Welcome to the 2016 Regional Economic Development Forum

June 2, 2016

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Agenda

• Welcome and Municipal Partnership Initiative
• The Municipal Perspective: Planning and Collaboration
• A Massachusetts Success Story
• Regional Real Estate Availability
• Government Incentives for Real Estate Expansions
• Q&A, Discussion

Why Am I Here?

• Diary of an Economic Development Wonk
• R.E.D.O. → WE DO!
• Time to Market and Career Limiting Moves
Why Economic Development MUST be a MUNICIPAL Priority

Median Household Income, 2010-2014

For this map, towns and cities were ranked by median income per household and separated into five equal groups, each of which were colored with a different color. The data is from the US Census Bureau American Community Survey. The state-wide median household income was $567,546.

Source: The Boston Globe
Why Economic Development MUST be a MUNICIPAL Priority

Source: The Boston Globe

Why Economic Development MUST be an BUSINESS Priority
Where Are We? Who’s Here?

- MetroWest
- Greater MetroWest
- 495/MetroWest
- 495/MetroWest Corridor
- Greater Boston
- Central Mass
- Retail/Wholesale
- High Tech
- Life Sciences
- Professional/Business Services
- Creative Economy
- Healthcare
- Education
- Government

Observations:
Confusion, Competition, Dilution

- Commercial market is served by MANY organizations
    - 8 Chambers within MWCoC service region, several more on perimeter
    - (Private) Municipal business associations (e.g., NCCD/NCA, FDR, ABA, etc.), BNIs, Clubs, Affinity Groups
    - (Public) Municipal EDICs/EDICs emerging in region
    - MWVB
  - Policy, Infrastructure, and Economic Development
    - 495/MW Partnership
  - Business and Economic Development
    - MOBD
    - MassEcon
    - MassDevelopment
  - Regional Planning
    - MWRC
    - MAPC
  - Transportation Services
    - TMA, MWRTA
  - Labor/Workforce
    - PSW, ETR, Public and Private Educational Institutions, Etc.
    - Community Services Organizations (e.g., SMOC, NSC, etc.)
2016 R.E.D.O. Areas of Focus

1. Develop and implement a regional business/industrial marketing plan that will effectively brand and promote the MetroWest region based on the attributes shared by many of our area’s municipalities (e.g., favorable location, educated workforce, and quality of life);

2. Create a municipal “commercial sales kit” that can be leveraged by MetroWest municipalities to support (in a complementary way) their targeted efforts to identify, promote, and/or develop local, underutilized industrial and commercial properties as regional clusters and/or for mixed use and transit-oriented development.

3. Build a resource library for local small businesses whose entrepreneurial lives and long working hours preclude them from investing in professional development and business education (e.g., using social media technology to promote their businesses) during regular working hours;

4. (a) Invest in programs for both managerial and entrepreneurial skills development that will support our local employers’ efforts to attract and retain the talented employees and military veterans that are vital to our Region’s vibrant technology- and service-based businesses, such as the U.S. Army’s “Soldier for Life” program and (b) promote the availability of local resources for funding (e.g., SMOC’s and MEDC’s microloan initiatives and consulting resources (e.g., ERT, SCORE, and SBDC).
**Municipal Partnership Initiative “Marketecture”**

**Municipal Partnership 2.0+**
- Market and Business Development
- Marketing and Promotion

- MW Referral
- Cluster Development
- Prospecting/Sales Support
- Regional Branding Program/Promo (TBA)
- CoStar (Intell)
- Knowledge Base/Training/LMS
- Marketing Research
- Regional Data Analytics
- WebEx (broadcast)
- Marketing Support (content, web, apps)
- CoStar (std)
- WebEx (closed)
- Community Showcase

**Current Service Level**
- Managed Service Provider (NDAs, SLAs)

**Foundational Services:** Networking, Advocacy (Legislation, LOS, Town Meetings, etc.), Business Attraction/Retention, Promotion, TMA

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**Thank you!**

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- [https://www.linkedin.com/in/pjoseph](https://www.linkedin.com/in/pjoseph)

**Join/Follow the MetroWest Chamber of Commerce**
- @MWCoC
- [https://www.linkedin.com/groups/1816646](https://www.linkedin.com/groups/1816646)
- [https://www.facebook.com/MetroWestChamber](https://www.facebook.com/MetroWestChamber)
- [www.metrowest.org](http://www.metrowest.org)
Economic Development
Town of Natick

Jamie Errickson, Director
Department of Community and Economic Development
Targeted Economic Development Plan

- Where we are now – Existing Conditions
- Where we want to be – Vision
- How do we get there – Goals & Action Steps
Economic Development

Key questions asked:

- Is Natick realizing the maximum potential from the few remaining industrial and commercial districts in the community? What are the challenges and opportunities to unlocking the growth potential in these areas?
- Are the current zoning/land-use regulations supporting and encouraging the right mix of highest and best uses for these districts when it comes to the community’s vision and market realities?
- Is Natick missing an opportunity to encourage the building of certain types of commercial/industrial space in Town, thereby maximizing revenues?
- Do Natick’s land use regulations and processes need to be adapted/amended to better match the realities of what present-day and future market demand?
- What is the external perception of Natick’s business climate in terms of the regulatory process and as compared to similar communities?
- How is Natick positioned within the larger region to continue to capture economic development opportunities, and who are or should be Natick’s regional competitors?
- What are Natick’s strengths, weaknesses, opportunities, and threats when it comes to the Town’s economic stability and growth?
- What are the perceptions and status of Natick when assessed through the lens of hypothetical site selection processes?

