



THE CHAIR CITY



Business Site Study Gardner Massachusetts

October 17, 2017





Purpose

- Identify land suitable for new business park in Gardner
- Expand the opportunities for economic growth in the City

Approach

- Analyze available data and work with stakeholders to guide site selection
- Generate list of properties that fit a predetermined criteria for development
- Identify potential opportunities and constraints associated with potential development properties
- Develop conceptual Build-out scenarios to determine development potential and associated development costs
- Review supply and demand indicators for business growth



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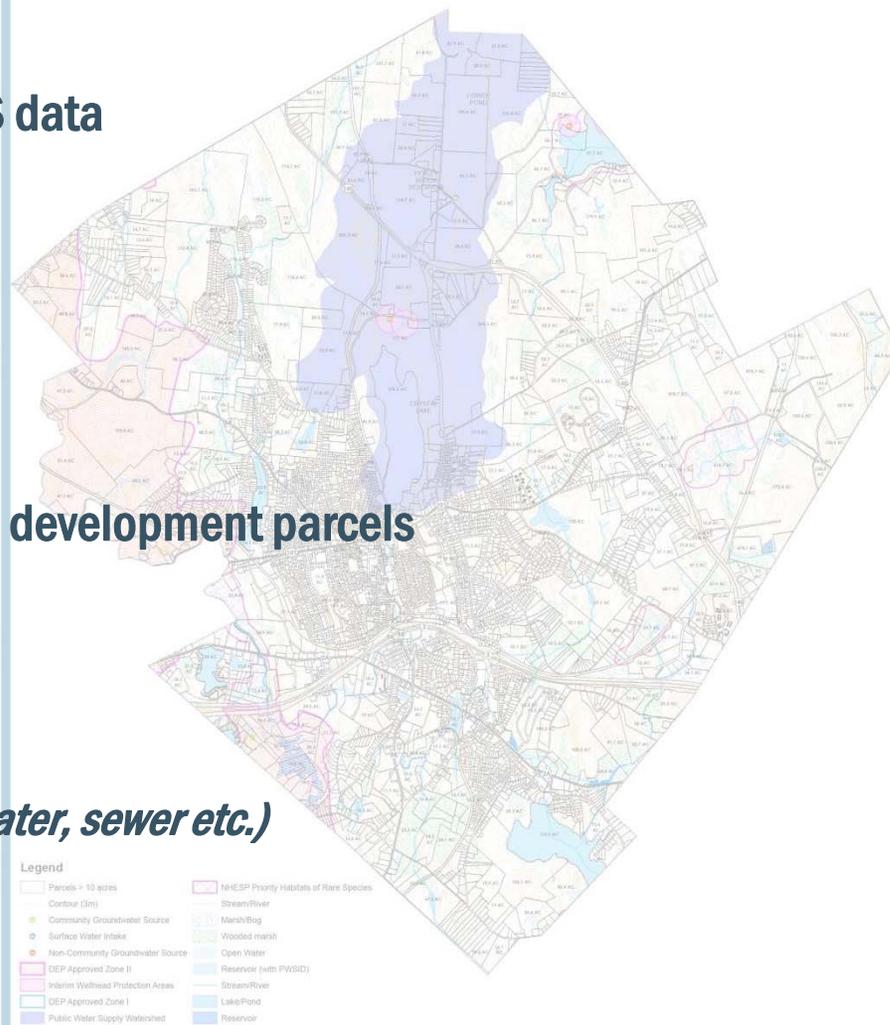
Analysis

Process

- Gather and review all available City GIS data
 - *Zoning*
 - *Natural Resources*
 - *Utilities*
 - *Etc.*
- Develop criteria for screening potential development parcels
 - *Size (50- 100 acres)*
 - *Location*
 - *Useable Land Area*
 - *Access to existing City Utilities (gas, water, sewer etc.)*
 - *City owned vs. Privately owned*



Map References:
Parcels, Zoning, Overlay Districts: Town of Gardner
Office of Geographic Information (MassGIS)
Commonwealth of Massachusetts, Information Technology Division





