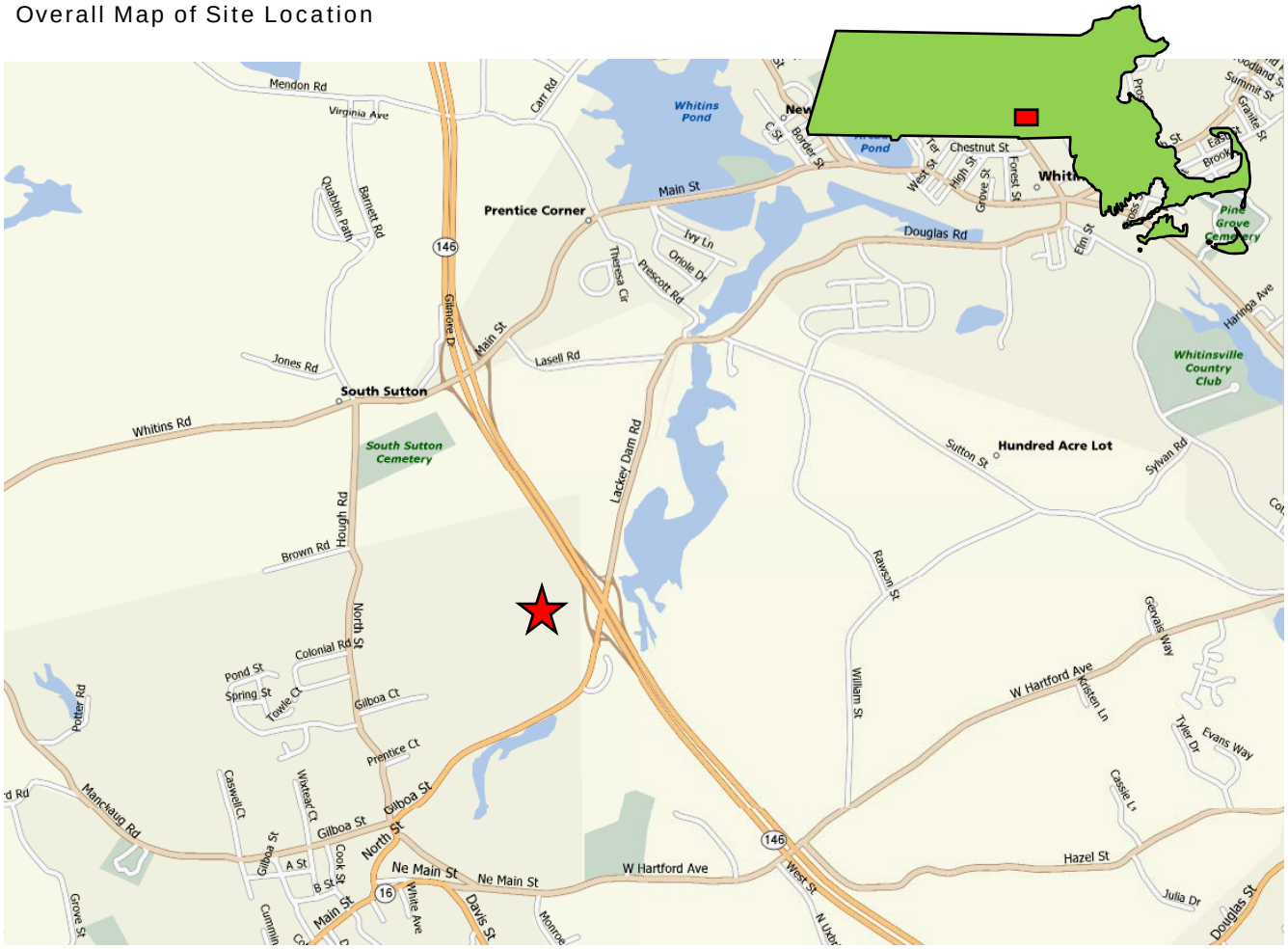
Recommendations

- The site is in a relatively rural area that lacks a significant workforce or the ability to attract labor from the Worcester area on a reverse commute basis. These dynamics may change in the future as the overall area is developed.
- The desire for the current landowners to liquidate their asset and have it developed may make the area more attractive for "big box" retail rather than office/industrial development. However, the inventory of sand and gravel is projected to be 5+ years unless site preparation was accelerated.
- It is recommended that the land be zoned office/industrial and options secured on the site for purchase at current market rates for similar properties within the area.
- The value of the site is its strategic location within the Worcester/Providence future growth corridor.

