



MASSDEVELOPMENT

CELEBRATING 20 YEARS

# Brownfields Redevelopment Fund

## 2018 Annual Report



Photo by: Springfield Redevelopment Authority



# FINANCING CLEANUP AND REDEVELOPMENT

Since its inception in 1998, MassDevelopment's Brownfields Redevelopment Fund has helped transform vacant, abandoned, or underused properties into thriving new commercial and residential developments, and has demonstrated how brownfields restoration can create jobs and housing opportunities, protect the environment, and improve the quality of life for Massachusetts residents and communities.

The following pages highlight regional examples of the Brownfields Redevelopment Fund leveraging additional public and private investment, and catalyzing the sustainable redevelopment of these key sites.

## Brownfields Advisory Group (As of June 30, 2018)

**Jessica Andors, Chair**

Executive Director  
Lawrence CommunityWorks

**Tom Daniel**

Director of Planning and Community Development  
City of Salem

**Virginia (Gina) Foote**

Director of Fund Development  
CLF Massachusetts

**Erica Kreuter**

Director, MassWorks Infrastructure Program  
Executive Office of Housing and Economic Development

**David E. Leone, LSP**

Associate Principal  
GZA GeoEnvironmental, Inc.

**Penny Ricketts**

Councilor  
Greenfield City Council

**Michael Crawford**

Consultant  
Berkshire Bank

**Heriberto Flores**

Chairman  
Partners for Community

**Nancy E. (Betsy) Harper**

Deputy Chief, Environmental Protection Division  
Massachusetts Attorney General's Office

**Joseph Kriesberg**

President  
Massachusetts Association of  
Community Development Corporations

**Michele S.W. Paul, LSP**

Director of Environmental Stewardship  
City of New Bedford

**Martin Suuberg**

Commissioner  
Massachusetts Department of Environmental Protection

# South Worcester Industrial Park, Worcester



Photo by: Wright Photo Studios

In 1994, the site now known as the South Worcester Industrial Park consisted of approximately 11 acres of vacant lots and buildings in an older industrial area that had experienced an onslaught of blight, decay, and disinvestment. The sale and redevelopment of these sites was hampered by the presence of hazardous substances from more than 100 years of industrial use. Following an initial feasibility study, the City of Worcester took ownership through tax foreclosure of four strategic parcels comprising a total of 7.6 acres, and embarked on a redevelopment effort that included the assessment and remediation of environmental contamination, demolition, and preparation of the sites as pad-ready parcels for commercial and manufacturing purposes.

The City leveraged federal, state, and municipal funding of over \$7 million, including two site assessment awards totaling \$123,000 and a \$400,000 remediation loan, to complete the demolition of the former Standard Foundry site at Southgate Street and Armory Street. Beyond securing funding, the City availed itself of other tools to move the project forward by its willingness to offer tax increment financing, designating the site as a Chapter 43D Expedited Permitting site, and participating as a Brownfields Support Team site. Today, all parcels of land within the South Worcester Industrial Park have been sold and are in full productive re-use.

Table Talk Pies, for example, moved into a 51,000-square-foot building in fiscal year 2018 that was constructed by local real estate developer, Chacarone Properties. The well-known local food manufacturer currently employs more than 50 individuals at the facility, about half of whom are local residents. With a second line of production expected in 2019, additional jobs are on the horizon. The company bakes approximately 10,000 pies per hour, 200,000 pies per day, and more than 60 million pies per year.



Former building now demolished.

# Melnea Residences, Boston



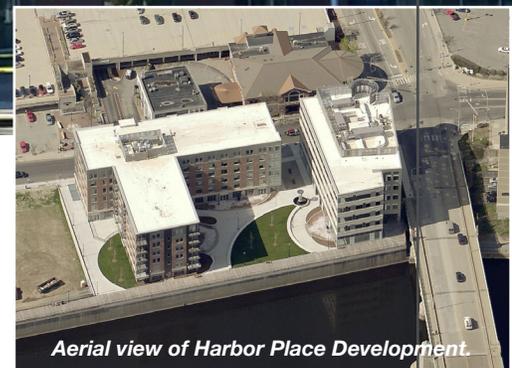
Construction underway in February 2018.

