

CITY OF FITCHBURG

YOUR GATEWAY TO NORTH CENTRAL MA

INVESTOR PROSPECTUS

OPPORTUNITY ZONE DEVELOPMENT SITES
2019-2020

CITY OF FITCHBURG
MAYOR STEPHEN L. DiNATALE

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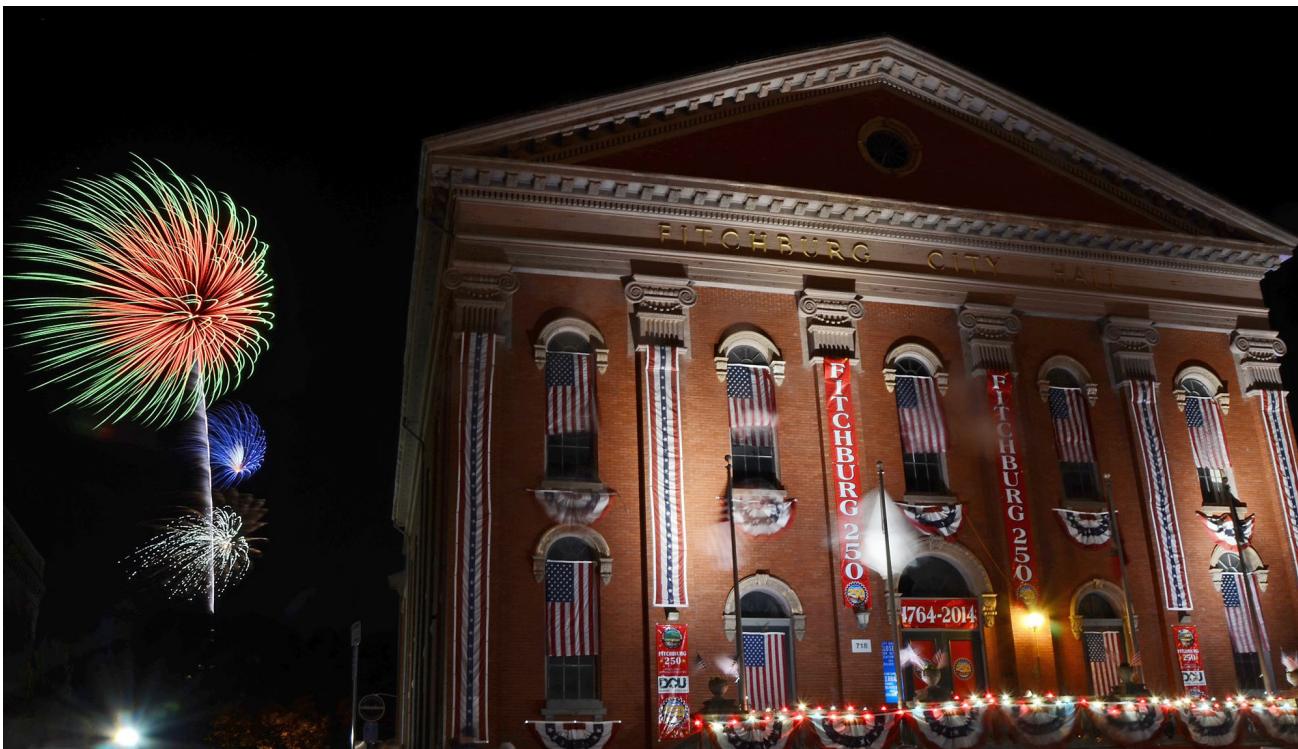
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OPEN FOR BUSINESS

