

# Millis Town Center Properties Market Study

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Prepared by Larry Koff & Associates

## Introduction

This market study was prepared as part of the Millis Town Center Properties Feasibility Study, undertaken by the Town of Millis and the Metropolitan Area Planning Council. The study focuses on evaluating the market potential for a range of uses for two large, formerly industrial properties in the town's center. It also identifies the principal constraints that might affect potential development. Three Development Scenarios with accompanying development programs are included in order to show how site conditions, various zoning frameworks, and other variables affect development outcomes.

The Town Center Properties consist of two parcels located between Route 109 and Curve Street. The Ann & Hope parcel was once home to the well-known Cliquot Beverages manufacturing facility. Today, it is the current location of an Ann & Hope discount home goods retail stores. This property fronts along Millis' Main Street/Route 109, a heavily traveled route for commuters to reach the regional highway network. The northern parcel is owned by the GAF Company, a roofing manufacturer. The property is not in active use at this time. Together, these properties are seen as a major opportunity to bring mixed use development to Millis, increasing access to goods and services and increasing residential options.

A study of the housing and commercial market indicates that Millis and these Town Center properties are in a unique, central location relative to six neighboring communities of Medway, Holliston, Sherborn, Dover, Medfield and Norfolk. While Millis' prices and rents tend to be somewhat lower than that of its neighbors, these towns do not have development parcels within their town centers with water and sewer service that are comparable in size to that of our study area. With an appropriate mix of uses and zoning, there is the opportunity to attract residents to live within a historic town center, and shoppers and businesses from Millis and the adjacent, higher income communities as a convenient alternative to the regional commercial corridors.

## Context

### Study Area

The study area consists of two large properties, located on the edge of what would be considered Millis' Town Center, about one half mile from the core intersection with Exchange Street. The northern parcel is an 11.6 acre property owned by the GAF Company, a roofing manufacturer. The southern parcel (19.6 acres) is the site of the former Cliquot Beverages manufacturing facility. The property owner owns and manages the Ann & Hope discount home goods retail stores, one of which occupies a portion of the

building on this parcel. The site is bisected by a railroad line, owned by the Metropolitan Bay Transportation Authority (MBTA) and currently operated by Bay Colony Rail Road.

## Local Context

Millis Town Center includes the area from Adams Street to Auburn Road. The western end of this district has traditional small-scale, pedestrian-oriented mix of residential, commercial and civic uses. The ongoing Centennial Place mixed-use development, library construction, and recent roadway improvements comprise significant investment in the vision of a sustainable mixed use village center which features historic architecture and small shops and services oriented. By contrast, the eastern end of the Town Center is a more regionally oriented area of large commercial, industrial and residential parcels. The Millston shopping plaza which contains Roche Brothers, CVS, McDonalds, Gold's Gym, and a variety of small local retail shops, along with the Ann & Hope establishment and Rocky's Ace Hardware, attracts shoppers from a regional market. The former industrial occupants relied heavily on trucking and train access to their sites. Larger apartment and condo townhouse developments closely border these commercial uses.

State Route 109 connects these two districts, running one half mile from the Ann & Hope property to the intersection with Exchange Street where the library construction is taking place. Exchange/Curve/Union Streets wrap around the northern side of the study area, providing access to a residential neighborhood and also the GAF property. There is no direct highway access to the GAF parcel. The Bay Colony Rail railroad spur has been out of service for almost five years, running through Needham, Dover and Medfield. Both the GAF and Ann & Hope properties formerly used this rail service.

## Regional Context

Located approximately 25 miles from Boston, Millis is situated in the middle of an area defined by the interstate highways 90, 95, and 495. The town lacks direct access to any of these highways: it is about seven to ten miles to either I-495 or I-95/Route 128 via Route 109, and also to I-90 via Route 115 which runs north/south through town. Major retail centers and commercial space are concentrated around the perimeter of this region, where there is direct access to the interstate highways and regional commercial corridors. The closest big box retail concentrations are located in Bellingham and Milford along I-495, and all along Routes 1 (running parallel to 95), and 9 (parallel to I-90).

This map illustrates the Greater Boston area, highlighting major highways and surrounding municipalities. A red line traces a route through the region, starting from the northeast and heading southwest. Key locations marked include Southborough, Framingham, Natick, Needham, Dedham, Westwood, Norwood, Canton, Sharon, Foxborough, Wrentham, Franklin, Bellingham, Mendon, Hopdale, Milford, Holliston, Sherborn, Dover, Medfield, Walpole, and Plainville. Major highways shown include I-290, I-90, I-95, I-495, I-1, I-93, and various state routes like 30, 135, 126, 117, 20, 30, 9, 135, 27, 16, 128, 85, 140, 109, 1A, 138, 140, 126, 121, 1A, 106, and 152. A scale bar at the bottom left indicates distances from 0 to 10 miles, and a compass rose is located at the bottom right.

▲ Town Center Commercial Districts

★ Study Area

 10 Mile Market Area

Produced by Larry Koff and Associates (LKA)  
Data from MassGIS and LKA

Big box plazas include national chain stores such as Wal-Mart, Lowe's, Target, Home Depot, Bed Bath and Beyond, and others

Inside of this ring of major highways, commercial activity is much more limited. Some neighboring towns have traditional historic town centers with primarily small, independent shops and restaurants. Of neighboring towns, Medfield and Holliston have more active downtowns, while the town centers of Sherborn, Dover and Norfolk have minimal

commercial presence. Just west of Millis, Medway has a supermarket retail plaza similar to Milliston Center.

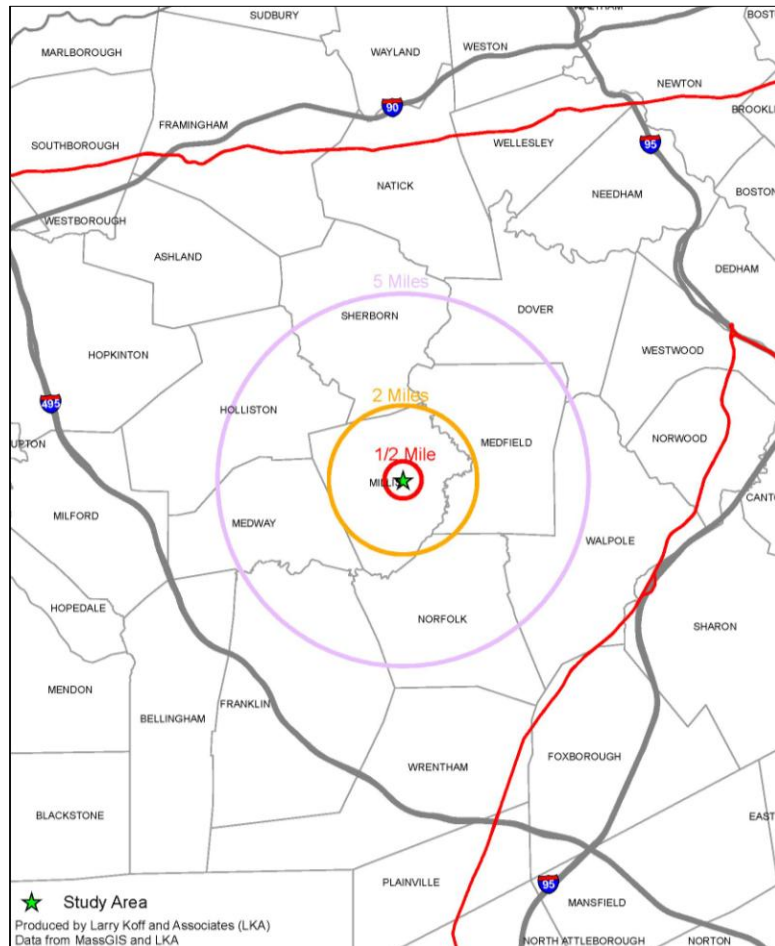
Despite being located away from major highway corridors, Millis draws shoppers from throughout the region because of destinations like Ann & Hope and Roche Brothers, as well as the fact that the town is on the route of many commuters. A higher quality supermarket, Roche Brothers in particular attracts discerning shoppers from Millis and surrounding towns.