Targeted Economic Development Plan:

- **Where we are now** – Existing Conditions
- **Where we want to be** – Vision
- **How do we get there** – Goals & Action Steps

Overall goals:

- **Develop** a vision for economic development
- **Educate & Inform** decision makers, stakeholders, and population
- **Improve** local policies and procedures
- **Create** predictability and value

- **Take advantage of Opportunities**
Framingham: Economic Development Planning & Collaboration in Metrowest

Arthur P. Robert
Director
Community & Economic Development

OPPORTUNITIES

Dynamic & diverse community - urban, suburban, & rural areas

Strategic location - midway between Boston & Worcester, New England’s largest cities

Access to growth assets - road, rail & air access to markets, innovation centers, skilled workers & academic centers

Town commitments to:
• Streamlined permitting, predictability, & timely business assistance
• Economic Development marketing
• Downtown TOD

http://www.framinghamma.gov/planbuildgrow
CHALLENGES

• Downtown TOD - attracting a “first mover”

• Managing Framingham’s success

• Managing Metrowest’s success
  • Traffic & State control of critical roadways
  • Limited transportation alternatives

• Strengthening neighborhood commercial centers

• Multifamily housing

• Moving from marketing to robust economic development capability

COLLABORATION

• Permitting - coordinated & timely action across borders

• Planning - Joint effort to define Exit 13
  – Set a development vision that is clear, attainable, & shared
  – Set an action plan
  – Estimate infrastructure impacts, to inform Town & MassDOT investment decisions

• Regional initiatives
  – Metrowest Chamber: site selection, possibly tactical marketing support
  – 495/Metrowest Partnership
MASSPIKE EXIT 13 AREA

QUESTIONS

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Director, Community & Economic Development
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• 508.532.5455

http://www.framinghamma.gov/103/Community-Economic-Development

http://www.framinghamma.gov/TOD

www.chooseframingham.com

@ChooseFram
Consigli Construction Co., Inc.
A Massachusetts Success Story

Presenter:
Vance Freymann,
Director of Project Development

Origins: Milford, Massachusetts 1905

Early Years in Milford
1994: Anthony & Matthew Consigli Assume Control

- Annual Volume, 1994: $2 Million

Anthony and Matthew Consigli, 2015

Significant Massachusetts Projects

- UMass Medical School, Ambulatory Care Center, Worcester
- Cambridge Public Library
- North Hall, Framingham State University
- Community Rowing, Inc., Boston
2003: Maine

Bowdoin College, Chapel Towers Restoration

Consigli's Portland Office

Best Places to Work in ME

2006: Connecticut

Trinity College, The Long Walk

Consigli's Hartford Office

Hartford Business Journal
Best Places to Work in CT
2008: Upstate New York

New York State Capitol, Albany

Franklin D. Roosevelt Presidential Library & Museum, Hyde Park

2013: Boston

Rendering, 131 Beverly at Lovejoy Wharf

Progress, 131 Beverly at Lovejoy Wharf
2013: New York City

Enclave at the Cathedral, Manhattan

2014: Washington, D.C.

Renwick Gallery, Smithsonian American Art Museum

Current Pursuit: Architect of the Capitol

Current Pursuit: National Air and Space Museum
2016: Consigli at a Glance

- $1.2 Billion in Projected 2016 Volume
- Family of Five Companies
- 1,000+ Employees
- 8 Offices

MetroWest Roots & Commitments

- 111 Years (and counting) in Milford
- 350+ Employees in MetroWest Communities
- 4th Generation of Local Family Ownership
- Unending Commitment to “Raving Fans” Customer Service
ReadyMA 100 Process

Why have the ReadyMA 100?

- Statewide Outreach
- Application
- Evaluation Committee of Experts
- Properties go Online www.massecon.com
- $250 Annual Fee (per property)
- Local and National Marketing
- Update and Maintain

Minimum Criteria

<table>
<thead>
<tr>
<th>Minimum Criteria</th>
<th>Land</th>
<th>Office/Lab Buildings</th>
<th>Industrial/Flex Space/Warehouses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing market demand identified to be a good, good market.</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Site is under development or available for lease, and price is reasonable.</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Infrastructure services (electricity, water service, sewer service) are available.</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Management team has an excellent track record of successful projects.</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Applicable federal and state requirements (if required)</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adequate parking (4 per 1000 square feet of usable space).</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Site is free of all easements (other than public access).</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Minimum tenant size of 5000 square feet of usable space.</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Building is in top condition.</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Full surface parking is available.</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

MassEcon.com
Success Stories

2015
SouthCoast Life Science & Technology Park, Fall River
1,000,000 SF

2015
650 East Kendall, Cambridge
206,000 SF

2014
125 Pennsylvania Avenue, Framingham
10 Acres

2014
450 Fortune Boulevard, Milford
64,138 SF

2013
50 Post Office Square, Boston
410,297 SF

2012
20 Walkup Drive, Westborough
113,045 SF

2014
1000 Tech Center Drive, Stoughton
332,000 SF

2014
400 Fortune Boulevard, Milford
64,138 SF

Contact Information

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MassEcon.com
About Business Development Strategies, Inc.