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BRING YOUR VISION TO LIFE

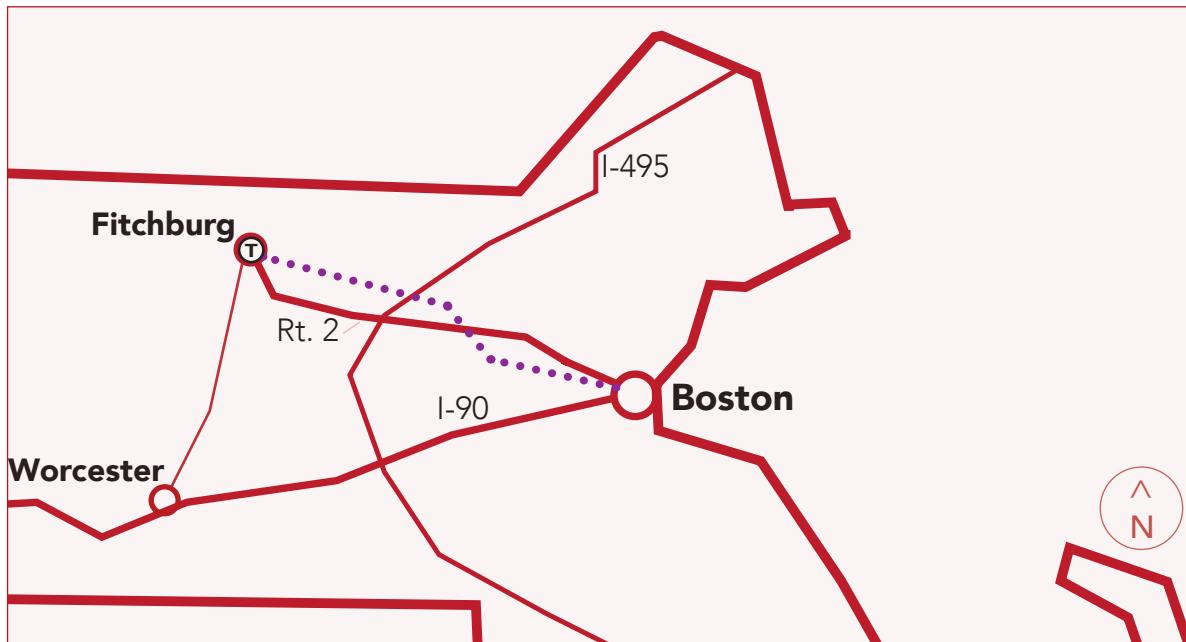
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Welcome to Fitchburg! We are a vibrant city located in the north of Worcester County, at the heart of Massachusetts. Our city is home to more than 40,000 residents who enjoy multi-sector economic opportunities, transportation connectivity, history, culture, and an affordable live-work-play environment.

Quick Facts on Fitchburg

- 28 square miles
- 40,793 residents
- Walkable, urban core of historic buildings and new development opportunities
- Diverse population and youngest median age (34.5 years) relative to comparison communities in the region
- About 45 miles northwest of Downtown Boston; 1 hour away by car; 90 minutes by MBTA Commuter Rail to Boston (75 minutes express) and 80 minutes to Cambridge (60 minutes express)
- About 25 miles north of Worcester; 40 minutes away by car and 1 hour by public transit (Montachusett Regional Transit Authority)
- 2 commuter rail stops and multiple regional bus routes
- Home to Fitchburg State University's 6,800+ students and 200+ faculty and the Fitchburg Art Museum
- 2 highway exits (on Route 2) and a 15 minute drive to I-190
- Fitchburg Municipal Airport located 3 miles southeast of downtown
- 15.6% growth in business establishments since 2000
- Over 40 parks and several thousand acres of open space, recreational, and agricultural land
- Waterfront access to the Nashua River
- Surplus sewer and water capacity
- Designated a Transformative Development Initiative (TDI) District Downtown by MassDevelopment



Getting Around:

- About 45 miles northeast of Downtown Boston
- 1 hour away by car and 60-90 minutes by public transit (MBTA Commuter Rail express trains)
- 35 minute drive to Worcester (28 miles)
- Bus service by regional transit agency (MART)
- Just over an hour to Greenfield, MA (I-91, 50 miles)
- 36 miles to Manchester-Boston Airport (MHT)
- 54 miles to Boston Logan Airport (BOS)
- Local tourism to Wachusett Mountain and orchards

Market Prices and Tax Burden in Fitchburg

	Fitchburg	Worcester	Cambridge	Boston
Median Residential Price / sf	\$149	\$185	\$777	\$711
Average Office Rents / sf	\$16.47	\$20.35	\$76.78	\$53.90
Average Industrial Rents / sf	\$5.58	\$6.52	\$12.83	\$12.50
Tax Levy (per \$1000 in value) (Residential)	\$20.49	\$18.00	\$5.75	\$10.54
Tax Levy (per \$1000 in value) (commercial)	\$22.09	\$34.90	\$12.68	\$25.00

World Class Institutions by the River

- Fitchburg State University
- Fitchburg Art Museum
- Great Wolf Lodge
- Fitchburg Historical Society
- Wachusett Potato Chip Company/
Utz, Micron Products, and dozens of
others world-class manufacturers



Fitchburg State University (FSU) is a public institution dedicated to integrating high-quality professional programs with strong liberal arts and sciences studies. Founded in 1894, the university now has more than 30 undergraduate programs and 22 master's degree programs, and 7,000 full and part-time students.