Melnea Residences is a key component of a larger mixed-use development on Melnea Cass Boulevard in Boston's Roxbury neighborhood. A six-story, 50-unit building with 4,000 square feet of retail space, Melnea Residences will serve as a gateway to the transformation underway in Dudley Square, and will reconnect this once-vibrant area to Boston's South End and downtown. Residents will have access to ZipCar and Hubway bike stations within one-quarter mile and can easily walk to a new grocery store, Boston Medical Center, shops, parks, restaurants, and more. A new 108-room Marriott Residence Inn will also occupy this block. The project is a showcase of collaboration between Urbanica, the Boston Planning and Development Agency, the Massachusetts Department of Transportation, MassDevelopment, and local community partners.

MassDevelopment's investment included a \$298,800 remediation loan from the Brownfields Redevelopment Fund for additional assessment and removal of contaminated soil on the residential portion of the project. A \$1.95 million MassWorks grant was also awarded to improve the streets and sidewalks surrounding the hotel project and South Bay Harbor Trail.

Under construction in fiscal year 2018, Melnea Residences will complement other projects in the area that received support from the Brownfields Redevelopment Fund including the Tropical Foods grocery store and 9 Williams, a 30-unit, mixed-income rental housing development. Other brownfields-funded projects include the Dartmouth Hotel Residences, Dudley Greenville Homes, Bartlett Yards, and Crosstown Center, one of the earliest projects to receive support from the Brownfields Redevelopment Fund.

# Harbor Place, Haverhill



For nearly 45 years, the former Woolworth building stood abandoned at the corner of Merrimack Street and Main Street in downtown Haverhill. The vacant property had become an eye sore, was unused, and blocked access to the Merrimack River. The Greater Haverhill Foundation (GHF), a local nonprofit that promotes economic development in the city, purchased the property in 2005 with a redevelopment goal. GHF found a partner in the Planning Office of Urban Affairs (POUA), the nonprofit residential development arm of the Boston Catholic Archdiocese, and the vision for Harbor Place began to unfold.

The two organizations worked together to assemble additional parcels on Merrimack Street in order to create a new, expansive, transit-oriented development with residential, retail, commercial, institutional, and recreational uses. The land contained urban fill contaminated with lead and petroleum products that needed a significant amount of off-site disposal. MassDevelopment provided a \$500,000 loan from the Brownfields Redevelopment Fund to the GHF's and POUA's single purpose real estate holding company, Harbor Place at Riverfront LLC, to ensure that the site was remediated to residential standards.

Construction on three buildings would become the heart of the \$60 million Harbor Place redevelopment project. The five-story commercial building now houses Pentucket Bank, UMass Lowell and its iHub, and contains 17,000 square feet of retail and restaurant space. Across the plaza sits one residential tower offering 50 units of affordable housing and underground parking, and another offering 30 units of market-rate rental housing. The overall design of the development enabled the City of Haverhill to construct an enhanced boardwalk along the Merrimack River, allowing for easy public access. In fiscal year 2018, the now open Harbor Place stood out as a truly transformative development for the City of Haverhill, changing a once idle area of downtown into a bustling hub of activity.

# NeighborWorks, Brockton



NeighborWorks Southern Massachusetts is a leading nonprofit developer of affordable housing. One of its projects is the redevelopment of 121 Main Street in downtown Brockton into a 61,000-square-foot building with 48 units of mixed-income rental housing, ground floor retail, and underground parking. The site is the former home of the Kresge department store, demolished by the city of Brockton in 2015, and is within a five-minute walk of the Brockton Commuter Rail Station and the Brockton Area Transit bus terminal. The Brockton Downtown

Action Strategy Plan and the Downtown Brockton Urban Revitalization Plan had identified the site as a development priority. The site also falls within the Downtown Brockton 40R Smart Growth Overlay District and the Housing Development Incentive Program district.

A Phase I site assessment conducted in January 2017 identified a 3,000-gallon underground storage tank below the basement slab on the site, and two recognized environmental conditions (RECs) at nearby off-site properties. NeighborWorks utilized a \$26,000 site assessment award from the Brownfields Redevelopment Fund for a Phase II site assessment. Through the course of the Phase II work, the two off-site RECs were eliminated, and the site achieved regulatory closure without the need for remedial treatment or excavation.

