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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South Worcester Industrial Park ■ Worcester, MA

Moran, Stahl & Boyer

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

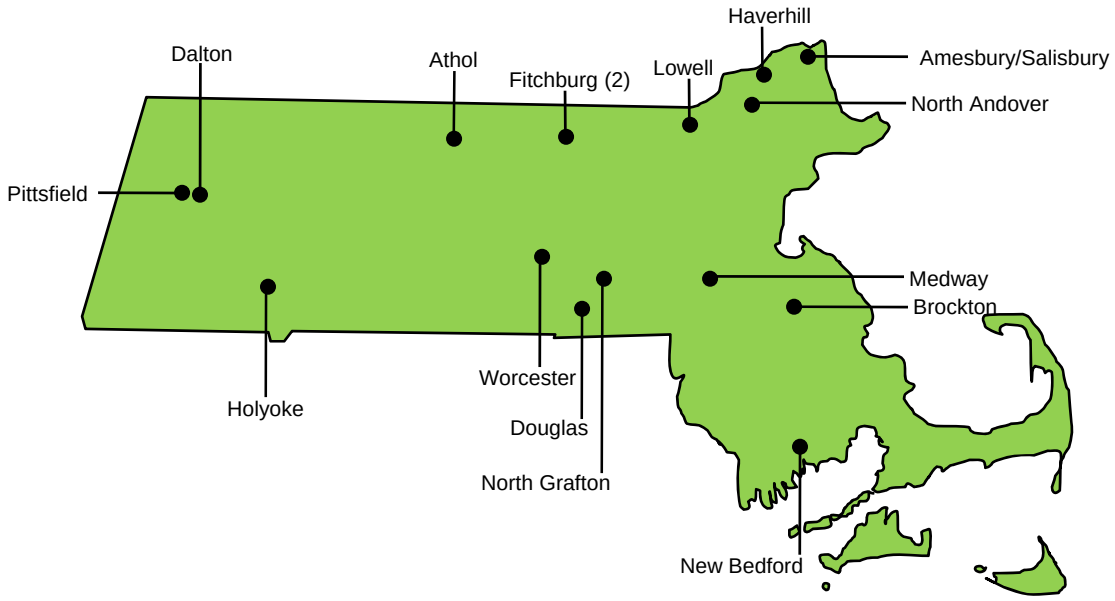
John M. Rhodes, Senior Principal
Phone: (941) 755-0074
E-Mail: john.rhodes@msbconsulting.com

