COMMONWEALTH OF MASSACHUSETTS

43D SITE EVALUATIONS



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

October 2008

Golden Triangle ■ Amesbury/Salisbury, MA

Moran, Stahl & Boyer

Table of Contents

Description	Page
Introduction	1
Site Evaluation Overview	2
Evaluation of Site	7
• General Comments and Resource Assessment	8
• Recommendations	8
• General Site Information	10
• Overall Map of Site Location	10
• General Proximity Information	11
• Local Access Information	11
• Site Characteristics	12
• Existing Building Characteristics	13
• Demographic Map of 30-Minute Commute Zone Around Site	14
• Nearby Commercial and Industrial Businesses	15
• Nearby Retail Businesses, Food Establishments and Banks	15
• Aerial View of Site and Surrounding Area	16
• Pictures of Site/Facilities	17
• Housing Examples Within Surrounding Area	18
• Commercial Real Estate Situation	19

This report was prepared by Moran, Stahl & Boyer.
For additional information or comments, please contact:

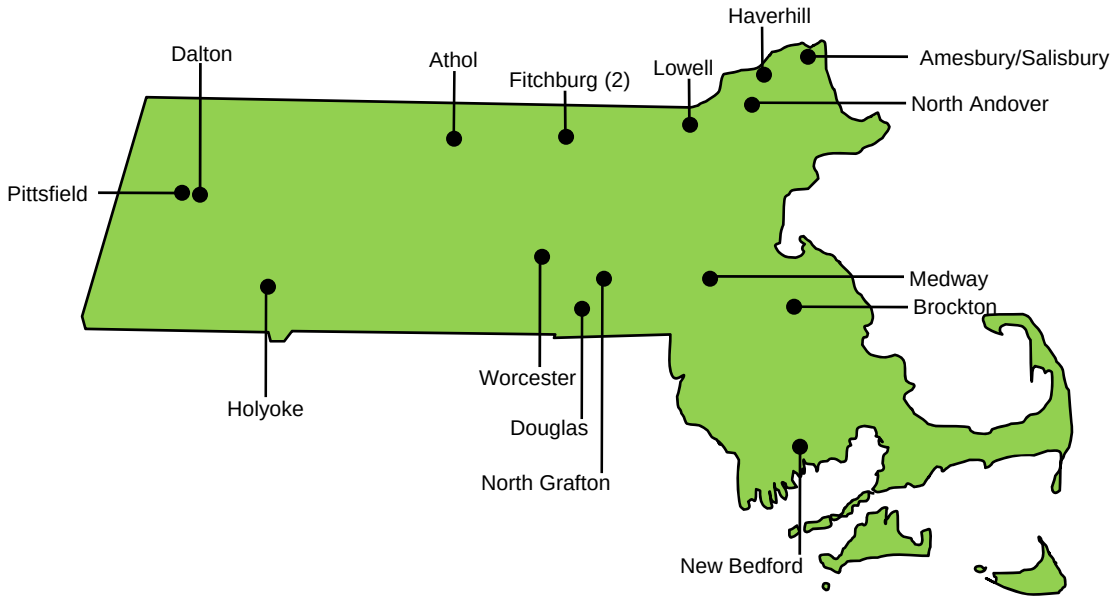
John M. Rhodes, Senior Principal
Phone: (941) 755-0074
E-Mail: john.rhodes@msbconsulting.com