Other interior towns lacking access to the interstate highway network—including Sherborn, Dover, Medfield, Norfolk, Medway, and Holliston—have have limited office and industrial space, and also remnants of former industrial districts similar to the study area parcels.

## Market Area Definition

The potential market area for Town Center residents, shoppers and employees is estimated as a one-half mile radius around the study site, reflecting a comfortable, walkable distance. This includes Millis Town Center and residential neighborhoods to the east of the center.

A two-mile radius from the site includes most of the Town of Millis, while a five-mile radius includes residents of communities surrounding Millis. Five miles also represents the midpoint to regional highway corridors where larger retail and employment centers are clustered.



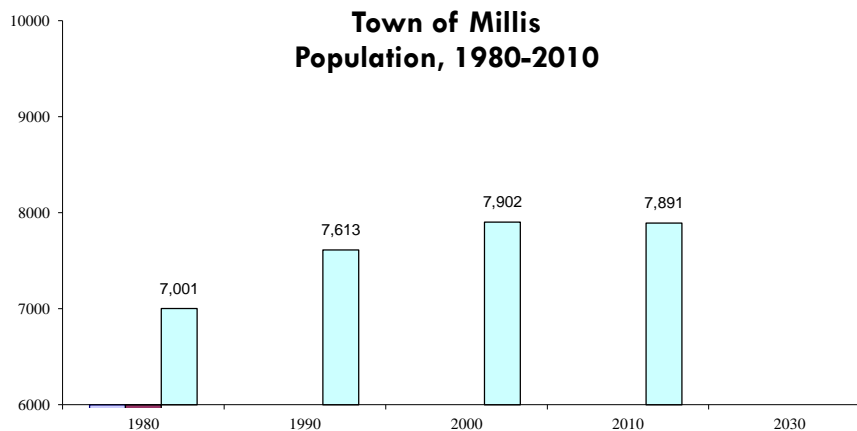
## Demographic Trends

Millis has had stable population over the past decade (now just under 8,000), with minimal change between 2000 and 2010 and relatively low growth in the prior decade. In contrast, neighboring towns closer to I-495, including Franklin, Medway, and Norfolk, all experienced significant growth during the 1990s and continued to grow while the other communities in the region had shrinking populations.<sup>1</sup>

Table 1: Population Change, 1990-2010, Millis and Surrounding Towns

Municipality	2010 Population	1990-2000		2000-2010	
		Pop. Change	% Change	Pop. Change	% Change
Franklin	31,635	7,465	33.79	2,075	7.02
Holliston	13,547	875	6.77	-254	-1.84
Medfield	12,024	1,742	16.54	-249	-2.03
Medway	12,752	2,517	25.34	304	2.44
<b>Millis</b>	<b>7,891</b>	<b>289</b>	<b>3.80</b>	<b>-11</b>	<b>-0.14</b>
Norfolk	11,227	1,190	12.84	767	7.33
Sherborn	4,119	211	5.29	-81	-1.93
<b>Regional Totals</b>	<b>93,195</b>	<b>14,289</b>	<b>18.71%</b>	<b>2,551</b>	<b>2.81</b>

Source: U.S. Census, 2010 Census.



Source: U.S. Census, 1980-2010.

<sup>1</sup> Note: MAPC will provide population projections based on the 2010 Census once they are available in Summer, 2012.

Reflecting national trends, household size has diminished in Millis; the number of households has increased while population remained level and even decreased slightly from 2000 to 2010.

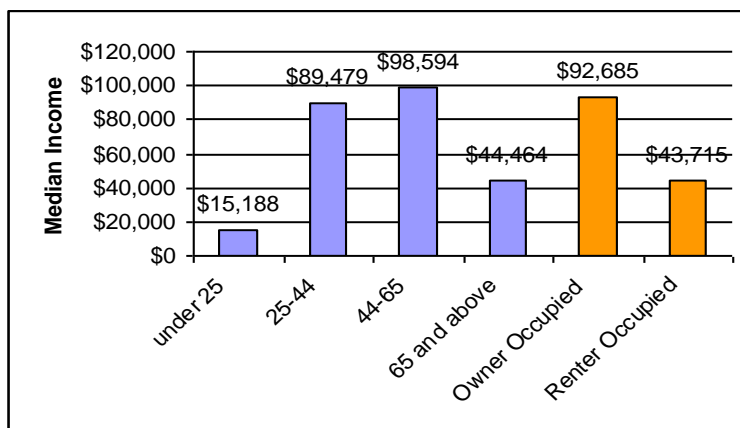
Table 2: Population and Household Growth						
	Population	% Change	Households	% Change	Additional Households	Persons/ Household
1990	7,613		2,749			2.77
2000	7,902	3.80	3,004	9.27	255	2.58
2010	7,891	-0.14	3,030	0.87	26	2.50

Source: U.S. Census, 1990-2010.

Also following national trends, Millis's median age has increased over this time as well: the proportion of older adults has increased while younger adults and children have diminished as a share of the town's population. The population of school-aged children has remained fairly constant over the past two decades. However, a decline in the population of children under five years old since 2000 echoes a drop in the population of adults in the middle adult range who are typically starting families.

Table 3: Town of Millis Age Profile, 1990 – 2010						
	1990	%	2000	%	2010	%
0 – 5 years	678	9	657	8	469	6
5 – 18 years	1,279	17	1,471	19	1,485	19
18 – 25 years	601	8	397	5	465	6
25 – 44 years	3,114	41	2,653	34	1,870	24
44 – 65 years	1,370	18	1,981	25	2,665	34
65 and over	571	7	743	9	937	12
<b>Total</b>	<b>7,613</b>		<b>7,902</b>		<b>7,891</b>	
Median Age	32.9		37.2		42.5	

Source: U.S. Census, MAPC.



Median household income in Millis is \$85,000, on the low end compared with surrounding towns. Median household income has risen by a higher rate than most neighboring towns, indicating that Millis may be catching up, economically.

Table 4: Median Household Income, Millis and Surrounding Towns		
Municipality	2010 Household Income	Income Growth 2000-2010
Franklin	\$89,330	25.35%
Holliston	\$103,600	32.66%
Medfield	\$126,048	29.32%
Medway	\$102,002	41.02%
<b>Millis</b>	<b>\$85,472</b>	<b>36.59%</b>
Norfolk	\$113,266	31.04%
Sherborn	\$145,250	26.99%
Source: U.S. Census, 2010 Census, American Community Survey 5-year Estimates, 2006-2010.		