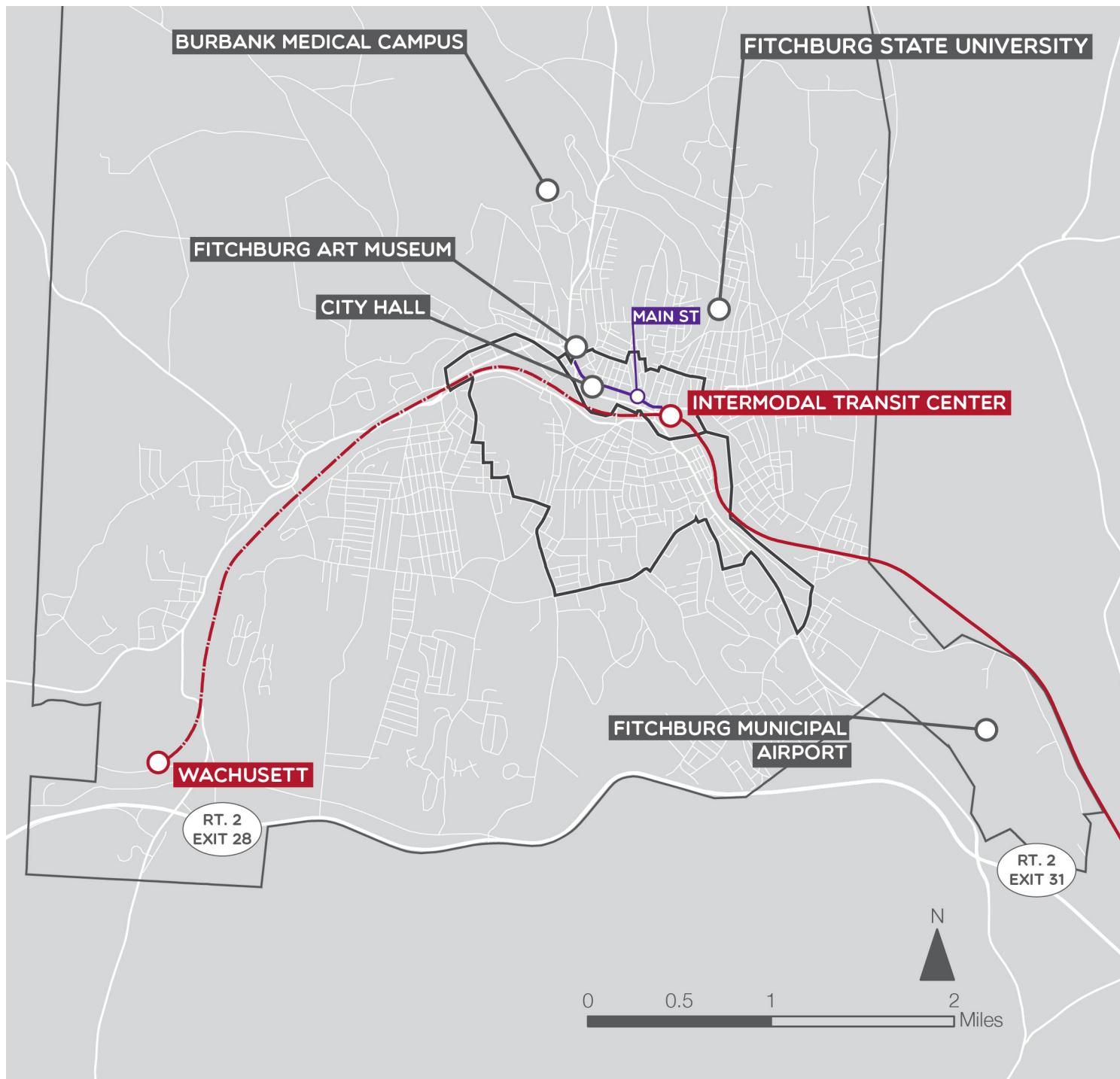


Fitchburg Art Museum

The Fitchburg Art Museum (FAM) plays a vital role in the cultural life of the region and is home to 19th Century American Art, photography, African Art, Greek and Roman Art and Egyptian Art collections. Area schools, community groups and artist organizations are featured in FAM's Community Gallery, and the Museum maintains active educational partnerships with public and private schools and Fitchburg State University. FAM also participates in efforts to stimulate the local creative economy, particularly by partnering in community-based festivals and public art projects.



Fitchburg Connections



Downtown Development Incentives

The City of Fitchburg is home to a mix of retail, restaurants, government offices, academic institutions, social services, officespace, and residences. The city is filled with historic architecture and public parks and contains a dense, transit-oriented fabric within its downtown. The city is looking to leverage its assets to revitalize downtown, transform the city, and accelerate economic growth. The following programs and incentives are currently available to developers and investors interested in building triple-bottom-line projects in Fitchburg.

Incentive	Type	Description
\$10k Refundable Tax Credit Zone	State (City)	Main Street storefronts that have been vacant for more than 2 years are eligible
Transformative Development Initiative (TDI) District	State (City)	Area in which storefront development resources are available, including equity investment from MassDevelopment
Chapter 40R Smart Growth Zoning District	State (City)	Allows for high-density office, mixed use and residential development by-right, includes a reduction in parking requirements
Housing Development Incentive Program (HDIP) Zone	State (City)	25% tax credit, up to \$2 million on market rate housing developments in Gateway Cities; allows local option for tax abatements
PACE	State (City)	Flexible financing for large (\$250k min.) energy-efficiency improvements