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

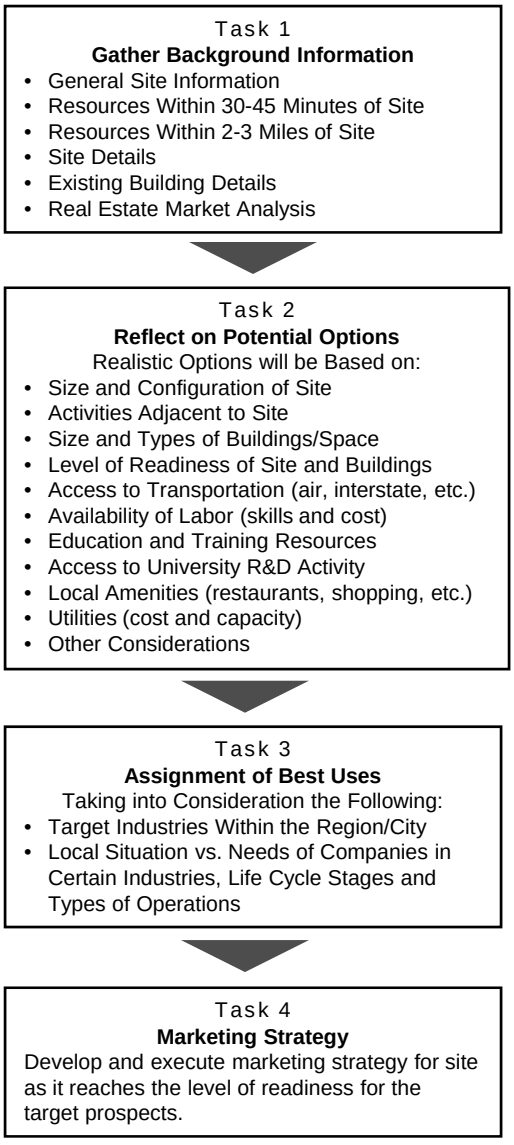


Figure 3 - Information Modules for Site Evaluation

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

Highest/best use for site/buildings

1. Considerations for improving the site
2. Other recommendations

South Worcester Industrial Park



Worcester, MA

General Comments and Resource Assessment

Site Designation	South Worcester Industrial Park
Ownership	City of Worcester, Office of Economic and Neighborhood Development
General Description	11-acre Brownfield site located one mile from downtown Worcester. Site includes vacant and dilapidated mill buildings obsolete for today's manufacturing standards. Past uses include foundry, cast metal manufacturing, textile machinery manufacturing, and auto salvage.
Site and Building Readiness	Some sites have reached pad-ready status while others require environmental remediation and building demolition.
Site/Building Amenities	None
Transportation Access	Air Access: Logan Int'l (47 mi) and TF Green (48 mi) Interstate/Limited Access Highway: Within one mile of Route 9/146 and I-290/I-90. Rail: Excellent access to rail and located within one mile of the Port of Worcester.
Labor Resources	Modest growth rate with education attainment tracking close to national average. Significant manufacturing and distribution labor force in the general vicinity of the site. Unemployment in the Worcester area is 5.9%.
Education & Training	Worcester Polytechnic Institute, Clark University, Assumption College, Holy Cross, UMass Worcester, Quinsigamond Community College, etc.
University R&D Access	Worcester Polytechnic Institute and UMass Worcester
Local Amenities	Local amenities are available throughout the area and in the downtown area.
Utilities	Electric power rates are high and substantial water users may be an issue in this area.