Social characteristics shown on Table 5 may influence consumer habits and housing choice, as well as the potential employment base. Millis residents are less likely to have higher education than the average for Norfolk County, but more than average for the state. Millis is less socially diverse than Norfolk County or the state, having a smaller proportion of African Americans, foreign-born residents, and residents who speak another language at home.

Millis has a higher proportion of family households than Norfolk County or state average, in particular families with children. Just under one quarter of households are composed of single individuals.

Table 5: Social Characteristics, 2010 US Census			
	Millis	Norfolk Cty.	State
Educational Attainment, Age 25 and older			
Finished HS	96%	93%	89%
Bachelor's Degree	45%	61%	33%
Professional or Graduate Degree	19%	22%	16%
White	94%	82%	80%
African American	1%	6%	7%
Asian	3%	9%	5%
Hispanic	2%	3%	10%
Foreign born	7%	12%	12%
Non-English spoken at home	9%	15%	19%
Family Households	71%	65%	63%
Families with children	49%	30%	28%
Married couple/no children	52%	52%	46%
Single parent households	12%	6%	9%
Non-family households	29%	35%	37%
Householder living alone	24%	28%	29%
Source: U.S. Census, 2010 Census, American Community Survey, 2006-2010.			



## Economic Trends

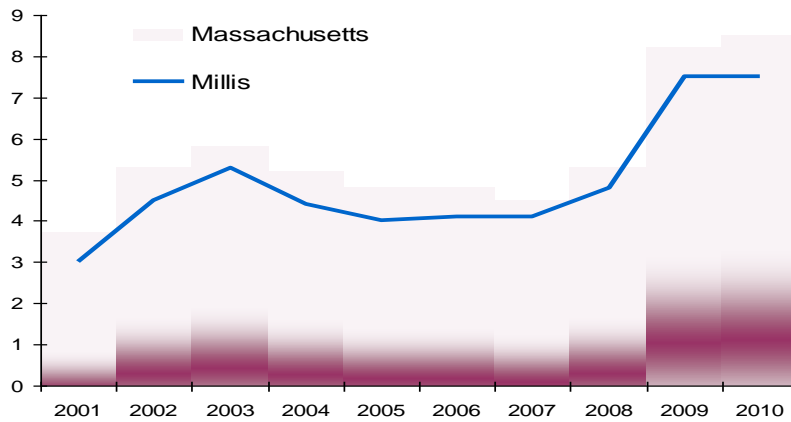
The Town of Millis has a modest economic base, with businesses that provide almost 1,800 jobs, about 40 percent of Millis' labor force. Of surrounding towns, Millis has the second-lowest ratio of locally available jobs for every resident in the labor force.

Table 6: Jobs to Labor Force Ratio			
Town	Labor Force	Jobs	Jobs/Labor Force Ratio
Franklin	16,708	14,652	87.69%
Holliston	7,272	5,342	73.46%
Medfield	5,820	2,779	47.75%
Medway	7,052	3,869	54.86%
<b>Millis</b>	<b>4,487</b>	<b>1,790</b>	<b>39.89%</b>
Norfolk	4,945	2,975	60.16%
Sherborn	1,871	624	33.35%
Source: Mass. Department of Labor and Workforce Development. Data accurate for Jan, 2012.			

Millis residents are more likely than the regional average to be employed in white-collar positions, especially management/professional occupations, which tend to pay more than other occupations. Millis residents are less likely to be employed in sales or service positions, while blue-collar employment (farming, construction and manufacturing) is on par with the region.

Table 7: Employment by Occupation			
	Millis	% Millis	% Norfolk Cty.
White Collar	3,215	79	74
Management/professional/related occupations	2,434	59	49
Sales and office occupations	781	19	25
Services	335	8	13
Blue Collar	545	13	13
Farm/forestry/fishing	14	0.3	0.1
Construction	251	6	7
Manufacturing	280	7	6
Source: U.S. Census, American Community Survey 5-year Estimates, 2006-2010.			





Source: MA Executive Office of Labor and Workforce Development.

Millis's unemployment rate has consistently stayed just below state-wide levels over the past decade. Unemployment has been around 7 percent since 2009, jumping from an average of between 4-5 percent between 2002 and 2008.

The largest proportion of jobs located in Millis are in Retail Trade, followed by

Food Services and Manufacturing. Millis offers a relatively higher proportion of jobs in these industries than Norfolk County. Millis has a substantial number of construction jobs, but has a relatively smaller share than Norfolk County. Other major industries include manufacturing and the arts.

Table 8: Employment and Average Wage by Industry in Millis (2010)

Industry	Millis				Norfolk County	
	Establish-ments	# of Empl.	% Empl.	Avg. Weekly Wage(\$)	% Empl.	Avg. Weekly Wage (\$)
Construction	38	120	6.7	1,001	9.4	1,274
Manufacturing	6	145	8.1	1,137	2.9	1,315
Wholesale Trade	9	43	2.4	872	6.1	1,402
Retail Trade	24	457	25.5	363	10.2	571
Finance & Insurance	8	29	1.6	1,006	5.0	1,479
Real Estate and Rental & Leasing	8	26	1.5	939	3.2	961
Professional and Technical Services	25	44	2.5	664	18.1	1,439
Administrative and Waste Services	25	73	4.1	702	10.2	940
Health Care and Social Assistance	12	65	3.6	474	5.0	1,066
Arts, Entertainment & Recreation	6	98	5.5	303	1.4	818
Accommodation & Food Services	18	212	11.8	214	6.0	350
Other Services	28	81	4.5	438	22.5	523
<b>Total/Average</b>	<b>225</b>	<b>1,790</b>		<b>605</b>		<b>\$1,033</b>

Source: MA Executive Office of Labor and Workforce Development (EOLWD), *Employment and Wages, ES-202, 2010*. Employment and Wage data are derived from reports filed by all employers subject to unemployment compensation laws. This may exclude some small businesses. Industry employment and payroll information is produced both quarterly and annually.

Wages for jobs located in Millis are lower than average for Norfolk County or Massachusetts, having grown much slower over the past decade.

