ULI Boston Technical Assistance Panel (TAP) Program

West End Chicopee MA
Mission
To provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.

ULI is a research and education institution with over 35,000 members worldwide representing the entire spectrum of land use and real estate development disciplines, working in private enterprise and public service.

ULI at the local level

• Boston District Council covers nearly all of New England
• 1,100 Members—developers, architects, planners, public officials, financiers, students, etc.

Emphasis on sharing best practices and providing outreach to community

• Over 2,000 attendees last year
• UrbanPlan High School Program
• Technical Assistance Panels
• Trends in Real Estate Conference
Technical Assistance Panels (TAPs)

A Technical Assistance Panel (TAP) brings together a group of ULI members with a range of professional expertise to provide focused, collaborative consultation to a local government or qualifying non-profit organization.

ULI Boston’s TAP program is sponsored by

This TAP
• Sponsored by the City of Chicopee Office of Community Development and MassDevelopment
• This panel looked at the full range of options from an unbiased perspective.
• Panelists include experts in the fields of architecture, development, engineering, market analysis and planning.
• Panelists have donated their time
• Final Deliverable – Written report (within 6 weeks) will be available at http://boston.uli.org
TAP Panelists

TAP Co-Chairs
Barbara Boylan – Real Estate Consultant
Ed Starzec - MassDevelopment

TAP Panelists
Lisa Davey, Thornton Tomasetti
Mark Dickinson, Dickinson Development Corp
Nick Hornig, Chan Krieger / NBBJ
Frank Mahady, FXM Associates
Sean McDonnell, Architectural Heritage Foundation
John Schmid, Nitsch Engineering, Inc.

Virginia Quinn – Report Writer
Michelle Landers – ULI Boston
The Process

Site Visit:

- Stops included: Chicopee Canal Walk/Riverwalk
- Ames Privilege
- Cabotville Mill
- Delta Park
- Chicopee Center
- RiverMills

Panel interviewed stakeholders today including:
- Elected Officials, Local Business Owners, Consultants, City Staff, Academic Administrators, Property Owners
The Panel’s Assignment

Address the following issues:

- Land Use & Planning
- Market Feasibility Analysis
- Financial Analysis and Structuring
- Structuring Public Private Partnerships
- Adaptive Reuse of Buildings
- Development Process, Permitting and Community Relations
Recommendations

Cabotville/Lyman Site

District Wide
Why is it critical?

- Prominent Location – Chicopee River near the main intersection in downtown and adjacent to Ames Privilege and Route 116 Bridge

- Revitalization Potential – 227 new apartments in Building 1 along with “sprucing up” the commercial buildings (60 businesses, 10 art studios)
Recommendations Cabotville/Lyman Site

Why is it stalled?

• Poor Economy
• Building and Fire Code Issues
• Water Service requirements

What moves it forward?

• City must work with owner to offset costs through tax credits (new market, brownfield, or historic if applicable)
• City may provide a TIF for tax relief in the early years of the project
• Explore funding additional water service infrastructure costs (MassWorks)
• Provide easements where appropriate
• Remove outlying buildings to create parking
• Clean and paint exterior of commercial buildings
# Cabotville/Lyman Site Proforma

## Cabotville Mill Building 1
Chicopee, MA

10/23/12

### Sources and Uses of Funds

#### Uses

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition</td>
<td>5,000,000</td>
<td>10%</td>
</tr>
<tr>
<td>Owners improvements, to date</td>
<td>5,000,000</td>
<td>10%</td>
</tr>
<tr>
<td>Hard Costs</td>
<td>33,148,000</td>
<td>67%</td>
</tr>
<tr>
<td>Soft Costs</td>
<td>3,042,634</td>
<td>6%</td>
</tr>
<tr>
<td>Overhead Costs and Fees</td>
<td>3,095,000</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Total Uses of Funds (Project Cost)</strong></td>
<td><strong>49,285,634</strong></td>
<td></td>
</tr>
</tbody>
</table>

#### Sources

**Equity:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Historic Tax Credits (20%)</td>
<td>5,628,900</td>
<td>11%</td>
</tr>
<tr>
<td>State Historic Tax Credits (20%)</td>
<td>5,176,000</td>
<td>11%</td>
</tr>
<tr>
<td>Equity</td>
<td>11,000,000</td>
<td>22%</td>
</tr>
<tr>
<td>Other Equity, grants donations</td>
<td>1,000,000</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Total Sources of Funds</strong></td>
<td><strong>49,285,634</strong></td>
<td></td>
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</table>
### Cabotville Mill Building 1
Chicopee, MA

<table>
<thead>
<tr>
<th>Pro Forma Financial Statement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lease Year→</td>
</tr>
<tr>
<td><strong>Residential and Commercial</strong></td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
</tr>
<tr>
<td>Gross Potential Rent</td>
</tr>
<tr>
<td>Building 2 &amp; 3 income</td>
</tr>
<tr>
<td><strong>Gross Potential Rent</strong></td>
</tr>
<tr>
<td><strong>Vacancy</strong></td>
</tr>
<tr>
<td>0</td>
</tr>
<tr>
<td><strong>Vacancy</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
<tr>
<td><strong>Effective Gross Rent</strong></td>
</tr>
<tr>
<td><strong>OpEx Reimbursements</strong></td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
</tr>
<tr>
<td><strong>Property Taxes</strong></td>
</tr>
<tr>
<td><strong>Management Fee = 4%</strong></td>
</tr>
<tr>
<td><strong>Utilities</strong></td>
</tr>
<tr>
<td><strong>Maintenance</strong></td>
</tr>
<tr>
<td><strong>Bldg Services</strong></td>
</tr>
<tr>
<td><strong>Insurance</strong></td>
</tr>
<tr>
<td><strong>All Other</strong></td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
</tr>
<tr>
<td><strong>Net Operating Income</strong></td>
</tr>
<tr>
<td><strong>Net Cash Flow</strong></td>
</tr>
</tbody>
</table>
Implementation Recommendations

**Downtown Marketing – Staffing and Retail Recruitment**

- Follow upon recommendations of October 2011 report
- Implement aggressive retail recruitment plan for gap areas
- Approach successful businesses in surrounding area to consider expanding into Chicopee
- May require additional full-time person a Chicopee Champion
- Consistent message needed

**Downtown Business Association – No Fee BID**

- Unite as a group focused on downtown issues access, parking, streetscape, signage, safety
- Consider Green Community designation for solar compactors
- Not a BID, no assessment
- Assist in marketing efforts

Lisa
Recommendations District Wide

Specific Sites/Uses

**Delta Site – Marina/Open Space**
- Focus on improving access and views
- Engage Pan Am Rail via Congressmen, Senators and State Legislators
- Consider boat launch/marina/passive recreation use
- Additional public waterfront access

**Elms College – Housing & Business School**
- Local college with 1500 students outgrowing campus adjacent to Center
- Create destination for students - additional restaurants, yoga/fitness facility, targeted retail
- Create linkages - service day, adopt a flower box
- Residential opportunity - housing needed for grad students and staff
- Potential for additional institutional space - business school, etc.
Specific Sites/Uses

Not For Profits
- Bring additional services, activity, and employees to the downtown area
- Examples include YMCA, youth rec center, VOC

Masonic Hall & Small Sites - “Broken Teeth”
- Downtown Gateway Parcel at Mobil site...park, farmers market
- Retail or institutional use...Elms College?
- Collegian Court - sold recently, potential new destination restaurant

Capitalize on River – Create views, canoe launch
- Enhance river access for recreation - fishing and boat launching
- Provide visual access points at strategic locations