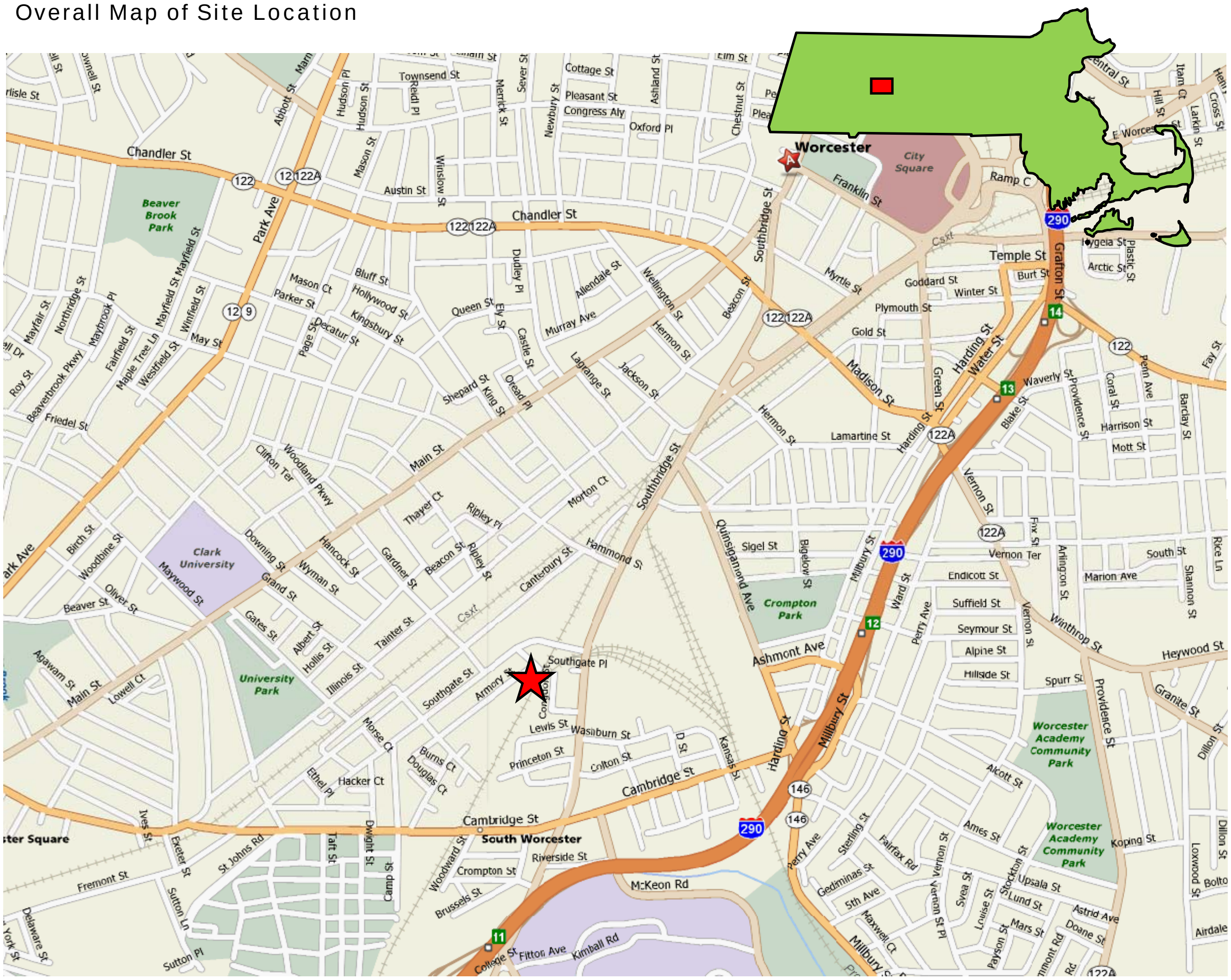
Recommendations

- With the proximity of the site being adjacent to the Port of Worcester rail center, the core use of the site may be best utilized to extend the capacity of the port support area. The port may experience significant increase in activity as the cost of energy limits the use of long-haul truck transportation in favor of rail.
- One of the key issues in site redevelopment is a structure with historic value due to its technique of construction, the building in its current location is in poor condition. It is recommended that a cross-section of the wall be removed intact and placed in the Worcester Historical Museum and the remainder of the site should be razed or renovated for new development.
- Potential tenants will need to be low power users due to high cost of electric power and low water users due to the limited water resources that serve the area.

General Site Information

Site Designation	South Worcester Industrial Park
Region	South Central
Address/location	South Worcester Industrial Park, Armory and Southgate Streets
Local contact Phone No. E-mail Address	Heather Kamyck, Brownfields Coordinator 508.799.1400, Ext 238 kamyckh@ci.worcester.ma.us
Property Owner(s)	City of Worcester, Office of Economic and Neighborhood Development Economic Development Division 44 Front Street, Suite 530, Worcester, MA 01608
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 (47 mi) TF Green – Providence (48 mi)
Distance to Major Cities	Providence, RI (39 mi) Boston (46 mi) Springfield (51 mi)
Demographics W/ 30-Minute Commute	**Input**
Overall population	423,600
Growth rate (2000-2006)	3.4% / Mass Avg = 0.67% / Nat'l Avg = 6.4%
Adult population with HS diploma only	27.8% / Mass Avg = 28.2% / Nat'l Avg = 30.2%
Adult population with 4-year+ college	29.7% / Mass Avg = 37.0% / Nat'l Avg = 27.0%
Median household income	$43,779 / Mass Avg = $59,963 / Nat'l Avg = $48,451
Population in 25 to 34-year old cohort	13.1% / 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 100 81 110