General Site Information

Site Designation	Future Development Site Off SR 146
Region	South Central
Address/location	150 Gilboa Street, Douglas, MA 01516 Map 115, Block 5; Map 113, Block 2 Northwest quadrant of Route 146/Lackey Dam Road interchange
Local contact Phone No. E-mail Address	Cathryn Welch, Economic Development /Permit Coordinator 508.476.4000, Ext 365 cwelch@douglasma.org
Property Owner(s)	Multiple 1.Pyne Sand & Stone Co., Inc. 2.Devries Corporation
Current Broker/Contact Phone No. E-mail Address	None

Overall Map of Site Location



General Proximity Information

Description	Input
Closest regional airport(s) with travel distance	TF Green – Providence (35 mi) Logan Int'l – Boston (57 mi)
Distance to Major Cities	Worcester (15 mi) Providence, RI (26 mi) Boston (53 mi) Springfield (60 mi)
Demographics W/ 30-Minute Commute	**Input**
Overall population	508,308
Growth rate (2000-2006)	4.75% / Mass Avg = 0.67% / Nat'l Avg = 6.4%
Adult population with HS diploma only	25.6% / Mass Avg = 28.2% / Nat'l Avg = 30.2%
Adult population with 4-year+ college	31.5% / Mass Avg = 37.0% / Nat'l Avg = 27.0%
Median household income	$63,412 / Mass Avg = $59,963 / Nat'l Avg = $48,451
Population in 25 to 34-year old cohort	12.6% / Mass Avg = 12.7% / Nat'l Avg = 13.3%
Cost of Living (Nat'l Avg = 100) • Overall Cost of Living • Cost of Housing • Cost of Utilities	Reference: Sperling's Best Places web site 113 115 109

Local Access Information

Description	Input
Distance to interstate/major highway	Rte 146 (0.3 mi), Interstate 395 (9.5 mi), and Interstate 495 (10.5 mi)
Condition of access highway	Direct access to Route 146 from the site.
Existence/plans for any of the following on the access highway between site and interstate: major shopping areas, schools, hospitals, parks or residential developments	None
Access to public transportation (rail or bus)	None
Access to any of the following amenities within two miles of the site: restaurants, shopping areas, banking, daycare, gym/workout facilities, outdoor trails, personal services	Moderate proximity to shopping centers located North off Route 146.
Access to any of the following business services: copy/printing, office supplies, computer retail/service, etc.	None