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

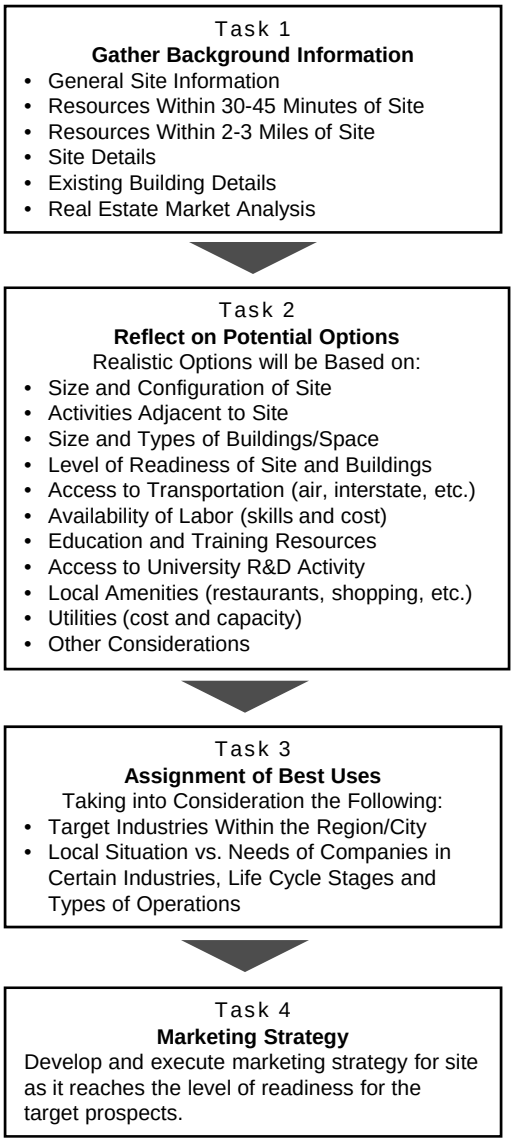


Figure 3 - Information Modules for Site Evaluation

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

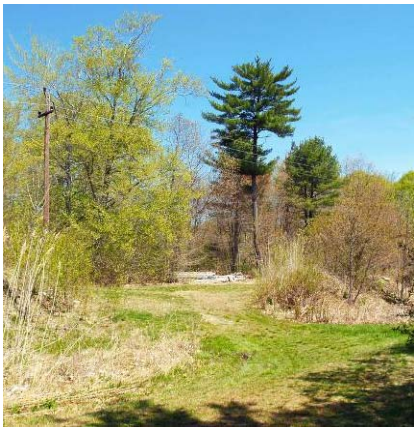
General Comments and Resource Assessment

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

1. Highest/best use for site/buildings
2. Considerations for improving the site
3. Other recommendations

Golden Triangle



Amesbury &
Salisbury, MA

General Comments and Resource Assessment

Site Designation	Golden Triangle
Ownership	Multiple property owners
General Description	135 acre site at the intersection of I-95, I-495 and SR 110. 53 acres of the 135 acres are wetlands and not available for development.
Site and Building Readiness	Site is still owned by original property owners and not activities have been engaged in to develop the site.
Site/Building Amenities	None (undeveloped site)
Transportation Access	Air Access: Logan Int'l (40 mi) and Manchester-Boston Regional (44 mi) Interstate/Limited Access Highway: The site is located adjacent/between both I-95 and I-495, however, there is a need to improve intersections to alleviate traffic problems. Commuter Rail: Closest station is in Newburyport with access to Boston.
Labor Resources	Local resources (within 30-minute commute zone: 422,000 population with 0.63% annual growth rate and 20.7% adult population with four-year+ college attainment) augmented by commuters from NH and ME.
Education & Training	Closest colleges include Northern Essex Community College (11 mi) in Haverhill and Merrimack College (18 mi) in North Andover
University R&D Access	None locally
Local Amenities	There is shopping in the immediate area and also access to downtown Amesbury and Salisbury.
Utilities	Undeveloped site but utilities accessible to site.
Other Comments	Considered locally a strategic location for long term growth. There is an interest in mixed use development: residential, retail and office.