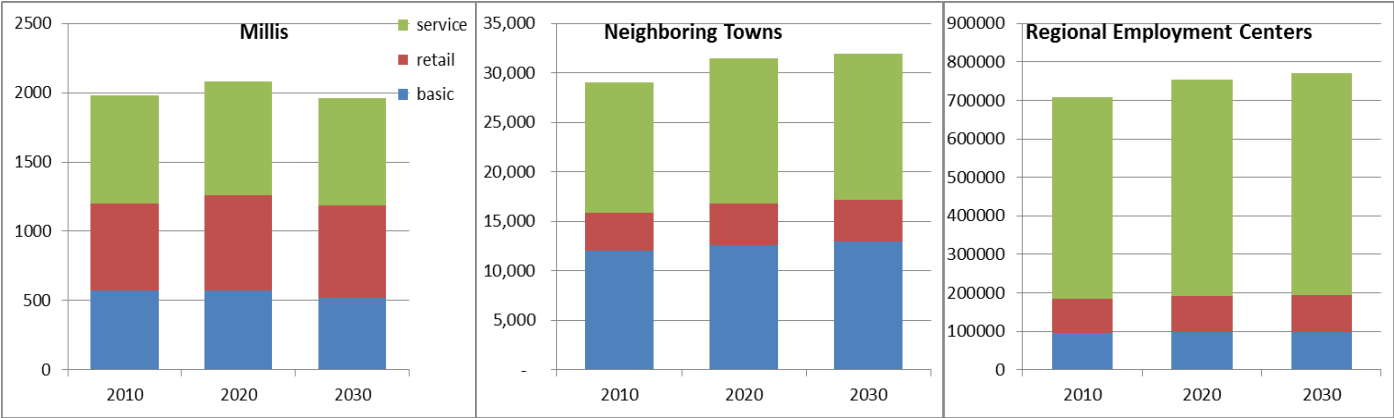
Table 9: Average Annual Wages			
	Millis	Norfolk County	Massachusetts
2001, 2 <sup>nd</sup> Quarter	\$32,552	\$42,328	\$43,160
2011, 2 <sup>nd</sup> Quarter	\$35,256	\$54,444	\$57,564
<b>Change 2000-2010</b>	<b>8.3%</b>	<b>29.6%</b>	<b>33.4%</b>
Source: MA Executive Office of Labor and Workforce Development.			

A large number of Millis residents find work in town. This is particularly interesting because Millis has a lower jobs/labor force ratio than surrounding communities. While many Millis residents work in Boston, the greatest proportion work around the interstate “ring” surrounding the Metrowest region, including Framingham, Natick, Wellesley, Newton, Needham, Westwood and Franklin. Of neighboring towns, only Medfield provides a significant number of jobs to Millis residents. In contrast, residents from many neighboring towns work in Millis.

Table 10: Journey to Work			
Work Place of Millis Residents: Top 10		Place of Residence for Millis Employees: Top 10	
Millis	710	Millis	710
Boston	387	Medway	171
Framingham	253	Franklin	154
Natick	195	Milford	120
Medfield	167	Walpole	74
Needham	164	Holliston	65
Wellesley	148	Norfolk	59
Westwood	125	Bellingham	52
Franklin	119	Woonsocket, RI	50
Newton	118	Boston	41
Other Towns	1,818	Other Towns	705
<b>Total</b>	<b>4,204</b>	<b>Total</b>	<b>2,201</b>
Source: US Census, 2000, Journey to Work data.			

Employment in Millis is projected to increase slightly by 2020, especially in the retail sector, and decline slightly by 2030 due mainly to diminishing employment in “basic” industries. Neighboring towns and the region provide a relatively higher proportion of jobs in the service sector, which is expected to grow over the next two decades.

Employment Projections

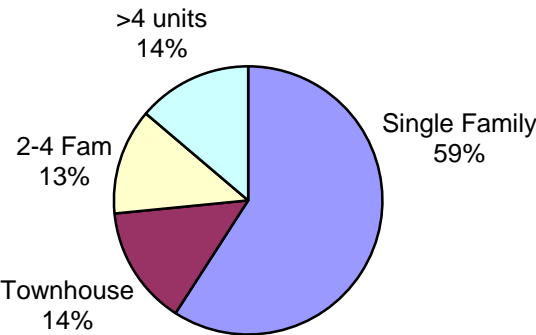


Source: MAPC, Regional Growth Projections, Employment Projections.

Housing Trends

As of 2010, Millis had 3,158 housing units, an increase of 92 units since 2000. About two-thirds of the housing units in Millis are single family homes. The balance of housing units is equally distributed between townhomes, two-to-four family structures, and larger apartment buildings. Eighty percent of households in Millis are homeowners. The number of homes in Millis has grown by a moderate 12 percent since 1990, comparable to Holliston and Sherborn. In contrast, Franklin, Medway, and Norfolk have seen a very high rate of new housing construction.

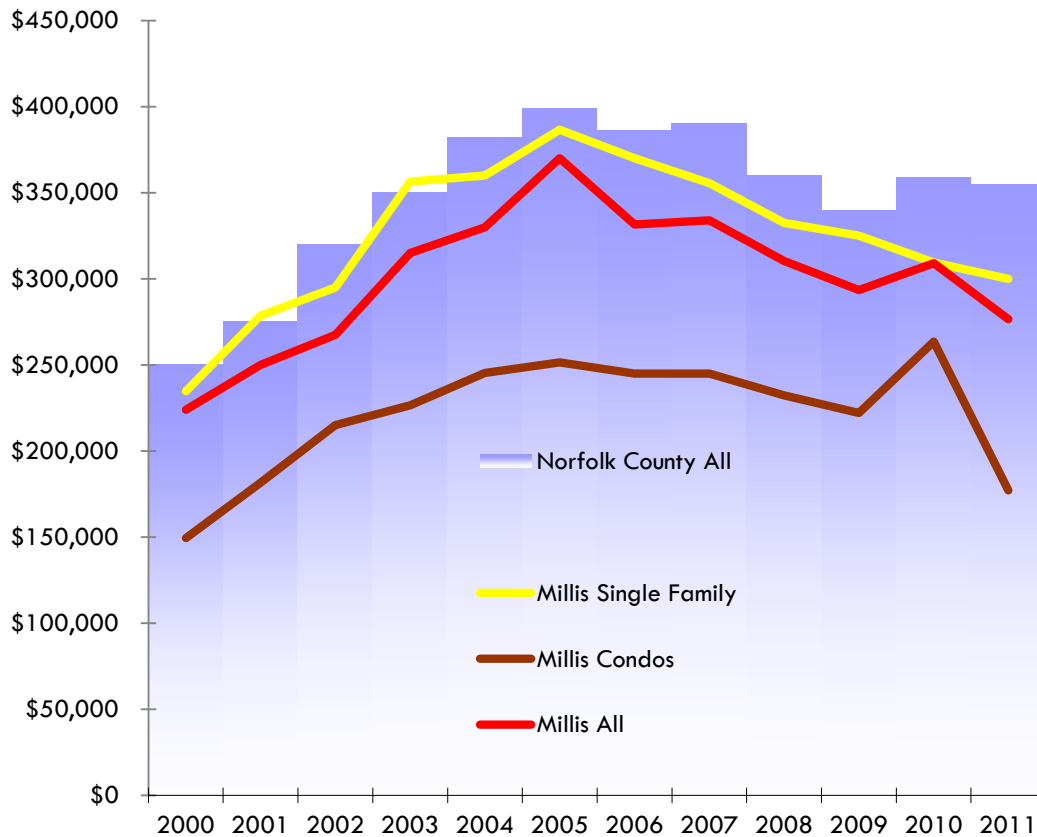
Existing Housing Types in Millis, 2010



Millis' home prices are low compared with neighboring communities. Multiple Listing Service (MLS) reports the average selling price in Millis for single family homes is currently at \$248,750 (January–March 2012). The median price for single family homes in Millis was \$300,000 in 2011, while the median price for condos was \$177,000. Medway, Franklin and Holliston are closest in value with median prices less than \$400,000, while

median prices are much higher in Medfield, Norfolk, and Sherborn. Details on residential market data are provided in Appendix 1.