Local Access Information

Description	Input
Distance to interstate/major highway	Rt 9 (<1 mi), Rt. 146 (1 mi) and Interstate 290 (1 mi) that feeds to I-90.
Condition of access highway	Travel through some residential areas is required to access highway.
Existence/plans for any of the following on the access highway between site and interstate: major shopping areas, schools, hospitals, parks or residential developments	Site surrounded by a high density residential area. Price Rite Supermarket with bank/drive through being constructed in the area.
Access to public transportation (rail or bus)	Bus service provided by the Worcester Regional Transit Authority and MBTA/AMTRAK station located in city center.
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 a limited amount of restaurants and retail stores located near the site but substantial amenities in the nearby downtown area.
Access to any of the following business services: copy/printing, office supplies, computer retail/service, etc.	Business support services such as office supply retailers and copy/shipping services are available in the downtown area.

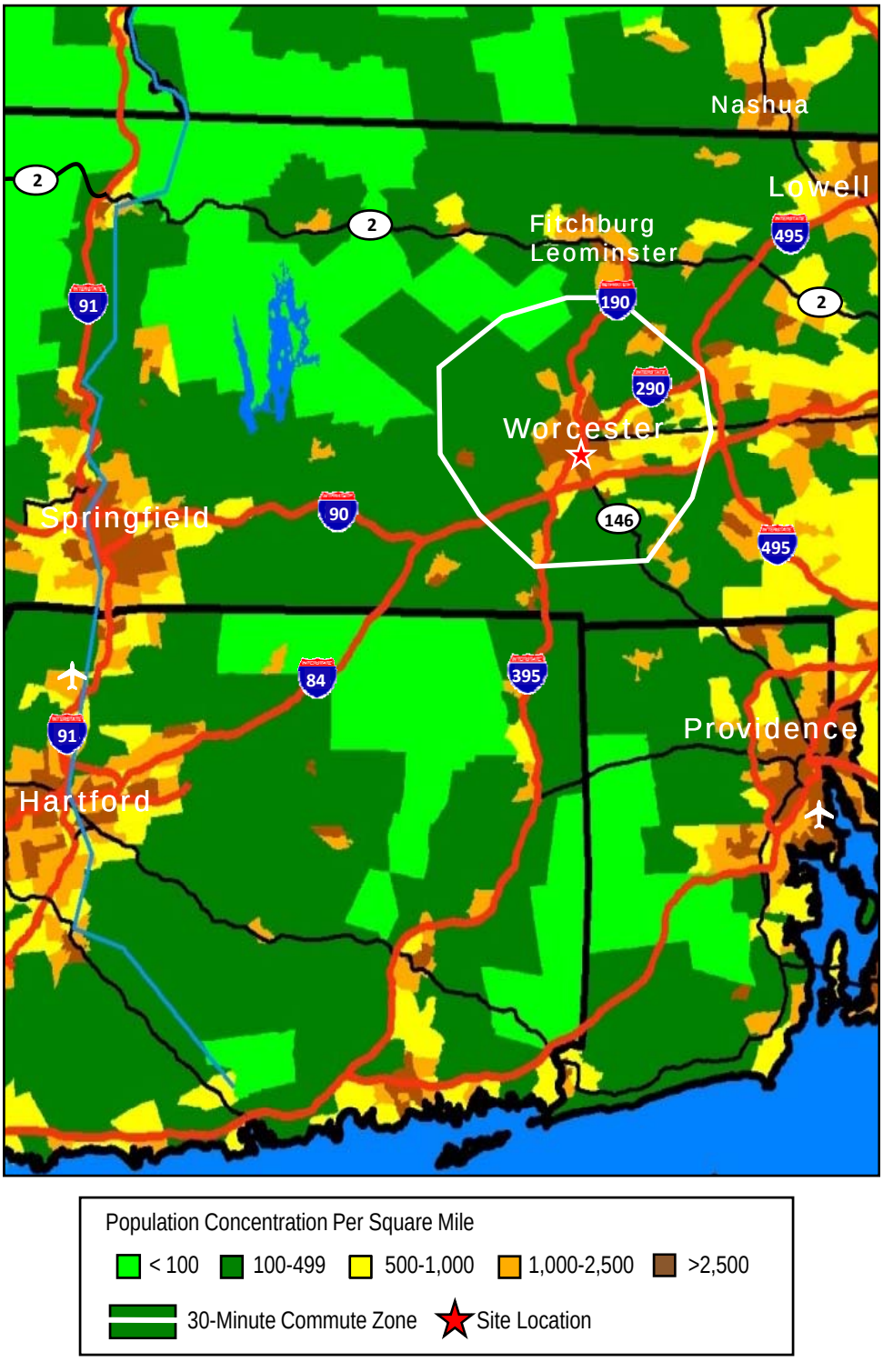
Site Characteristics

Description	Input
Overall size of site/developable acres	Approximately 8 acres
Cost of Land ($/Acre)	Unknown at this time
Zone classification/description and maximum allowable build-out (SF)	Manufacturing, General 2.0 – MG-2.0 (Floor to Area Ratio (FAR) 2-1)