National Register of Historic Places	Federal	List of historic properties that are eligible for Historic Tax Credits
Historic Tax Credits	State and Federal	20% tax credit for qualified rehab expenditures of qualified historic structures; 10% tax credit for qualified rehab expenditures of buildings not certified as historic structures, but built before 1960
New Markets Tax Credits	Federal	Federal tax credit for development projects that include a commercial component for job creation and material improvement in the lives of residents of low-income communities (2 approved zones)
Opportunity Zones	Federal	Temporary tax deferment on capital gains invested in real estate and businesses within an Opportunity Zone census tract
CDBG Loan Fund	City	Businesses located in these tracts are eligible for 0% interest loans with loan deferral and, in the case of Main Street, loan forgiveness benefits

At a Glance: Fitchburg's Opportunity Zones

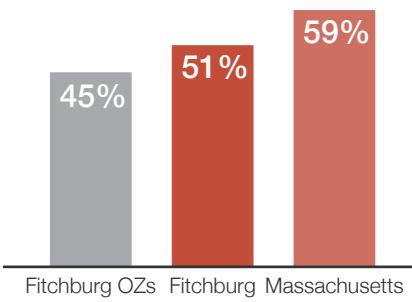
Fitchburg is home to two Opportunity Zones. One includes Fitchburg's Main Street and downtown area, while the other captures substantial project areas south of the Nashua River. The city is well positioned to leverage its two Opportunity Zones to take advantage of the growth in demand for walkable, transit-oriented neighborhoods that are affordable to live, work, and play in.

With a walkable historic downtown following the path of the Nashua River, the denser of the two opportunity zones has a unique mix of retail, historic offices, and attainable housing stock. One of the many upsides of Fitchburg's industrial legacy is the wide diversity of building types available in a compact walkable area attractive to growing businesses. Creative investors can take advantage of the business investment component of the Opportunity Zone tax incentive.

How do Fitchburg's Opportunity Zones Compare?

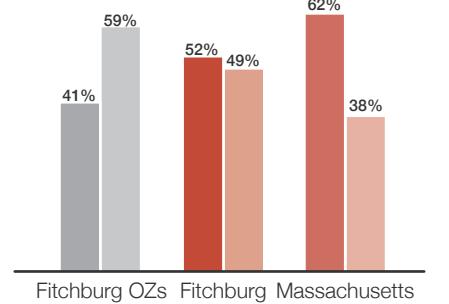
Housing & Transportation Costs (As a share of 80% Area Median Income)

Housing & transportation costs are much lower in Fitchburg's OZs than the city and state as a whole.