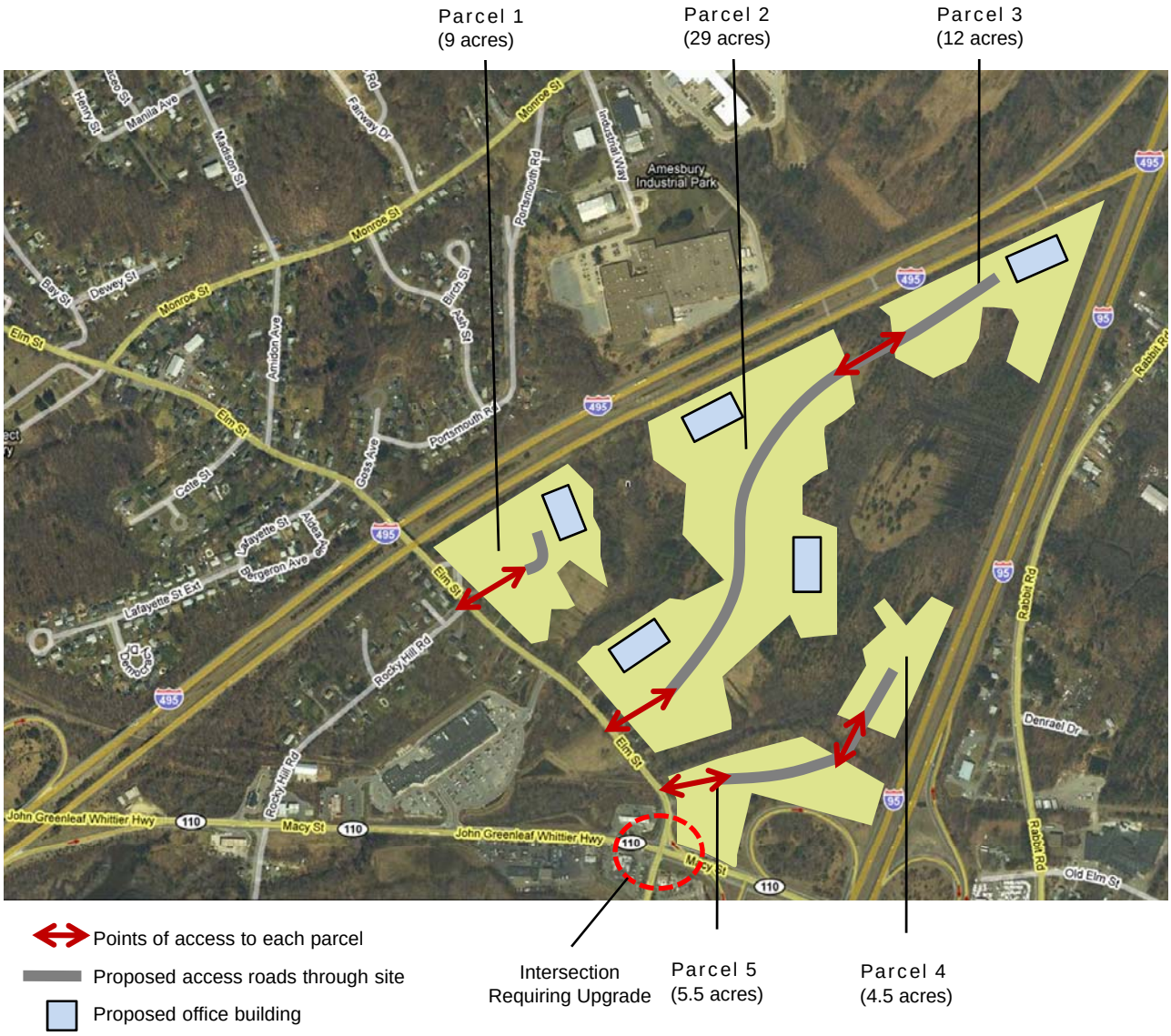
Recommendations

- Conceptually, the site would be considered strategic because of its location at the I-95 and I-495 interchange with access to labor and businesses in three directions. The primary value of the site is the ability to intercept labor coming from the local area as well as NH and ME. Commuting employees having typically gone into Boston or the 128 area for jobs and have valued access to multiple employers. However, with the high gasoline cost, having an opportunity to commute less is certainly an option for them to consider.
- However, there are several site-related challenges to consider:
    1. Of the 135 total site acres, 53 acres (39%) are wetlands distributed throughout the site and reducing the overall site to five parcels; several lots are somewhat remote and need a bridge or large culvert for access (see site overview on next page).
    2. The five (5) individual parcels range in size from 4.5 to 29 acres and the configuration of the 29 acre parcel is long and fairly narrow which makes it harder to place a significant floor plate layout.
    3. Due to the proximity of the interstates on two sides of the site, access to the site would be limited to the south/southwest portion onto Elm St and SR 110 which is already a high traffic area that needs intersection reconfiguration work.
- The site is considered a longer term project (5+ years) and will most likely be done in phases. It is recommended that the retail/residential phases be implemented first to allow the Elm St/SR 110 intersection to be upgraded prior to any office construction. A spec.-built office building with flexibility for one or multiple tenants should be considered as the first phase of the office development activity.