Use/zoning of adjacent land	MG-2.0, ML-2.0, RG-5
Level of site readiness	Pad-Ready (at time of disposition)
Presence of wetlands or sections within 100-year flood plain	No
Greenfield or Brownfield site and current land cover	Brownfield Site; buildings slated to be demolished in 2008
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	 • Yes • No • No • N/A • N/A • N/A • Yes, limited, more investigation prior to disposition
Site plans prepared • Overall site plan • Runoff Water Management Plan	 • Conceptual • No
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:	 • No • No • N/A • N/A • No • N/A • No

Site Characteristics

Description	Input
Electric Power Service • Utility • Cost (cents/kWh) • Dual feed available (Y/N)	• Infrastructure in streets. Because it will be build to suit, capacity and cost depend on end user's needs. Utilities will not install infrastructure to a site ahead of time without knowing the demand and load sizes.
Gas Service • Utility • Cost	• Same as above.
Water Service • Utility • Capacity • Cost	• Drainage, water, and sewer lines have been upgraded in surrounding streets. Capacity and cost depend on end user.
Wastewater Service • Utility • Capacity • Cost	• Drainage, water, and sewer lines have been upgraded in surrounding streets. Capacity and cost depend on end user.
Telecom Service • Utility • Cell Phone Service	• Same as other utility services. • Yes