Housing Tenure

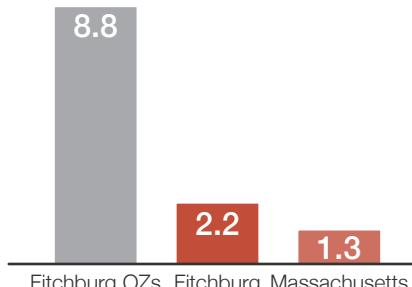
Fitchburg OZs have a higher share of renter-occupied housing than the city and state.



Darker shaded bars are owner-occupied & lighter shaded bars are renter-occupied.

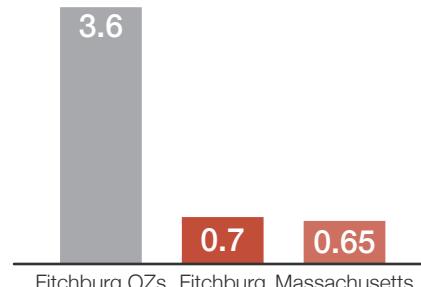
Population Density (people/acre)

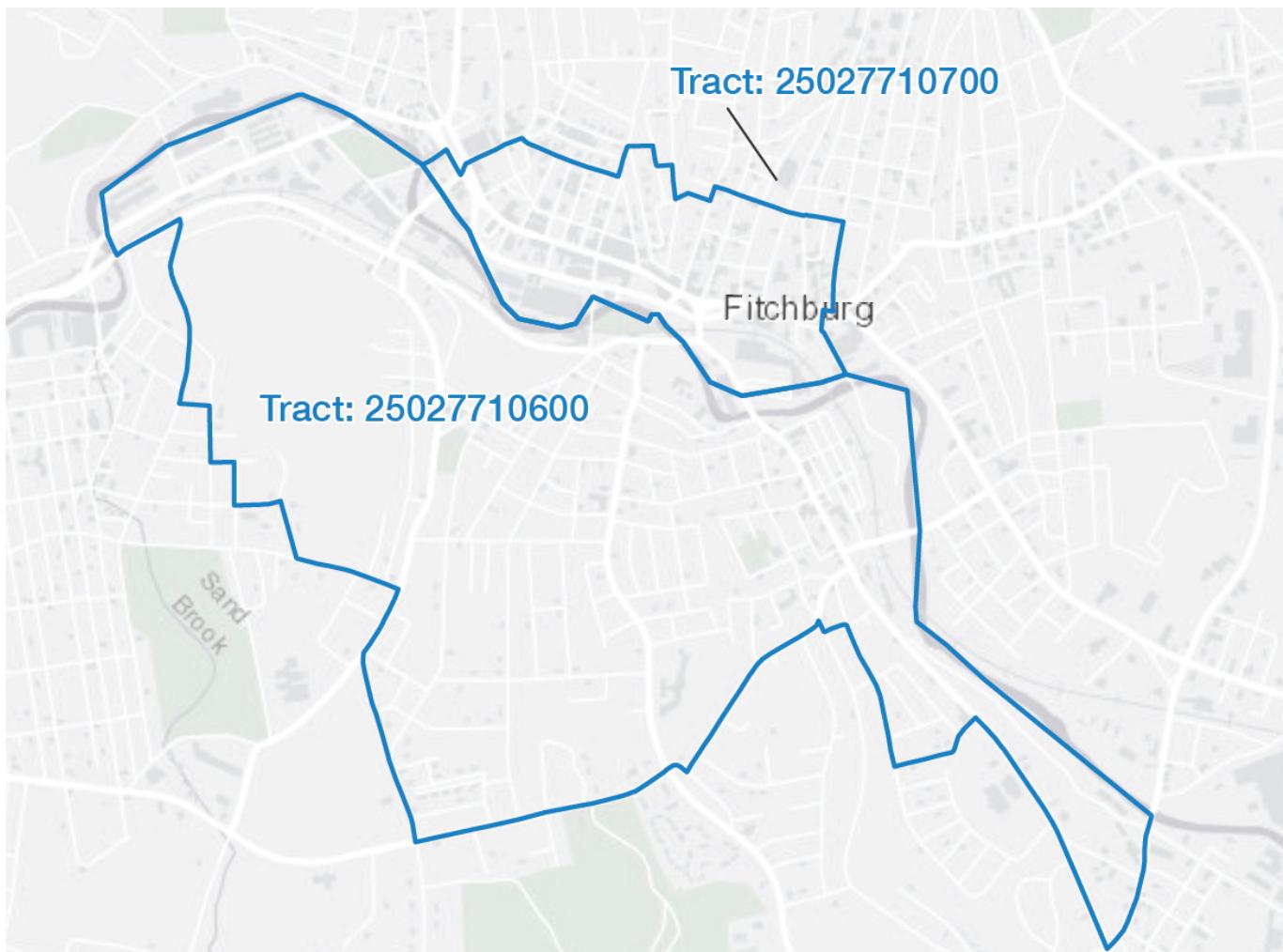
Fitchburg's OZs have a much higher population density than the City as a whole.