Recommendations (cont'd)

- The utilization of each parcel is proposed as follows:
  - Parcel 1 – retail closest to Elm St with a 1-2 story (25,000 sf floor plate) building in back.
  - Parcel 2 – potential for three (3) 25,000 sf floor plate buildings with 2 stories designed for ~250 employees in each building. Some of the buildings could be multi-tenant. Might consider spec building the first building to stimulate interest in the complex.
  - Parcel 3 – area limited to one building at ~25,000 sf floor plate.
  - Parcel 4 – High density residential for younger workers.
  - Parcel 5 – Retail that may include mid to higher end restaurants, gym/exercise facilities, coffee house with WiFi access, other services that will ultimately support office complex.
- Make use of the wetlands with walking trails and other natural area development.

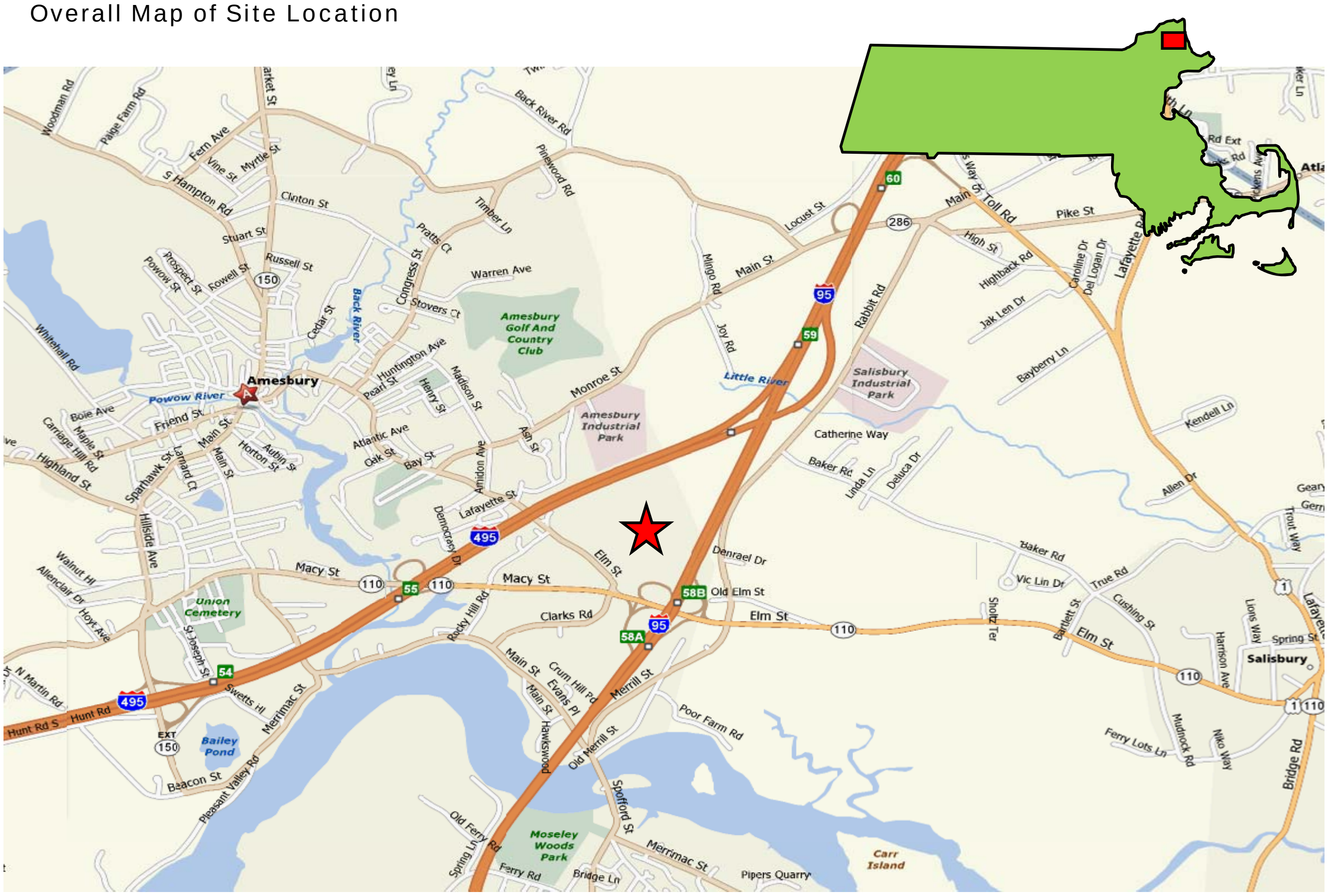
Site Map Noting Wetland Areas, Major Parcels and Access Points