Demographic Map Covering 30-Minute Commute Zone Around Site



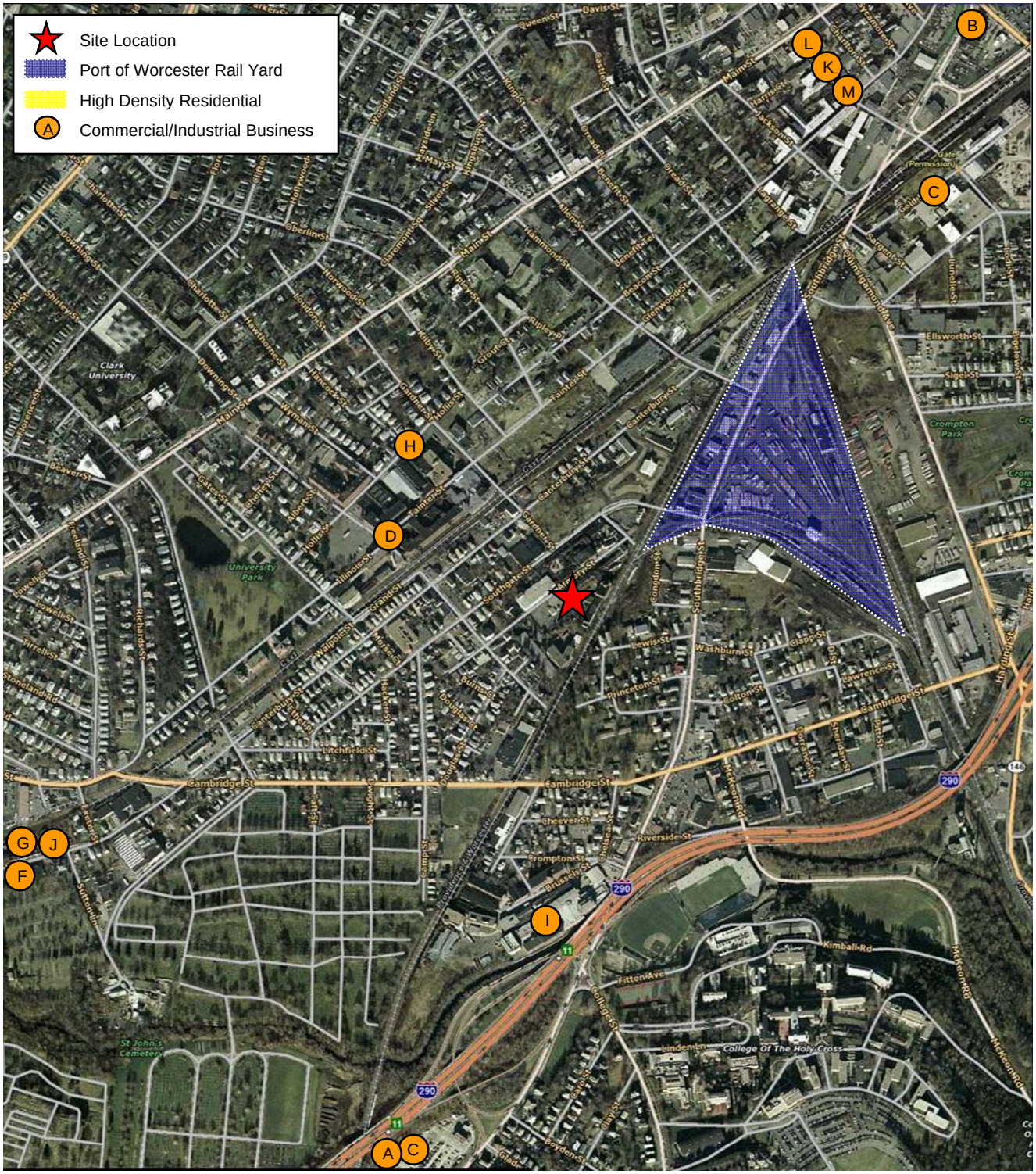
Nearby Commercial and Industrial Businesses

Letter	Business Name	Employment	Line of Work
A	Anderson Products, Inc	80	Mfg brushed and brooms
B	Guertin's Graphic	13	Wholesale screen printed t-shirts
C	Polar Beverages, Inc	700	Bottled, canned soft drinks, soft drinks and carbonated waters
D	Goldstein Scrap	5	Refuse systems
E	Micro Tech Mfg, Inc	15	Mfg industrial machinery
F	Valkyrie Mfg Co, Inc	80	Mfg personal leather goods
G	Ramco Mfg, Inc	7	Mfg insulated glass from purchased glass and vinyl replacement windows
H	Eddington Thread Mfg Co	50	Thread mills
I	Modern Mfg, Inc	7	Mfg metal doors, frames, molding, and trim
J	AC Mfg Co	2	Machine shop
K	Killeen Machine and Tool Co	59	Mfg metal stamps
L	Bigelow Waste Co	3	Mfg lint free wiping materials
M	Boston Atlantic Corp	12	Mfg gaskets, packing, and sealing devices
-	Lutco, Inc.		Metal fabricators
-	Absolute Machinery Corp.		Plastics machinery and equipment

Nearby Retail Businesses, Food Establishments, and Banks

Retail Businesses	Food Establishments	Banks
Price Chopper	Culpepper's Bakery and Café	Bay State Savings Bank
CVS Pharmacy	Wendy's	Bank of America
Rotman's	La Raza Restaurant	Southbridge Savings Bank
	Pizzeria Delight	