#### Median Sales Price in Millis and Norfolk County, 2000-2011



Source: The Warren Group.

The average assessed value of all single family homes in Millis in FY2011 was \$339,000, nearly double the average value of \$181,000 in FY2000.<sup>2</sup> In contrast to median sales price which peaked at about \$386,500 in 2005, assessed valuation continued to rise through 2008, when average valuation peaked at \$394,000. Still, home values in Millis are consistently lower than average for Norfolk County.

<sup>2</sup> Massachusetts Department of Revenue. Sales price reflects the market value for a selection of homes which were sold during the period recorded; average assessed value captures the estimated value all of the town's single family housing stock each year.

Table 11: Regional Housing Market, 2010				
Community	Single Family Homes		Condos	
	Median Selling Price	# of Sales	Median Selling Price	# of Sales
Franklin	\$362,000	235	\$189,900	49
Holliston	\$370,000	133	\$368,000	35
Medfield	\$501,000	118	\$199,250	14
Medway	\$335,000	111	\$218,000	17
<b>Millis</b>	<b>\$300,000</b>	<b>71</b>	<b>\$177,000</b>	<b>22</b>
Norfolk	\$423,200	75	\$405,640	19
Sherborn	\$725,000	58	\$215,000	3
Source: The Warren Group, January – December, 2011.				

Between January 1 and April 1, 2012, 16 properties were sold in Millis. Approximately two-thirds of the homes currently on the market are single family.<sup>3</sup> From March 2011 to March 2012, 63 single family homes sold in Millis with an average length of time on the market of 123 days.<sup>4</sup> During the same period, 22 condos sold with an average length of time on the market of 181 days.

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<sup>3</sup> Multiple Listings Services, Trulia.

<sup>4</sup> Dave Mathews, Realtor, Century 21.

## Market Analysis

### Residential

#### Estimated Housing Demand

This analysis determines the approximate demand for various housing types by estimating preferences of various household types. The results show there are currently sufficient numbers of single family homes, two-family, and apartment units to serve the needs of Millis residents. However there appears to be unmet demand for multi-family condos and housing types to serve the needs of seniors, such as assisted living or manufactured home communities.

The Household Types categories and preferences (shown in Table 9), were developed by Larry Koff & Associates based on trends and observations from a range of studies. Families with children and older adults are most likely to prefer single family homes, while seniors, young adults, and other types of households have more varied housing preferences, reflecting economic and lifestyle situations. While this comparison reflects current (2010) population, the types of housing that are under-represented are also most appropriate for the population groups that are expected to grow in the coming decades, for example, individuals or couples over 65 years and older.

Table 12: Estimated Housing Demand – Alternative Housing Types							
Household Types	Est. 2010 Total HHs	% of HH (2010)	Estimated Housing Type Preference <sup>(1)</sup>				
			Single Family Homes	2-Family or Townhouse	Multi-family Condo	Multi-family Rental	Other <sup>(2)</sup>
Individuals or Couples, Age 75+	242	8%	61 25%	61 25%	48 20%	36 15%	36 15%
Individuals or Couples, Age 65-74	303	10%	121 40%	76 25%	61 20%	30 10%	15 5%
Indiv./Couples, Age 35-64, No Children	1,091	36%	818 75%	109 10%	55 5%	109 10%	0 0%
Young Adults, up to age 34	333	11%	83 25%	83 25%	83 25%	83 25%	0 0%
Households with Children/Families	758	25%	606 80%	76 10%	38 5%	38 5%	0 0%
Single Parent Families	303	10%	121 40%	76 25%	45 15%	61 20%	0 0%
Total (% of total)	3,030	100%	1,810 60%	481 16%	330 11%	357 12%	51 2%
Source: 2010 US Census, LKA							
(1) Approximately half of the two-family/townhomes are assumed to be rental units.							
(2) May include manufactured home community, assisted living, nursing home or other group living arrangement.							

Condos and multi-family apartments in a village setting, with proximity to retail and services are attractive alternatives for older households seeking to downsize their living arrangements, as well as young adults. Perception of safety, a walkable environment, and enhancement of the Town Center's historic character will help to support demand for both ownership and rental housing to meet these market segments. Lack of convenient highway or transit access, on the other hand, may limit demand for multi-family housing targeted to commuting households.

A comparison of home values to household incomes in Millis shows that the market is concentrated at the moderate-to-middle income range. Homes valued between \$300,000 and \$500,000 are affordable to moderate- and middle-income households (earning 80-120% of area median income, which was \$91,000 in 2010).

Table 13: Household Income Categories	
Low	24%
Moderate	21%
Middle	28%
High	27%
Source: 2010 American Community Survey 5 year estimates; Fannie Mae.	
Household Income grouping is based on approximate area median income of \$91,600 in 2011. Low: 50% of median; Moderate: 80% of median; Middle: 120% of median; High: greater than 120% of median. Home Value grouping based on the price that would be affordable to purchase at each income range.	

## Housing Market

According to interviews with local realtors and developers, the lack of prime developable land and regulatory constraints have limited new housing development in Millis. Newly constructed homes rarely come on the market, while older subdivisions and multi-family developments need updates. With retail amenities, small-town atmosphere and relatively affordable housing, the residential market Millis is on par with neighboring communities. There is pent-up demand for well priced, newly constructed homes (around \$400,000 for 2,000-2,500 square feet). There is also demand as well as for quality town home or multi-family units.

While currently low interest rates favor homeownership, Millis has a stable market for rental housing. One-bedroom units rent for \$850–1,000 and two-bedroom units for \$1,000–\$1,500. Existing multi-family developments include Stoneybrook, located off Milliston Road behind the Roche Brothers Plaza (managed by Corcoran). Other rental units are located primarily in smaller apartment complexes and duplexes scattered throughout the town. Overall, there is limited availability or selection of apartments in town.

As previously stated, Millis' emerging town center exhibits a par market for multi-family housing in to provide alternatives for older residents wishing to downsize, as well as younger households. The location of the study area, with its proximity to shopping and services, is appropriate for higher-density housing types. The elimination of obsolete



industrial structures, combined with preservation and enhancement of historic resources will elevate the value of homes on the Town Center properties and surrounding neighborhood.

These findings align well with Millis' overall housing objectives and known needs. The Town's 2000 Comprehensive Plan and 2004 Community Development Plan identified a need for housing to serve a growing empty-nester/senior population, as well as young adults. The plans both encourage higher-density housing in the Town Center, including mixed-use, adaptive reuse, infill and senior housing. The Economic Development Strategy prepared as part of the 2004 Community Development plan suggests that uses more compatible with the neighboring residential area on the GAF parcel would help to elevate the quality of life and value of the surrounding neighborhood. A higher-density residential development with renovation and reuse of the historic structure could fit the vision outlined in these plans and provide needed housing alternatives.

It is our assessment that market conditions would support approximately 200,000 sq ft. of residential development (200 units of 1,000 square feet each) over the next five to ten years, including a mix of single family homes and higher density housing including townhomes, condos, and/or assisted living.<sup>5</sup> The study area parcels in the Town Center are optimally located to absorb much of this growth.