Job Density (people/acre)

Fitchburg's OZs have a higher concentration of jobs than the city as a whole.





8,346

Population in Fitchburg's Opportunity
Zones (21% of Fitchburg's Population)

3,437

Jobs in Fitchburg's Opportunity Zones

	"Downtown" Fitchburg	"South of Nashua River"
National Walkability Index Score (out of 20)	18	15
Job Density (per acre)	13.90	1.58
Housing Unit Density (per acre)	7.12	3.62
Percent of housing units occupied by renters	88%	47%
Office Asking Rent /sf	\$12.19	\$12.19
Retail Asking Rent / sf	\$6.16	\$6.16
Multifamily Asking Rent / sf	\$1.36	\$1.36
Total Acres	158.1	787.5

Opportunity Zone: Development Parcels

The City of Fitchburg is well positioned to take advantage of the growth in demand for walkable, transit-oriented neighborhoods that are affordable to live, work, and play in. With a walkable historic downtown following the path of the Nashua River, the denser of the two opportunity zones has a unique mix of retail, historic offices, and attainable housing stock. One of the many upsides of Fitchburg's industrial legacy are the wide diversity of building type available in compact walkable area attractive to growing businesses. Creative investors can take advantage of the business investment component of the Opportunity Zone tax incentive.

280 Main Street

Seeking: Developers, Investors

Type: Commercial (Class B)

Acreage: 1.26 acres

Existing Building Sq. Footage: 32,000

Floors: 5

Year Built: 1910

Zoning: CBD

Number of owners: One (Santander Bank)

Tax Per SF: \$0.45

Incentives: HDIP, TDI, 40R, Opportunity Zone, CDBG

Storefront Tax Credit

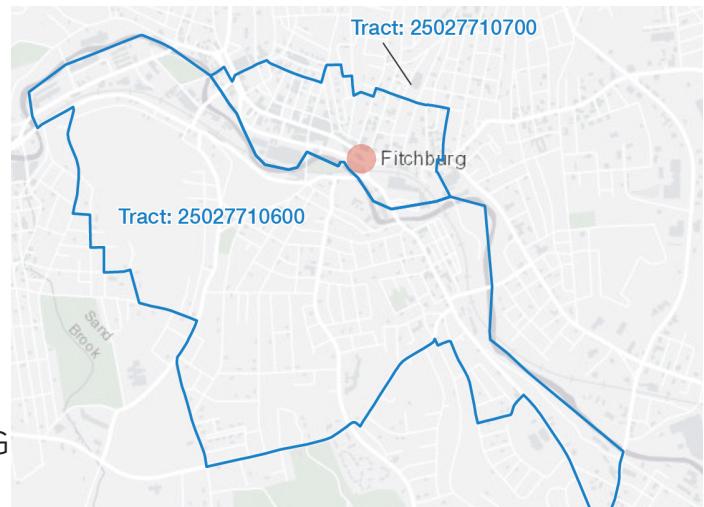
Notes:

Entryway into downtown; historic flat-iron building.

53 Parking spaces available, 81 WalkScore.

34k sf of mixed-use space at the entryway to downtown.