General Site Information

Site Designation	Golden Triangle
Region	Merrimack Valley/Northeast
Address/location	Golden Triangle (intersection of I-495, I-95 and SR 110 in Amesbury/Salisbury)
Local contact Phone No. E-mail Address	Joe Fahey, Director of Community & Economic Development 978.388.8121 joe@ci.amesbury.ma.us Chris Reilly, Director of Economic Development 978.462.3730 creilly@salisburyma.gov
Property Owner(s)	Multiple private owners
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	Logan Int'l – Boston (40 mi) Manchester-Boston Regional (44 mi)
Distance to Major Cities	Lawrence (20 mi) Lowell (31 mi) Manchester (44 mi) Boston (44 mi)
Demographics W/ 30-Minute Commute	**Input**
Overall population	422,673
Growth rate (2000-2006)	3.78% / Mass Avg = 0.67% / Nat'l Avg = 6.4%
Adult population with HS diploma only	27.5% / Mass Avg = 28.2% / Nat'l Avg = 30.2%
Adult population with 4-year+ college	20.9% / Mass Avg = 37.0% / Nat'l Avg = 27.0%
Median household income	$64,474 / Mass Avg = $59,963 / Nat'l Avg = $48,451
Population in 25 to 34-year old cohort	15.6% / 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 112 111 136

Local Access Information

Description	Input
Distance to interstate/major highway	Rt 110 (<0.1 mi), Interstate 495 (<0.5 mi), and Interstate 95 (<0.3)
Condition of access highway	Needs intersection improvements
Existence/plans for any of the following on the access highway between site and interstate: major shopping areas, schools, hospitals, parks or residential developments	There is/will be shopping areas between the site and the interstate.
Access to public transportation (rail or bus)	Nearby Amtrak station located in Exeter (9 mi)
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	There is shopping in the immediate area and also access to downtown Amesbury and Salisbury.
Access to any of the following business services: copy/printing, office supplies, computer retail/service, etc.	There is access to both a Staples office supply store and a FedEx Kinko's in the surrounding are.

Site Characteristics

Description	Input
Overall size of site/developable acres	135 acres
Cost of Land ($/Acre)	Currently for sale by individual owners.
Zone classification/description and maximum allowable build-out (SF)	Currently Zoned Office Park w/300 ft. Restricted Overlay. Maximum Build-out = 300,000 to 900,000 sq.ft., based on land use with wetlands buffer
Use/zoning of adjacent land	Commercial uses along Rt. 110; mixed residential/commercial, educational and historical uses along Elm St.
Level of site readiness	Level 6 (zoned land in terms of original owners)
Presence of wetlands or sections within 100-year flood plain	Wetlands = 53 acres; Flood Plain = 0 acres.
Greenfield or Brownfield site and current land cover	Tract currently contains small residential structures (some converted to commercial uses) along Elm St., and vacant unimproved back-land" covered with woods and fields. (95% of land is Greenfield)
Site studies complete, such as: • Environmental review (Phase I/II) • Environmental Impact Study • Wetlands and flood plain review • MEPA review • Archeological sites review • Traffic impact study • Soils analysis	 • Not available at present time. • Not available at present time. • Abbreviated Notice of Resource Area Delineation done for 70 acres. • Not available at present time. • Not available at present time. • Preliminary Study done • Preliminary Study done
Site plans prepared • Overall site plan • Runoff Water Management Plan	 • Concept Plan Only • Not available at present time.
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:	 • Not available at present time. • Not available at present time. • Abbreviated Notice of Resource Area Delineation done for 70 acres. • Not available at present time. • Not available at present time. • Not applicable • Not available at present time.