## Commercial

### Retail Gap Analysis

Retail gap analysis provides a comparison of *demand* within a geographic area (the estimated spending potential of area residents for various types of goods and services) and *supply*, or sales of those goods and services. The size of the difference between the estimated demand and actual sales, or demand minus supply, is the "retail gap." Where estimated purchases by area residents exceed estimated area sales, the retail sector is described as having "leakage," because residents on balance leave the trade area to make purchases. A "surplus" occurs where estimated sales exceed estimated expenditures by residents, indicating that customers come from elsewhere to make purchases in the trade area.

Three trade areas were identified for the gap analysis reflecting the strongest potential customer base for Millis' town center commercial district, shown in the map below.

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<sup>5</sup> Assuming approximately 1-2% of households in the town seek to change their housing each year (based on the proportion of homes sold), half of whom might be accommodated in new housing, averaging 1,000 square feet per unit for all types.

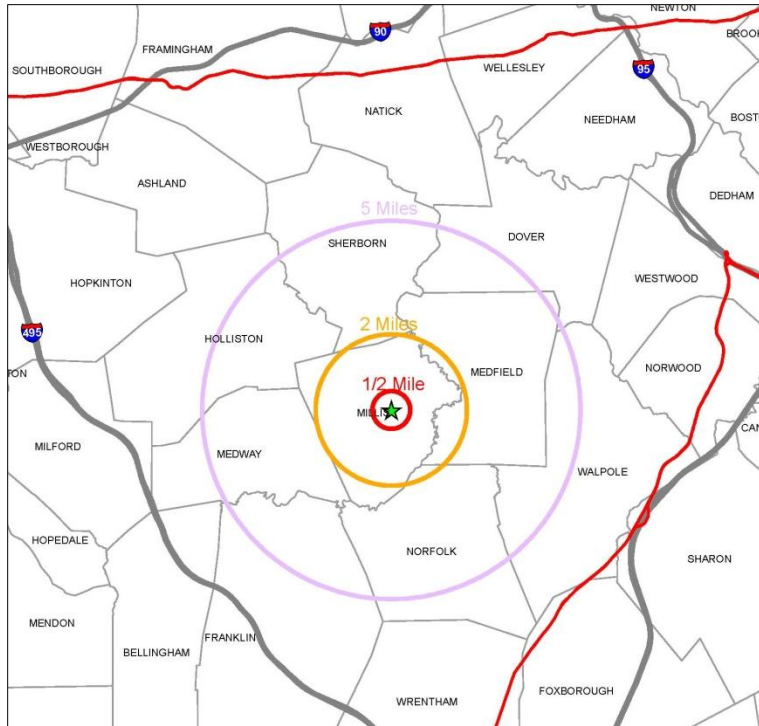


Table 15 provides a detailed analysis of leakage or surplus for selected spending categories most relevant to Millis Town Center omitting categories such as gas stations and non-store retailers. A full list of retail sectors in greater detail is provided in Appendix 2.

Table 14, below, summarizes the surplus or leakage in broad groupings of retail categories that relate specifically to downtown commercial activity. Convenience Goods include

grocery and specialty food stores, drug stores and florists. The Entertainment category includes restaurants, eateries and drinking establishments. Shopping Goods include furniture, apparel, gifts, hobbies, used merchandise (which may include vintage or antique stores), as well as other types of purchases.

Table 14: Retail Gap Analysis Summary			
	Millis Town Center, 1/2-mile radius	2-mile radius	5-mile radius
Convenience Goods, Food	Surplus in grocery stores, beer & wine, pharmacy, and florists. Leakage in specialty foods, cosmetics, optical, and other health & personal care.	Surplus in food & beverage (except specialty foods), and florists. Leakage in health & personal care, and specialty foods.	Leakage in supermarkets, florists, cosmetics & optical. Surplus in specialty food, beer & wine, and pharmacies.
Entertainment (Restaurants, bars)	Surplus of full service restaurants. Leakage in limited service restaurants and drinking establishments.	Similar to Millis Town Center.	Leakage in all types of eating and drinking establishments.
Shopping Goods	Surplus in home furnishings, hardware, and stationery & gifts. Leakage in furniture, electronics, apparel, sporting goods, books & music, and general merchandise.	Surplus in home furnishings, computer & software, and hardware. Leakage in stationery & gifts, appliances, and other similar categories as Millis Town Center	Surplus in music. Leakage in all other shopping goods categories.

Millis Town Center is strongest in the Convenience and Shopping Goods categories, with few entertainment-oriented establishments. The gap analysis indicates a similar profile at 1.5 miles, with potential for more health and personal care and miscellaneous retail. At the 5-mile radius, the retail gap analysis reflects the fact that the retail corridors along the peripheral highway network pull shoppers from throughout the region, while lack of highway access has discouraged major retail activity within this area. Notably, there is a leakage in apparel, sporting goods, hobbies and books throughout the trade area.

The smaller the geographic area the greater the imbalance between demand and supply is likely to be. In Millis, for example, the town center has no household appliance stores, thus there is 100 percent leakage in this category. Conversely, destination stores like Ann & Hope and Roche Brothers contribute approximately five times the volume of sales as estimated demand for home furnishings and food and beverages within the half-mile trade area. Over a broader geographical area, such extreme differences between retail demand and supply diminish.

The gap analysis data and findings do not lead directly to conclusions about commercial opportunities. Leakage for certain types of stores—such as general merchandise department stores—is the result of the prevalence and popularity of highway-oriented “big-box” stores, which draw from a regional market. For these spending categories, it is often not feasible for smaller, downtown shops to compete with these types of establishments.

A surplus may indicate an area is saturated with a certain type of store. For example, a surplus in supermarkets at the ½ mile and 2 mile radius reflects the presence of a single regionally oriented retail operation. On the other hand, a surplus in other categories may indicate that the town center provides an advantageous location for certain types of stores (for example, hardware stores and pharmacies), or a niche that can be built upon and made more attractive, such as home furnishings and gifts.