Includes two waterfront parcels, currently used for parking. 1/10 mile from the Fitchburg Intermodal Station, a quarter mile to Fitchburg State University, steps away from beautiful Riverfront Park, Market Basket, and the downtown amenities such as the Public Library and Art Museum.



87-89-91 River Street (Iver Johnson Mills)

Seeking: Investors

Parcels: 3

Acreage: 2.6+

Year Built: 1900-1910

Existing Building Sq. Footage:

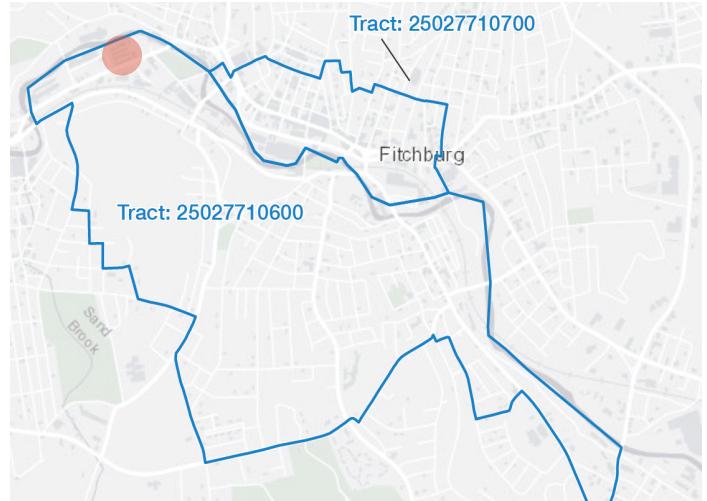
Zoning: Industrial

Number of owners: 1

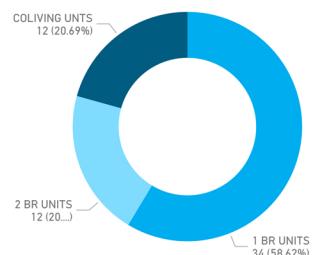
Taxes per SF: \$0.19 (2018)

Incentives: 40R Smart Growth Zone, OZ, Historic

Notes: Three adjacent brick mill buildings; include office space, high ceilings, warehouse/industrial space, and loading docks. Walk Score of 77.



OPTION F2 RESIDENTIAL UNIT BREAKDOWN



OPTION F2 AREA BREAKDOWN

ISOMETRIC

The Iver Mills development will redevelop 3 historic mill buildings into roughly 70 units of one & two-bedroom units. The project has provisional approvals of historic tax credits for this project, which sits across the river from Winn Development's 96-unit Yarn Works project, and adjacent to the recently-developed Nursery Lane mill conversion project. The project includes 95 parking spaces, and is located within Fitchburg's Smart Growth Zone.



255 Main Street

Property Type: Mixed Use (Proposed)

Seeking: Investors

Acreage: 0.98 acres

Building Square Footage: N/A

Tax/Square Ft: N/A

Floors: N/A

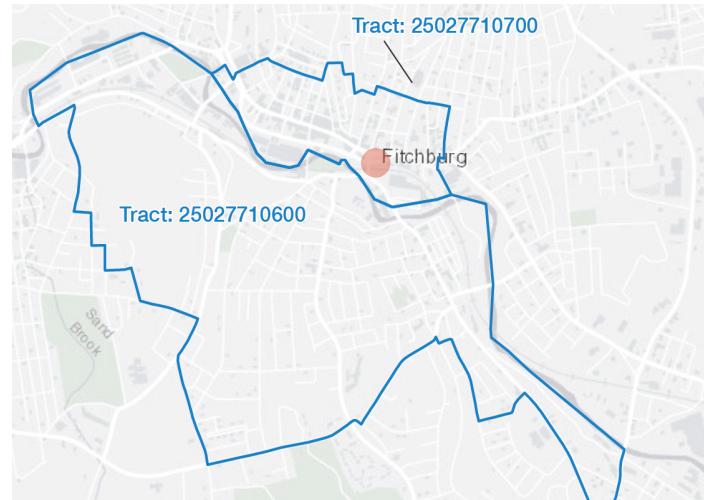
Number of Owners: 1

Zoning: CBD

Incentives: HDIP, TDI, 40R, Opportunity Zone,

CDBG

Notes: Vacant site located at the intersection of Main and Day Streets; former site of a bank office building; 112-unit project approved by the City of Fitchburg's Planning Board in Summer 2019. The development will include 98-units of parking on-site, and is just steps away from the Fitchburg Intermodal Station and Fitchburg State University.