+ BDS assists companies across the Commonwealth to identify, negotiate and secure state and local tax incentives.

+ Incentives reduce a company’s costs of doing business and provide financial value as a result of a real estate expansion.

Primary Industries: Manufacturing, R&D, Distribution, Biotech, Medical Devices and Pharmaceuticals, Technology and Financial Services
Types of Incentives

- State Investment Tax Credits
- State Abandoned Building Tax Deductions
- Municipal Tax Increment Financing (TIF)
- Municipal Personal Property Tax Relief
- Municipal Special Tax Assessment (STA)

Economic Development Incentive Program (EDIP)

Through December 2015

<table>
<thead>
<tr>
<th>1,640 EDIP projects</th>
<th>95,329 New permanent, full-time jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>21,707 Jobs retained in Commonwealth</td>
<td>$28B Private investment</td>
</tr>
</tbody>
</table>

EDIP stimulates job creation, retains and attracts businesses, and encourages businesses to expand.
Certified Project Eligibility

- A business that is expanding existing operations
- Relocating operations
- Renovating or building new facilities located in any part of the state.
- May be a purchase or lease arrangement

Certified Projects are eligible for incentives if they ultimately meet the following criteria:

- Create new net permanent full time jobs
- Generate new real estate investment = new local tax revenue
- Generate substantial sales outside of the Commonwealth

Certified Project Categories

Expansion
Create new full-time jobs

Enhanced Expansion
Create 100 new jobs in first 2 years.

Job Creation Project
Create 100 new jobs in first 2 years. Does not qualify for local incentives

Manufacturing Retention
Located in a Gateway Municipality
Retain 50 full-time manufacturing jobs or Create 25 new manufacturing jobs

Local Incentives
Life Science Company Retain jobs
Certified Project Benefits

- **State EDIP Investment Tax Credit (ITC)**
  State tax credit for qualifying investments; the law caps the ITC at $25 million annually;

- **State 10% State Abandoned Building Tax Deduction**
  For costs associated with renovating an abandoned building at least 75% vacant for two years;

- **Municipal Real Estate Tax Incentive — Tax Increment Financing (TIF)**
  Negotiated real estate property tax exemption up to 20 years based on the increased incremental assessed value of the project property due to new construction or other significant improvements;

- **Municipal Personal Property Tax Exemption**
  Negotiated Personal Property Tax Exemption with TIFs; or

- **Special Tax Assessment (STA)**
  Negotiated real estate property tax exemption up to 20 years on the total base value of the project property.

Approval Process

- **Local Incentives Team**
  negotiates mutual incentives with project proponent.

- **Board of Selectmen/City Council**
  vote to recommend incentives proposal to Town Meeting or City Council.

- **Requires Town Meeting or City Council vote.**

- **If approved, Town must submit required EDIP applications to EACC.**

- **Certified Project presented to EACC for final vote for TIF/STA and potential EDIP ITC.**
Success: Consigli Construction
Milford, MA

Construct new 20,000 SF on-site expansion
- Retain 329 new jobs
- Create 50 new jobs
- $5.5 M private investment
- Est. benefits secured: $800,000

Benefits Included:
- State EDIP Investment Tax Credit
- 15-Year Tax Increment Financing

Success: IPG Photonics Corporation
Marlborough, MA

Renovated 112,000 SF for R&D
- Retain 24 jobs
- Create 100 new jobs
- $13.5 M private investment
- Est. benefits secured: $860,000

Benefits Included:
- State EDIP Investment Tax Credit
- 5-Year Tax Increment Financing
- Oxford, MA Incentives
Success: Trip Advisor
Needham, MA

Construct 290,000 SF for corporate headquarters
+ Retain 450 jobs
+ Create 250 jobs
+ Est. benefits secured: $3.2 M

Benefits Included:
+ 3% State EDIP Investment Tax Credit
+ 13 Year Tax Increment Financing
+ Community outreach

Success: Green Mountain Coffee Roasters
Burlington, MA

Renovate 80,000 SF building
Construct 344,000 SF expansion for corporate headquarters
+ Retain 368 jobs
+ Create 400 new jobs
+ $114 M private investment
+ Est. benefits secured: $7 M

Benefits Included:
+ 3% State EDIP Investment Tax Credit
+ 13-Year Tax Increment Financing
+ 100% Personal Property Tax Exemption
+ MassWorks grant assistance