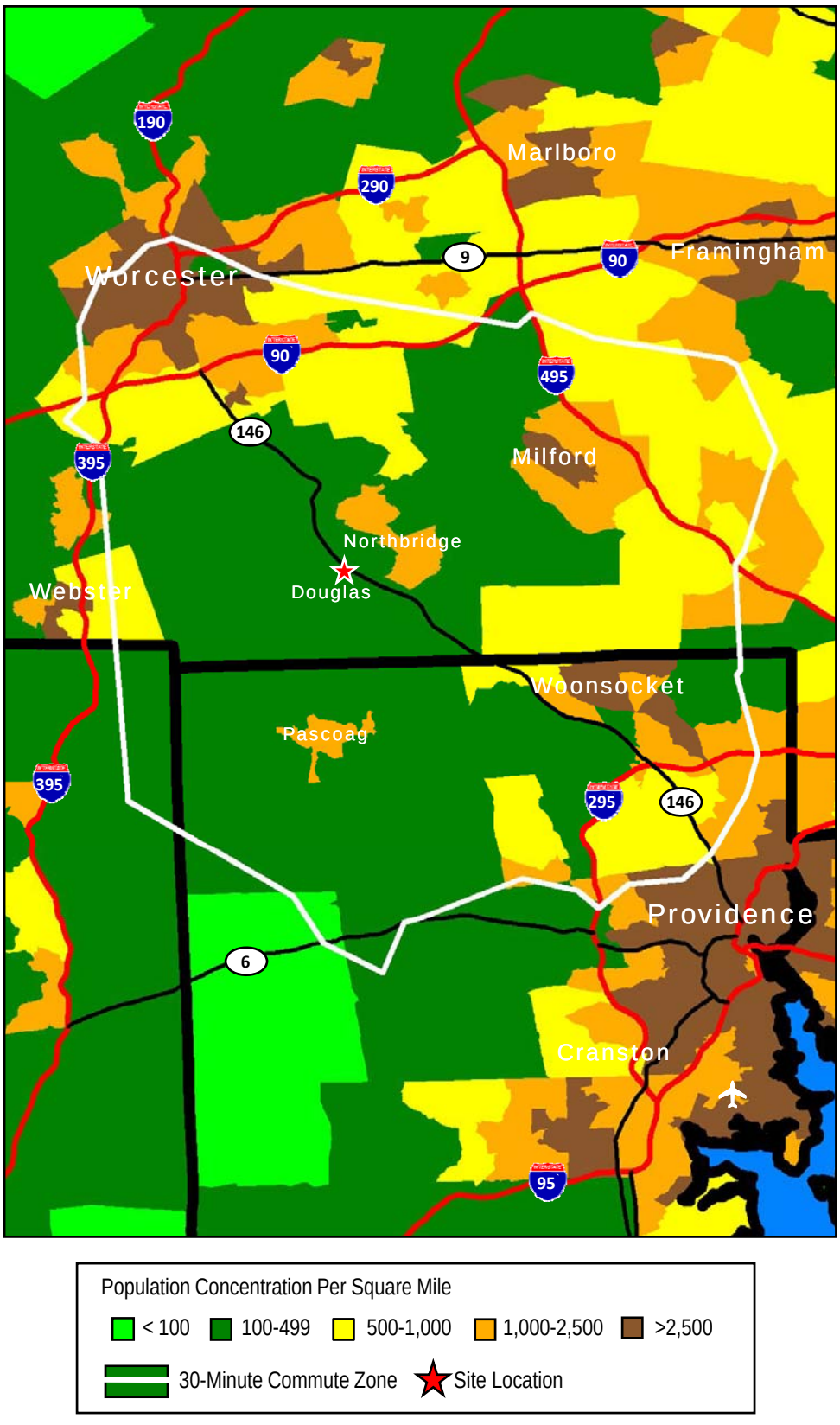
Site Characteristics

Description	Input
Overall size of site/developable acres	Pyne Sand & Stone Co., Inc. – 73.09 Acres/50+/- Industrial Devries Corp. – 51/5 Acres Additional 200+/- Commercial/Industrial acres available
Cost of Land ($/Acre)	
Zone classification/description and maximum allowable build-out (SF)	Industrial
Use/zoning of adjacent land	North: Vacant, sand/gravel mining; commercial/industrial East: Route 146; across Route 146 –vacant; agricultural South: Gas station/convenience store, vacant; industrial West: Two-story 300,000+sf industrial/flex building; industrial Buffer, residential; residential
Level of site readiness	Level 6 – undeveloped site
Presence of wetlands or sections within 100-year flood plain	Portion of site contains wetlands
Greenfield or Brownfield site and current land cover	Mainly classified as sand and gravel Current use sand and gravel removal operation Not brownfield site
Site studies complete, such as: • Environmental reviews • Environmental Impact Study • Wetlands and flood plain review • MEPA review • Archeological sites review • Traffic impact study • Soils analysis	Partial wetlands review, accepted by Conservation Commission
Site plans prepared • Overall site plan • Runoff Water Management Plan	Not formally completed
Permits secured • Site plan approval • Overall environmental permit • Wetlands permit • Highway access/curb cut permit • Army Corps permit (100-yr. flood plain) • Steep slope permit • Other permits:	• Partial wetlands review, accepted by Conservation Commission • Existing curb cut used for current business operations