409 Main Street

Seeking: Investors

Property Type: Mixed Use

Acreage: 0.05 acres

Building Square Footage: 7,876

Tax/Square Ft: \$0.81

Floors: 3

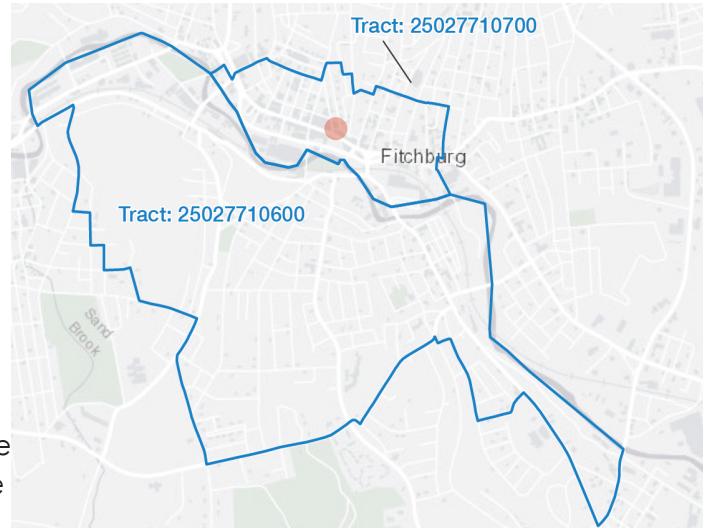
Number of Owners: 1

Zoning: CBD

Incentives: HDIP, TDI, 40R, Opportunity Zone,

Storefront, Tax Credit, CDBG

Notes: Former home located within walking distance of Fitchburg's Commuter Rail Station; residential use is permitted by-right at this property if it is located above the first floor of the structure. 5900 square foot currently developed, approved by the Fitchburg Planning Board, includes 4 apartments and a first-floor (2k square foot) restaurant space). Across the street from the Prichard Street garage.

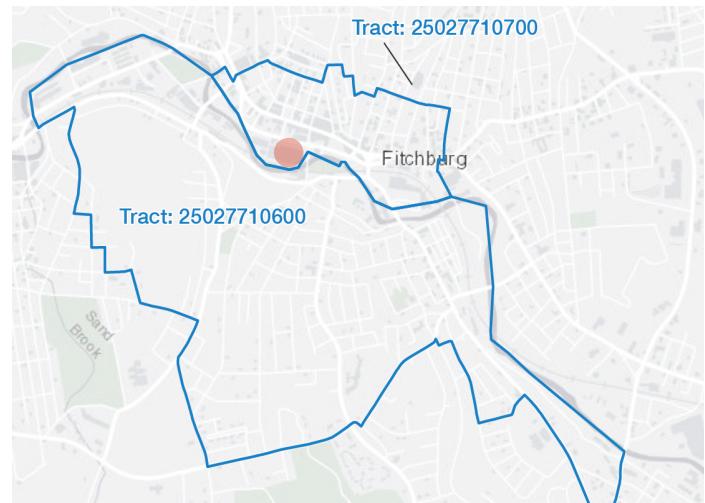


166-200 Boulder Drive

Seeking: Developers, Investors, Manufacturers
Property Type: Industrial
Acreage: 10.12 acres
Building Square Footage: 40,000
Number of Owners: 1
Zoning: CBD, Industrial
Incentives: HDIP, TDI, Municipally-Owned, Opportunity Zone

Notes: Multiple buildings owned by Fitchburg's Redevelopment Authority; over 20,000 square feet of building expected to become available in the next year. Able to support commercial and industrial use.

Property is included on a 10 acre site with an additional 190k of mill flex space, which houses the Registry of Deeds, River Styx Brewing, Leonardo DRS, and the City of Fitchburg. Site includes ample parking, and is located in the heart of downtown.



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