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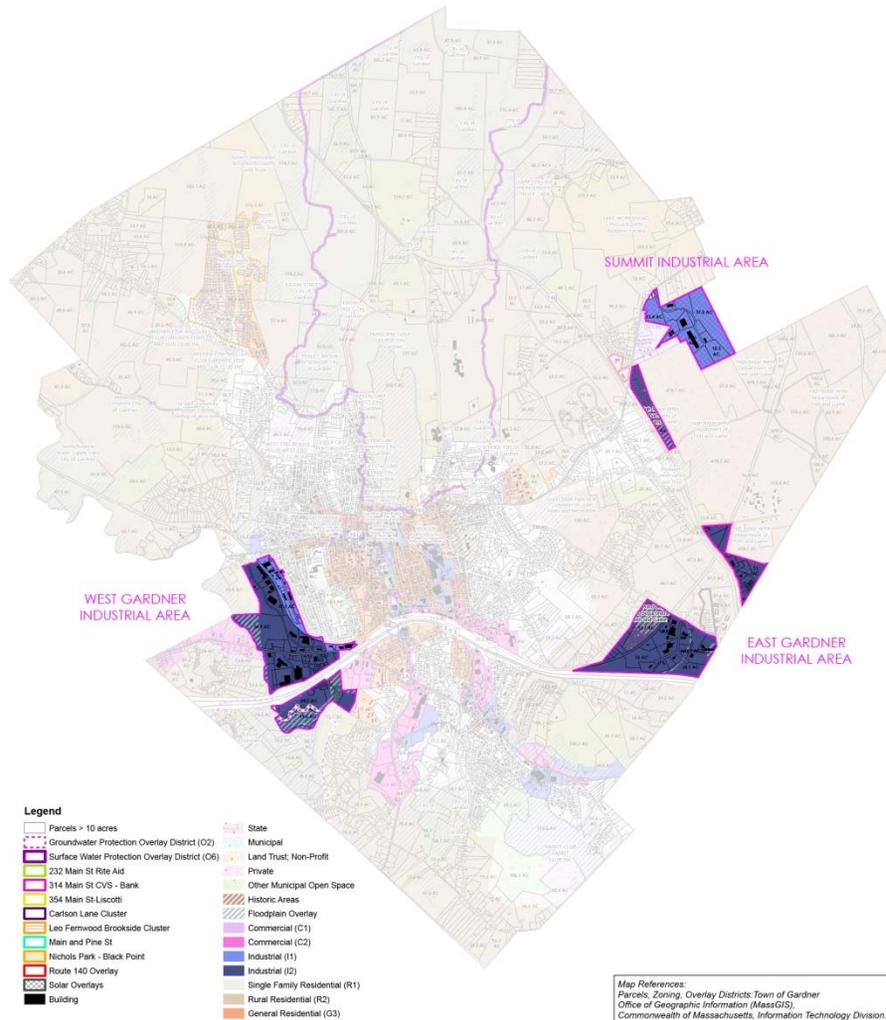
Existing Industrial Areas

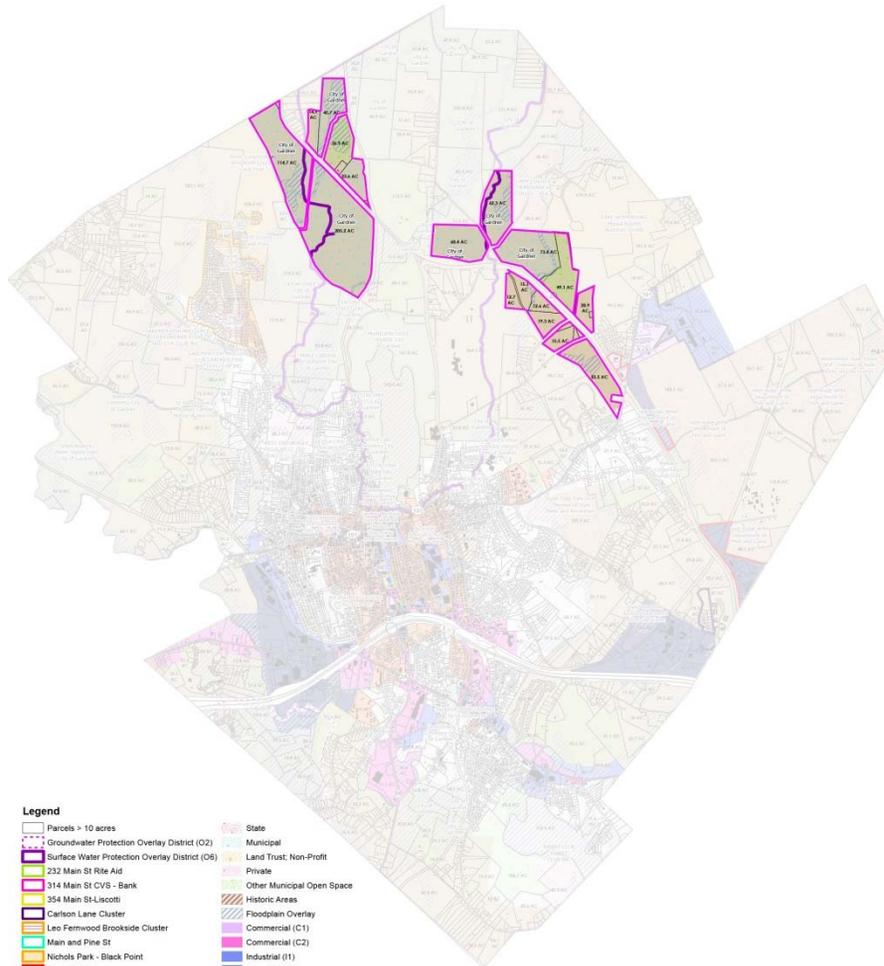
Opportunities

- Easy site accessibility
- Currently Zoned Industrial
- Access to Existing Utilities