Site Characteristics

Description	Input
Electric Power Service • Utility • Capacity • Cost (KWH) • Dual feed available (Y/N)	 • National Grid (see www.nationalgridus.com) • Demand Service / Time of Use available • Based on Usage • Unknown
Gas Service • Utility • Capacity • Cost	 • National Grid ”Essex” Plan (see www.nationalgridus.com) • High Load Factor Service available • Based on Usage
Water Service • Utility • Capacity • Cost	• 6-inch main in Elm Street • Town of Amesbury (Dept. of Public Works) • Remaining plant capacity = 1 million gal/day. • $1,500 for initial connect + $4.50 per 100 cu. Ft.
Wastewater Service • Utility • Capacity • Cost	• 10-inch main in Elm Street • Town of Amesbury (Dept. of Public Works) • Remaining Plant Capacity is 0.75 million gal/day • $1,500 for initial connect + $5.05 per 100 cu. Ft.
Telecom Service • Utility • Capacity • Dual feed available (Y/N) • Cell phone service	 • AT&T and/or Verizon Available • Unknown • Yes • Yes

Pictures of Site



View of Route 110 Heading East Toward I-95

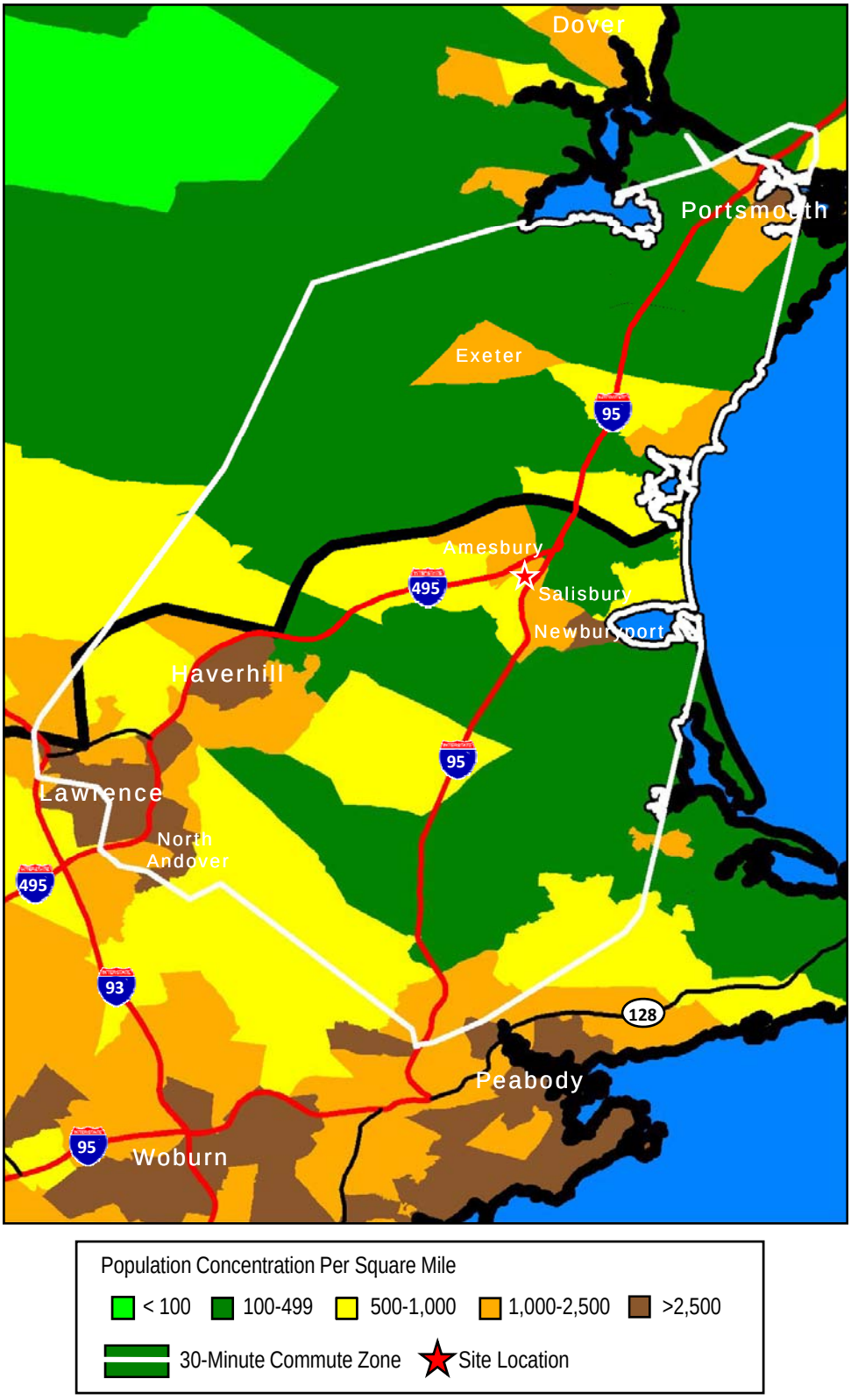


Overall View of Site



Off Ramp From I-95 Adjacent to Site

Demographic Map Covering 30-Minute Commute Zone Around Site



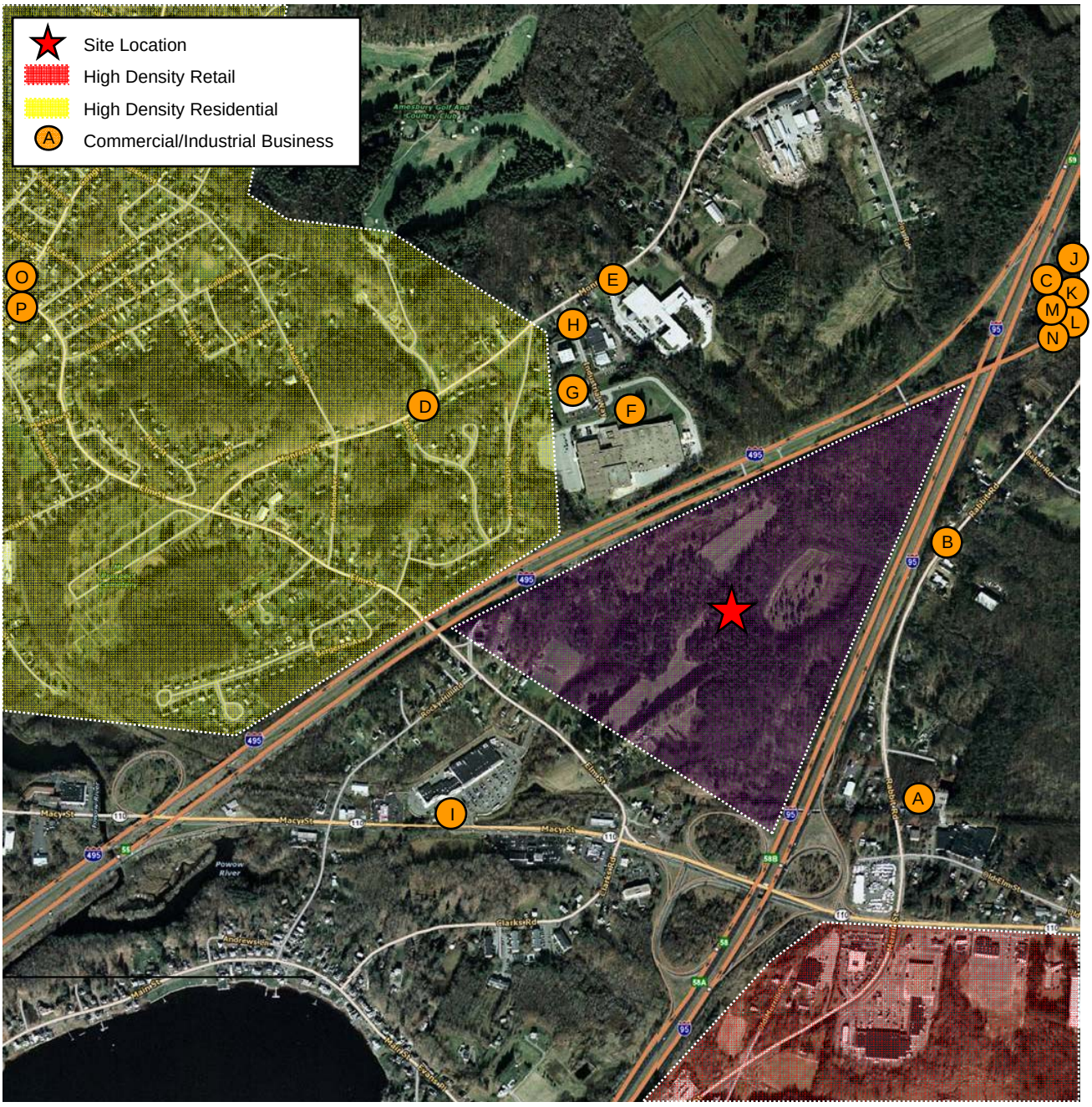
Nearby Commercial and Industrial Businesses