In the summer of 2018, while NeighborWorks finalized its permanent financing, which includes state low-income housing tax credits and other housing subsidies, the building lot served as the temporary home for PROVA!, a Brockton pop-up multicultural arts and performance venue featuring a beer garden and a rotating group of restaurant vendors. After exceeding its goal to raise \$50,000, matched by MassDevelopment through its Commonwealth Places program, and attract more than 170 visitors each night, PROVA! demonstrates that downtown Brockton can be a successful destination for dining and entertainment.

# Union Station, Springfield



Photos by: Springfield Redevelopment Authority

Originally opened in 1926, Springfield's Union Station closed its doors in 1973 following the advent of the Interstate Highway System and the shift from rail travel to the automobile. Union Station was sold to a private real estate developer, but remained boarded and decaying before being acquired by the Springfield Redevelopment Authority in 1989 with the goal of restoring it to an intermodal rail and bus station. After many fits and starts, the \$94 million redevelopment project received funding from numerous federal, state, and local sources. These sources included grants from the Environmental Protection Agency Brownfield Assessment and Cleanup program, approximately \$2 million from MassDevelopment's Brownfields Redevelopment Fund, Federal Transit Administration funding, State Transportation Bond Funds, a state parking grant, and more. Beginning in 2012, funds from the Brownfields Redevelopment Fund helped with extensive hazardous building material evaluations, abatement and monitoring, as well as the assessment and remediation of widespread areas of subsurface contamination.

Today, Union Station is a LEED-certified building with commercial tenants and serves as an intermodal transportation center with carriers including Greyhound, Amtrak, and the new headquarters for Peter Pan Bus Lines. At the 2017 National Brownfields Conference, Union Station won the prestigious Phoenix Award recognizing the best brownfields redevelopment and revitalization project in the nation. In addition to the Phoenix Award, the project has also won other statewide awards for historic preservation including the 2017 Preservation Massachusetts "Paul & Nikki Tsongas Best Then & Now" award. In fiscal year 2018, MassDevelopment provided a \$2.7 million loan to finance tenant improvements so that office and retail users could move into their new homes.



Union Station main concourse.

## Projects Funded Fiscal Year 2018

### BROWNFIELDS REMEDIATION

#### Melnea Residences/Parcel 9

Boston - \$298,800

#### Town of Chelmsford/27 Katrina Road

Chelmsford - \$1,351,000

### BROWNFIELDS SITE ASSESSMENT/REMEDATION

#### NewVue Affordable Housing Corporation/ 246 Central Street

Gardner - \$134,230

### BROWNFIELDS SITE ASSESSMENT

#### VietAID/195 Bowdoin Street

Boston - \$33,500

#### 3 Brothers Auto Sales/522 Maple Street

Holyoke - \$39,308

#### Lawrence CommunityWorks/610 Broadway

Lawrence - \$88,770

#### Lynn EDIC/83 Willow Street

Lynn - \$99,500

#### Town of Rockland/225 West Water Street

Rockland - \$55,612

#### Indian Orchard/376 Main Street

Springfield - \$63,062

## Brownfields Redevelopment Fund Total Funding - June 30, 2018

Beginning fund balance, FY 1999	\$20,024,000
Fund recapitalization, FY 2001	9,975,084
Fund recapitalization, FY 2007	30,000,000
Fund recapitalization, FY 2014	15,000,000
Fund recapitalization, Capital Bond FY 2017	1,608,361
Fund recapitalization, Capital Bond FY 2018 <sup>1</sup>	223,000
<b>Total funding</b>	<b>76,830,445</b>

### Fund activity (accumulated):

Net loans	(29,271,648)
Operating income	3,231,538
Operating expenses	(12,024,167)
Investment income	10,930,218
Accrued expenses	300
Grant awards	(39,280,463)
Accounts receivable and other assets	(15,837)
Deferred income	11,646
Recoverable grants/loans	74,389
<b>Sub-total</b>	<b>10,486,421</b>

Undisbursed grants/predevelopment/loans	(3,942,648)
Approved loans	-
Approved grants	(584,134)
<b>Sub-total</b>	<b>(4,526,782)</b>

<b>Uncommitted funds at June 30, 2018</b>	<b>\$5,959,639</b>
---	--------------------

<sup>1</sup> Received the remaining FY 2018 funding of \$2,427,000 in FY 2019.