Constraints

- Undeveloped parcels landlocked / inaccessible
- Low useable land area
 - *Wetlands / Vernal Pools*
 - *Steep Slopes*
 - *Floodplain*
- Priority habitat for protected species





Legend

- Parcels > 10 acres
- Groundwater Protection Overlay District (O2)
- Surface Water Protection Overlay District (O6)
- 232 Main St Rte Aid
- 314 Main St CVS - Bank
- 354 Main St-Iscoth
- Carlson Lane Cluster
- Low Fernwood Brookside Cluster
- Main and Pine St
- Nichols Park - Black Point
- Route 140 Overlay
- Solar Overlays
- Building
- State
- Municipal
- Land Trust, Non-Profit
- Private
- Other Municipal Open Space
- Historic Areas
- Floodplain Overlay
- Commercial (C1)
- Commercial (C2)
- Industrial (I1)
- Industrial (I2)
- Single Family Residential (R1)
- Rural Residential (R2)
- General Residential (G3)

Map References:
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Opportunities

- Easy site accessibility
- Large tracts of undeveloped land
 - *Consolidation of contiguous parcels*
- Municipal Transit (Bus Route)

Constraints

- Low useable land area
 - *Wetlands / Vernal Pools*
 - *Steep Slopes*
 - *Floodplain*
- Priority habitat for protected species
- Access to existing utilities