Letter	Business Name	Employment	Line of Work
A	Vaughn Manufacturing, Inc	76	Mfg household appliances
B	New England Floor Coverings	10	Floor laying contractor
C	PV Manufacturing, Inc	22	Mfg industrial machinery
D	North Shore Land Design	3	Landscape design company
E	Munters Corp - HQ	600	Mfg refrigeration/heating equipment
F	Aqua Laboratories	13	Mfg chemicals for industrial water treatment
G	L-3 Communications Titan Group	n/a	Business services
H	Maptech, Inc - HQ	n/a	Misc publishing, marine and topographical maps
I	Amesbury Chevrolet Volkswagen	35	Motor vehicle dealer
J	RJ Tindle, Inc	18	Excavation work contractor
K	Andover Coated Products, Inc	n/a	Mfg adhesive coated products
L	TH Glennon Co, Inc	19	Mfg industrial adhesive coatings and colorants
M	Cambridge Air Systems, Inc	150	Mfg sheet metal work
N	Old Time Sports, Inc	n/a	Radio broadcasting
O	Dalton Manufacturing Co	15	Mfg custom production machine parts
P	Bartley Machine & Mfg Co	50	Industrial machine shop

Nearby Retail Businesses, Food Establishments, and Banks

Retail Businesses	Food Establishments	Banks
Super Stop and Shop	Acapulco's Family Restaurant	TD Banknorth
Staples	Friendly's Restaurant	Provident Bank
FedEx Kinko's	McDonald's/Burger King	Citizens Bank
Target Stores	Papa Gino's	Sovereign Bank

Aerial View of Site and Surrounding Area



Housing Examples Within Surrounding Area

$200,000



Amesbury
$209,921 l 3 Bed, 1 Bath
1,425 Sq. Ft. l 0.09 Acres



Salisbury
$219,900 l 3 Bed, 1.5 Bath
1,144 Sq. Ft. l 0.58 Acres



Newburyport
$210,000 l 2 Bed, 1 Bath
660 Sq. Ft. l 0.11 Acres

$250,000



Amesbury
$249,900 l 3 Bed, 1 Bath
1,196 Sq. Ft. l 0.1 Acres



Salisbury
$250,000 l 4 Bed, 2 Bath
2,218 Sq. Ft. l 0.37 Acres



Newburyport
$275,000 l 2 Bed, 1 Bath
1,634 Sq. Ft. l 0.03 Acres

$350,000



Amesbury
$349,900 l 3 Bed, 1.5 Bath
2,491 Sq. Ft. l 0.19 Acres



Salisbury
$349,900 l 4 Bed, 2.5 Bath
2,264 Sq. Ft. l 2.63 Acres



Newburyport
$349,900 l 2 Bed, 1.5 Bath
1,540 Sq. Ft. l 0.07 Acres

Commercial Real Estate Situation

- The current office market situation in the 495 North area is soft. Vacancy rates of 21.6% are quite high and represent over 2.7 million square feet.
- The net adsorption has been negative meaning there was a *rise* in inventory.
- Lease rate for Class A space is $21.70/sf and for Class B space is $18.60 – some of the lowest rates in the Greater Boston area.