Site Characteristics

Description	Input
Electric Power Service • Utility • Cost (cents/kWh) • Dual feed available (Y/N)	• National Grid • •
Gas Service • Utility • Cost	
Water Service • Utility • Capacity • Cost	• Town of Douglas Water and Wastewater Commission • Rated pumping capacity of system is 1.06 MGD, with system presently operating at 1/3 of pumping capacity; modifications to the present infrastructure may be needed to meet fire flow requirements for end user, approximately 125 psi static pressure at present; • 12'' ductile iron water service (supplied by an 8'' pipe) • 0 – 1600 cubic ft: $30; Every 100 cubic ft. over 1600 cubic ft.: $2.40/100 cubic ft.
Wastewater Service • Utility • Capacity • Cost	• Town of Douglas Water and Wastewater Commission • Town sewer is located approximately 500' from the site; • End use would require an update of the lift station presently servicing that area to meet needs of proposed site • 0 – 1600 cubic ft.: $60; Every 100 cubic ft. over 1600 cubic ft.: $4/100 cubic ft.
Telecom Service • Utility • Cell Phone Service	• Verizon • Yes

Demographic Map Covering 30-Minute Commute Zone Around Site



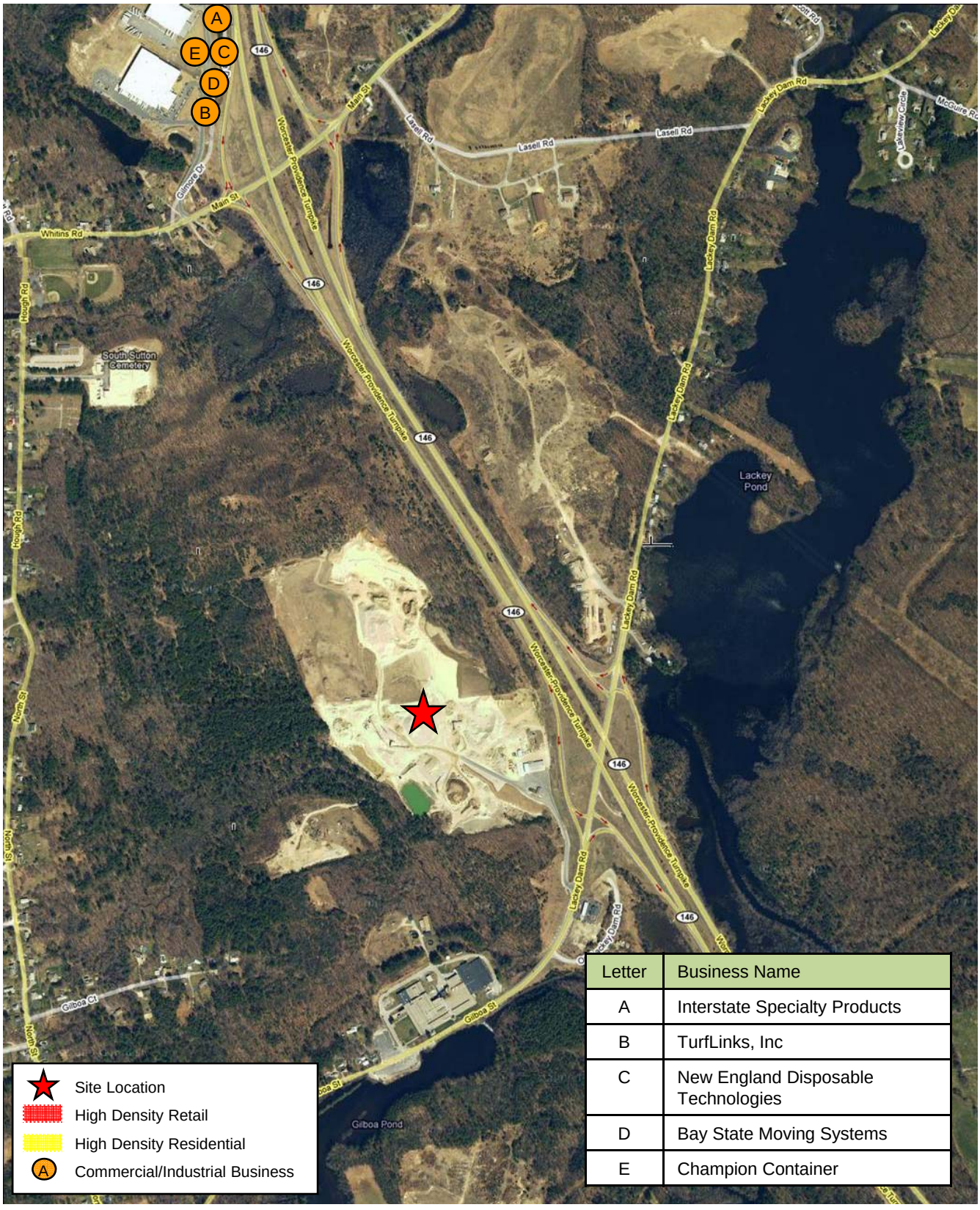
Nearby Commercial and Industrial Businesses