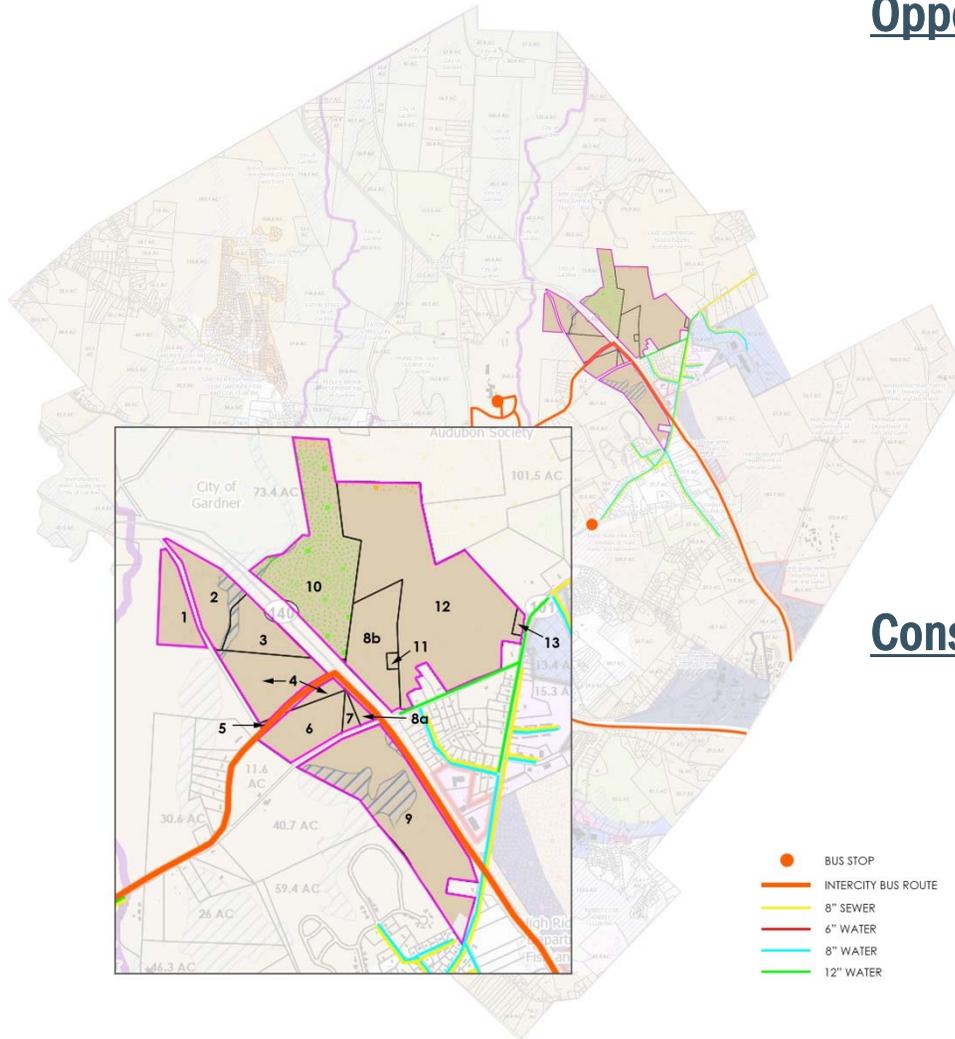


Opportunities

- Easy site accessibility via Route 140, Matthews & Pearl Street
- Large tracts of undeveloped land
 - *Consolidation of contiguous parcels*
- Municipal Transit (Bus Route)
- Access to existing utilities
- Adjacent to Summit Industrial Park

Constraints

- Wetlands
- Steep Slopes
- Access to existing utilities
- Privately owned land





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Conceptual Build-Out



Parcel Summary

- Approximately 610,000 sf of potential development footprint
- Wetland divides site into a north and south development area
- North Development currently does not have access to existing sewer, water or gas
- South Development has access to existing sewer & water



UTILITY ACCESS TO MATTHEWS STREET EXT. DEVELOPMENT
 -DIRECT ACCESS TO 12" WATER ON OLD MATTHEWS ST.
 -EXTEND 8" SEWER FROM PEARL STREET APPROX. 1,600 LF.

UTILITY ACCESS TO PEARL / 140 DEVELOPMENT
 -DIRECT ACCESS TO 12" WATER
 -EXTEND 8" SEWER ALONG PEARL STREET APPROX. 375 LF.

Parcel Summary

- Approximately 820,000 sf of potential development footprint
- Steep slopes divide site into separate development areas
- Larger development area has access to existing water. Sewer would need to be extended 375 LF.
- Smaller cul-de-sac development area has access to existing water. Sewer would need to be extended 1,600 LF.
- No access to gas.



To provide an independent market evaluation for the development of a new business park.

- Review the change in employment across a variety of industrial/occupational sectors over the 2007 to 2016 time-period for Gardner and the North Central WDA.
- Consider 2026 employment projections to develop estimates of potential demand for space.
- Assess the competitive environment along selected Route 2 communities.
- Develop a sample of land, buildings and other industrial inventories available for lease or for sale.
- Review the historical “performance” and benchmarks of the Summit Industrial Park.



KEY FINDINGS

- More than 1,500-acres of industrial land available throughout business parks along the Route 2 Corridor, often lacking existing water/sewer, with asking land prices of \$20,000 to \$100,000/acre.
- More than 2.5 ± million SF of available inventory with average for-lease properties at \$4.07/SF and for-sale properties at \$26.57/SF.
- Mass Development identified 630-acres of land along Route 2 communities, asking price of just under \$50,000/acre for average two-acre parcel with average DOM of 3.6 years.
- Projected WDA employment is 3,120 jobs resulting in an estimated annual demand for approximately 11 acres of land.
- However, not all demand equates to new-built space and not all WDA demand equates to an opportunity for Gardner.



PRO-FORMA and CONCLUSIONS

- RKG estimates absorption of $53 \pm$ acres over a 20-year period for a proposed business park in Gardner.
- Over this period (in constant dollars) the City of Gardner may realize a net $\$1.3 \pm$ million in revenues from land sales (net of administrative fees of $\$318,000$).
- The City may realize an approximate $\$3.4 \pm$ million in property taxes.
- Potential capital costs associated with the extension of water, sewer and gas lines, along with interior roadway construction could total $\$14.51 \pm$ million.
- Revenues from estimated land sales are insufficient to recover the capital costs, resulting in an estimated net income (or cash flow) loss of $\$13.24 \pm$ million.



CONSIDERATIONS

Lengthy absorption period and high capital costs to the “entire” park. Consider a possible phasing of build-out between a possible Route 140 North and Route 140 South park, weighing:

- Costs associated with acquisition and/or overall ease of assemblage.
- Potential build-out (SF) over the long-term.
- Potential needs and costs associated with the extension of water, sewer or gas lines, as well as developing interior road networks.
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- Any possible zoning or other regulatory constraints potentially impacting access point(s) from major arterials.
- Possible site-layout options that would best facilitate a phased development within the park.



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Next Steps

- **Compile stakeholder and public comment**
- **Further analyze and compare infrastructure and permitting costs of preferred site areas.**
- **Select preferred site for future development**
- **Identify potential funding sources**

Open Discussion...