Table 15: Retail Gap Analysis			
	½ mile	½-2 miles	2-5 miles
Est. Population in 2011	2,187	5,839	50,822
Est. Households in 2011	886	2,216	17,066
Est. Median Household Income in 2011	\$74,803	\$82,409	\$104,693
Total Estimated Spending Potential	\$40,207,223	\$109,064,758	\$960,671,131
Total Estimated Actual Store Sales	\$53,762,177	\$64,746,443	\$368,268,139
Total Retail Trade and Food & Drink Gap/Surplus	\$47,181,577	\$44,318,315	\$592,402,992
Motor Vehicle and Parts	\$6,945,625	\$18,408,022	\$156,564,274
Furniture & Home Furnishings	(\$1,201,505)	\$447,751	\$11,109,310
Furniture Stores	\$482,918	\$1,393,150	\$650,242
Home Furnishings	(\$1,684,423)	(\$945,399)	\$4,359,068
Electronics and Appliance Stores	\$888,979	\$831,970	\$20,132,083
Appliances, TVs, Electronics	\$661,639	\$1,801,076	\$15,538,564
Computer and Software	\$181,460	(\$1,092,363)	\$3,485,936
Photographic Equipment	\$45,880	\$123,258	\$110,7583
Building Material, Garden Equipment	\$1,763,564	\$6,414,999	\$69,498,367
Hardware Stores	(\$1,230,623)	(\$277,893)	\$3,879,532
Food & Beverage	(\$25,800,311)	(\$4,487,436)	\$51,725,010
Supermarkets	(\$25,690,744)	(\$4,299,225)	\$59,834,830
Convenience	\$105,404	(\$239,665)	\$6,842
Specialty Food	\$148,648	\$278,285	(\$2,225,417)
Beer & Wine	(\$363,619)	(\$226,831)	(\$5,884,403)
Health & Personal Care Stores	(\$4,873,654)	\$888,925	(\$800,599)
Pharmacy	(\$5,129,838)	\$140,365	(\$3,041,590)
Cosmetics	\$71,725	\$190,296	\$1,367,813
Optical	\$53,756	\$211,569	\$1,663,877
Other Health/Personal Care	\$130,705	\$346,696	(\$790,698)
Clothing & Accessories Stores	\$1,946,778	\$5,301,880	\$45,159,098
Clothing	\$1,410,403	\$3,970,661	\$34,189,893
Shoes	\$255,288	\$638,717	\$5,605,828
Jewelry, luggage, leather goods	\$281,088	\$692,503	\$5,363,378
Sporting, Hobby, Book, & Music	\$799,127	\$2,061,944	\$8,877,764
Sporting goods, hobby, instruments	\$522,951	\$1,429,025	\$8,653,213

Books and periodicals	\$170,206	\$415,118	\$1,872,193
Music	\$75,969	\$217,800	(\$1,647,642)
General Merchandise	\$5,211,599	\$13,224,287	\$113,672,269
Miscellaneous Retail	\$225,852	\$2,100,209	\$17,712,257
Florists	(\$65,784)	\$131,676	\$1,362,477
Office Supplies, Stationery, Gifts	(\$234,766)	\$854,819	\$8,912,043
Used Merchandise	\$70,103	\$121,559	\$1,533,981
Other Miscellaneous Store Retailers	\$456,298	\$992,156	\$5,903,757
Food Services & Drinking Places	\$1,504,908	(\$11,359,430)	\$37,485,471
Full Service Restaurants	(\$302,564)	(\$723,166)	\$17,296,075
Limited Service Restaurants	\$1,316,251	\$2,908,751	\$14,683,254
Drinking Establishments	\$122,020	\$70,738	\$4,364,355
\$ = Leakage, (\$) = Surplus			
Source: Nielsen /Claritas			

## Market for Commercial Space

As with the analysis of the housing market, an assessment of the commercial market indicates the potential for the project area to support a revitalization program which includes commercial activity. With greater visibility and access via Route 109, Ann & Hope property is most appropriate for commercial uses. Retail, in particular, would be highly sensitive to this aspect. By contrast, the GAF parcel could accommodate a limited amount of commercial space for office or cultural uses.

## Retail

Retail stores in the area, including Roche Brothers, Ann & Hope and the Ace Hardware adjacent to the Ann & Hope site reportedly draw customers from throughout Millis and all of the surrounding communities. These stores provide higher value and more convenience for shoppers within the five-mile trade area to obtain basic goods. On the other hand, the difficulty of filling vacancies in the area indicates that the market for retail space—especially smaller spaces that serve independent retailers—appears to be saturated in the short term. Both Centennial Place and Millston Plaza have current vacancies, and there is approximately 30,000 square feet of vacant retail space within the surrounding communities. Retail space is renting for approximately \$18 per square foot within Millis and at least \$10 more per square foot along Route 109 and at I-495 in Bellingham. <sup>6</sup>

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<sup>6</sup> Jeffrey Germagian, ERA Key Realty Services, Millis, MA.

While the distance from major highways may inhibit the attraction of national retailers (aside from the existing convenience-oriented grocery and drug stores), there is still potential for Millis to strengthen its position as a mid-sized regional center for basic goods. One to two additional retail anchors might complement the existing destination stores (Roche Brothers and Ann & Hope). In particular, apparel and sporting goods are under-supplied in the market area. Additional food or drug stores might also choose to locate in proximity to the existing markets. Anchor stores with either higher quality merchandise or low-end discount merchandise could complement the existing anchor stores. Given improvements in economic conditions and the establishment of more intensive retail presence, larger retail spaces (25,000 square feet and over) could be supplemented with smaller retail specialty shops, as well as restaurants – including family dining (e.g., Bertucci's), and limited service or fast food establishments (e.g., Panera). Additional small retail spaces without anchor tenants are not likely to be as successful, and will compete with the retail space in the traditional end of the town center.

It is our assessment that market conditions would support 50,000–100,000 square feet of new or renovated retail space over the next five to ten years (assuming improved economic conditions), most or all of which should be located on the Ann & Hope parcel, having frontage on Route 109/Main Street.<sup>7</sup> Retail space will not be constructed without committed anchor tenants, which may be accomplished in a shorter time frame through active marketing and recruitment of prospective stores. We do not recommend additional retail on Union or Curve Streets because it would be less visible and might inhibit the absorption of retail on Main Street. An exception would be retail that is accessory to an office use, such as optical or medical supplies supporting health services.

## Industrial<sup>8</sup>

Though project area is historically industrial, the present vacancy of the sites is a testament to the obsolescence of these uses due to changes in the economy, technology and transportation. The existing buildings at the Ann & Hope site are in fair condition and are dimensionally suited for warehouse/distribution uses. However, the distance to the regional highways has been the primary challenge in attracting tenants to this location. Competition from warehouse space located closer to Interstates 95 or 495 detracts from the local industrial market. Comparable large spaces are available in industrial parks in Franklin and Bellingham and rent approximately \$4–\$5 per square foot. Ann & Hope warehouse space has been marketed at a discount of \$1–\$1.50 below average for the Metrowest market, yet this space has still remained mostly vacant for the past ten years.

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<sup>7</sup> This estimate does not include maintaining the existing Ann & Hope retail and warehouse space.

<sup>8</sup> Though this study did not intend to rigorously analyze the market for industrial space, we provide an overall assessment of this sector.

The existing building dimensions and layout make the Ann & Hope warehouse space is less suitable for other types of industrial uses. The high ceilings and location of loading docks would be inefficient and uneconomical for manufacturing operations. The rail spur could be beneficial for some industrial uses, but it would require significant investment to reactivate the line. Again, there is available space more suited for manufacturing located closer to the highways with active rail access.

While a unique site and location, redevelopment of either parcel for build-to-suit industrial, warehouse or distribution facilities would not likely be feasible given the low value of industrial space in Millis' location at this time.

### **Other Commercial Uses**

Office space in both Centennial Place and Millston Plaza is fully occupied, although it was reportedly slower to fill than retail. Office space is renting for around \$16 per square foot. Potential users of office space in Millis are primarily limited to businesses serving a locally oriented market. Medical services have the highest potential for growth in this location, especially if new housing increases residential density. The location of assisted living facilities in or near the study area would especially support medical services.