Letter	Business Name	Employment	Line of Work
A	Interstate Specialty Products	15	Wholesale plastic materials/shapes
B	TurfLinks, Inc	45	Ornamental nursery
C	New England Disposable Technologies	23	Refuse systems
D	Bay State Moving Systems	n/a	Local trucking operator
E	Champion Container	2	Industrial and personal service paper
-	Riverdale Mills Corporation	100	Misc. fabricated wire products
-	AC Technology Lanze Corp - HQ	100	Industrial supplies
-	Polyform Corp	80	Plastic foam products
-	EMX Controls	60	Relays and industrial controls
-	Precision Engineering	35	Metal stamping
-	Flagship Automation	35	Industrial machinery and equipment
-	Foam Concepts, Inc	30	Mfg plastic foam products
-	Mira, Inc	30	Surgical and medical instruments/apparatus
-	Lampin Corp	25	Steel and metal forgings
-	Poly Core	20	Mfg concrete products, except block
-	Hueson Corp	11	Nonferrous wiredrawing/insulating
-	Tent Connections, Inc	9	Canvas and related products

Nearby Retail Businesses, Food Establishments, and Banks

Retail Businesses	Food Establishments	Banks
Hannaford's Foods	Blackstone Valley Bar and Grill	Bank of America
CVS Pharmacy	Douglas House of Pizza	Sovereign Bank
	Picket Fence Restaurant	Savers Bank
	Subway, Dunkin' Donuts	Unibank For Savings

Aerial View of Site and Surrounding Area



Letter	Business Name
A	Interstate Specialty Products
B	TurfLinks, Inc
C	New England Disposable Technologies
D	Bay State Moving Systems
E	Champion Container

Pictures of Site/Facility



Overall View of Current Gravel Pit Site



Rear Section of Gravel Pit Site



Neighboring Textile Building for Sale



Side View of Neighboring Textile Building



Water Facility Near Border of Gravel Pit Site

Housing Examples Within Surrounding Area

$200,000



Douglas
$205,000 l 3 Bed, 2 Bath
1,136 Sq. Ft. l 0.33 Acres



Northbridge
$203,500 l 3 Bed, 2 Bath
1,184 Sq. Ft. l 0.74 Acres



Webster
$224,900 l 2 Bed, 1 Bath
832 Sq. Ft. l 0.15 Acres

$250,000



Douglas
$249,900 l 3 Bed, 1.5 Bath
1,350 Sq. Ft. l 0.46 Acres



Northbridge
$249,900 l 3 Bed, 1 Bath
1,728 Sq. Ft. l 0.16 Acres



Webster
$259,900 l 3 Bed, 1.5 Bath
2,369 Sq. Ft. l 0.35 Acres

$350,000



Douglas
$349,900 l 3 Bed, 2.5 Bath
1,632 Sq. Ft. l 4.26 Acres



Northbridge
$339,961 l 3 Bed, 2.5 Bath
2,562 Sq. Ft. l 0.36 Acres



Webster
$348,000 l 4 Bed, 2.5 Bath
2,200 Sq. Ft. l 0.18 Acres

Commercial Real Estate Situation (Southern Boston Area Submarket)

- The current industrial market situation in the southern Boston area submarket is soft. Vacancy rates of 13.7% are about average for the region and represent over 9.5 million square feet.
- The net adsorption for the first quarter was only 22,300 sf which is only 10% of the western submarket and new construction was 82,000 sf.
- Lease rate for warehouse/distribution space is $5.30/sf , the lowest rate in the Greater Boston area.
- The office market recently had an absorption rate of 20,600 sf for a total amount of space of 3.5 million sf and a vacancy level of 672,000 sf.
- Asking rent rates for Class A office space is $21.54 and for Class B office space is $19.34.

Source: Grubb and Ellis (First Quarter 2008)