Aerial View of Site and Surrounding Area



Pictures of Site/Facility



View of Existing Buildings Located Within the Site



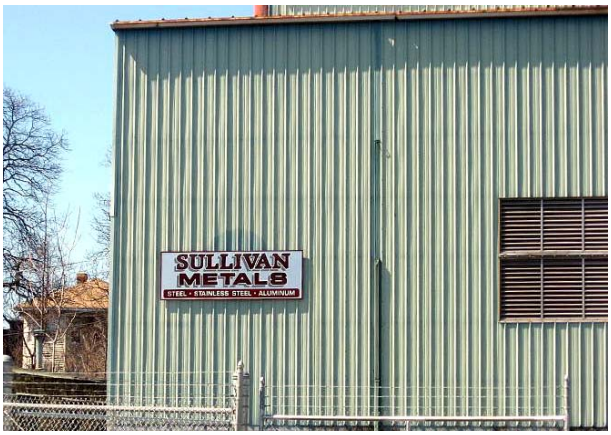
Center Access Way Through Site



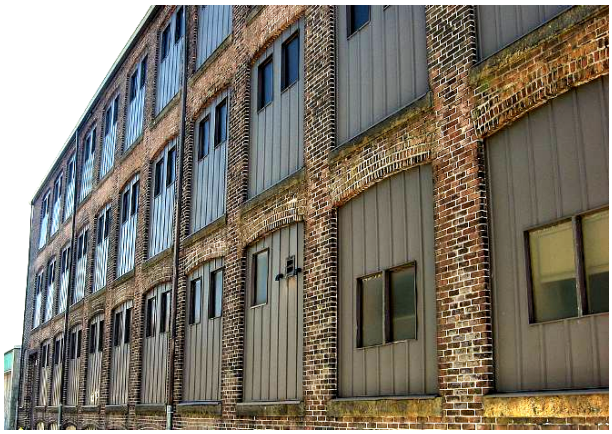
Historical 1854 Chipped Stone/Stucco Façade



Rail Line in the Direction of the Port of Worcester



Existing Business Neighbor



Existing Business Neighbor

Housing Examples Within Surrounding Area

$200,000



Worcester
$203,900 l 3 Bed, 2 Bath
1,414 Sq. Ft. l 0.13 Acres



Shrewsbury
$209,900 l 3 Bed, 1 Bath
1,011 Sq. Ft. l 0.15 Acres



Auburn
$209,000 l 3 Bed, 1 Bath
988 Sq. Ft. l 0.29 Acres

$250,000



Worcester
$254,900 l 4 Bed, 1.5 Bath
1,605 Sq. Ft. l 0.18 Acres



Shrewsbury
$252,000 l 3 Bed, 1 Bath
1,621 Sq. Ft. l 0.18 Acres



Auburn
$250,000 l 3 Bed, 1.5 Bath
1,544 Sq. Ft. l 0.41 Acres

$350,000



Worcester
$349,900 l 3 Bed, 2.5 Bath
1,998 Sq. Ft. l 0.2 Acres



Shrewsbury
$349,900 l 4 Bed, 2 Bath
2,100 Sq. Ft. l 0.34 Acres



Auburn
$349,900 l 3 Bed, 2.5 Bath
2,280 Sq. Ft. l 0.28 Acres

Commercial Real Estate Situation

- Region has been active in developing and expanding industrial sites with infrastructure and permits in place.
- There is a significant inventory of existing industrial space throughout the area, with newer, more modern facilities outside the City of Worcester. An example of the older inventory is the former US Steel distribution complex in the Liberty Central Industrial Park (see below) that has 267,000 sf of space available at $5.50/sf lease rate.



- There is also R&D space available within Worcester area research and business parks as well as several incubators specifically available for biotech and medical device companies.