Another alternative commercial use that could be appropriate for the study area location is an indoor sports complex. A large scale facility is located in Norfolk, where ForeKicks has an 85,000 square foot complex with indoor fields, courts, fitness center, driving range, and function center and lounge. Adjacent to the study area, Golds Gym is expanding at Millston Common, to provide a dedicated space for children's recreation and fitness programs. As a reuse alternative, a large facility that accommodates field sports would require new construction, since the dimensions and structural columns in the existing vacant warehouse space would be unsuitable. However smaller indoor recreation facilities such as inflatable gyms (i.e., Pump it Up in Franklin), indoor rock climbing (Exxcel in Newton), or a gymnastics, dance or martial arts facility could possibly be retrofitted in the existing buildings.

### **Residential/Mixed Uses**

Millis Town Center has been fortunate to attract new mixed-use development in the ongoing construction of the Centennial Place development at 969–975 Main Street. Surrounded by traditional mix of residences, businesses and civic uses in a walkable environment, this “vertically integrated” mixed use is a model of village center, smart growth development. One of the critical elements that made this development successful is the small scale and close integration with surrounding land uses. Additionally, the developer was able to use the adjacent municipal parking lot—developed in tandem with Centennial Place—count towards the project parking requirement. Without this deal, the development would not have been feasible. The Town also actively supported Active supported the development by coordinating with the developer through the permitting process.

On the eastern end of the town center, the larger scale of properties in the study area and lack of pedestrian connection—particularly along Main Street/Route 109 —make a vertically integrated mixed use development more challenging and risky. A limited



demand for small retail spaces further impacts the feasibility of providing substantially more retail and residential use in the same buildings. A development that combines residences in separate buildings behind retail space concentrated on the street frontage could be more appropriate for the study area. Allowing development to be phased so that either the residential or commercial space could be completed first as it can be quickly occupied can help to facilitate mixed-use development.

## Other Development Considerations

Redevelopment and/or reuse of prominent obsolete industrial structures at the gateway to Millis' Town Center will enhance the town's image, supporting commercial and residential investment. Both the Town and property owners have invested in planning, infrastructure improvements, and management. However, the long term vacancy of prime commercial space in spite of these efforts indicates the redevelopment or reuse barriers which will need to be addressed.

### Redevelopment versus Reuse

Both the Ann & Hope and GAF properties are old industrial structures that cannot easily be adapted for current uses. Redevelopment therefore is the most viable long term reuse strategy.

The Ann & Hope parcel currently has approximately 300,000 square feet of commercial space, of which 80,000 square feet is occupied by the Ann & Hope store's retail and storage area. There is about 220,000 square feet of vacant industrial square feet in habitable condition. The commercial space is divided among a total of five buildings which were constructed on at different times, with a range of building conditions. The most recent



additions are Buildings "A" and "B" (see photo), which are most suitable for warehouse and distribution purposes. The oldest is Building "C" a one-story brick factory building that dates back to the early twentieth century.

Photo courtesy of Ed Glod, Facilities Manager, Ann & Hope, Inc.

While the original factory building is mostly obscured from view, the Clicquot Beverage Factory chimney attached to Building “B” stands as a landmark of historic significance to the town.

On the Ann & Hope site, the square, one-story, brick, former Cliquot Beverage factory building would be most suitable for some type of commercial reuse. However, the rear-lot location limits some of its commercial reuse value.

The GAF property operated as a roofing material factory for over 100 years, closing about four years ago. The property is mostly occupied by a collection of structures including sheds and machinery which were designed for a single purpose and have no reuse potential. However, a handsome stone entrance building and tower near the front of the GAF site, listed on the state historic register, could merit preservation. A more detailed assessment would be required to determine whether this structure might be retained as part of some future redevelopment. Historic tax credits could help finance adaptive reuse of this building, if such redevelopment is feasible. Because the existing building is rather small, the footprint would have to be increased to accommodate other uses, which might include offices, a community center or other amenities to compliment residential development on this site. This type of arrangement is illustrated in Development Scenario 2 (see, Development Scenarios, next section).

## **Environmental Conditions**

The GAF site has been in the process of environmental remediation since the 1990s. According to reporting from the Massachusetts DEP, the property does not pose a safety risk based on current or reasonably foreseeable land uses – including residential uses. The parcel has a status of “No Substantial Hazard,” and the current bioremediation program, coupled with natural degradation is expected to achieve a permanent solution of “No Significant Risk”. Currently, there is soil contamination from 4–12 feet, but not from 0–3 feet. There would be a concern around excavation and groundwater contamination if the intent was to use groundwater as current or potential sources of drinking water.<sup>9</sup>

The Ann & Hope site has a natural spring which historically supplied beverage manufacturing operations both on and off site. Since a contamination event occurred about 30 years ago, the well has been used commercially primarily for supply of pool water rather than drinking water. Drinking water is dispensed from a kiosk on site. Upgrades to the well would be required to allow future distribution for drinking water purposes.

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<sup>9</sup> MA Department of Environmental Protection 2011. See Appendix 3 for summary of Response Action Outcome (RAO) Statement.

## **Infrastructure**

Millis is unique in that its town center properties are served by water and sewer infrastructure that can support commercial and residential development at the densities suggested in the market study. However, the Town has stated that they will not retain the sewer capacity for these parcels if there is not redevelopment activity in within the next ten years.

### **Bay Colony Railroad Spur**

As previously described, a railroad spur off of the Bay Colony freight line divides the GAF and Ann & Hope parcels, and continues to an additional industrial area at 1081 Main Street. Historically, this track served both of the adjacent industrial operations, and, until several years ago, the GAF factory used this line to access the 1081 Main Street warehouse. However, most recently, the line has not been in use at all.

Bay Colony Railroad has a perpetual freight easement for this rail line. The company recently stated that they are interested in securing new customers on the industrial properties in Millis (which include the GAF parcel). They plan on continuing to operate the railroad as a freight line for the foreseeable future.<sup>10</sup>

The current and future use of this rail line will greatly affect reuse possibilities and the value of the parcels. At present, the most likely prospect is that the rail line will remain an industrial spur. Industrial users could find the presence of the rail line to be advantageous enough to make this investment. However, continuation of this rail line, whether unused or in freight use could be a detriment to residential development on the Town Center properties.

Though a long-term prospect, passenger rail would catalyze development of the Town Center properties (and the rest of the town center in general) and greatly enhance the development potential and value of area properties. A final possibility is to incorporate the Bay Colony rail line right-of-way into the Bay Colony Rail Trail, a project in the planning stages that will run from Needham to Medfield.<sup>11</sup> Were the trail to be extended to Millis it would provide immediate benefit to residents and value to the Town Center properties by creating a pedestrian link between the eastern and western ends of town and regional trail access. A recreational trail or passenger service rail line with a station within one-quarter mile would be much more compatible with residential redevelopment, especially at the rear of the study area parcels.

## **Financial Feasibility for Redevelopment**

This study has shown that there is limited market potential for conventional retail or residential development. Given the likely need for demolition of existing buildings on both properties and the particularly high site preparation costs for the GAF property, the Town

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<sup>10</sup> Bernard Regan, Senior Vice President for Marketing and Sales, Bay Colony Railroad.

<sup>11</sup> Bay Colony Rail Trail, baycolonyrailtrail.org.

and property owners will need to work together to craft sufficient incentives to enable redevelopment that will fit with the Town's goals for this location.

In order for new development to be attractive for a prospective developer, the potential rents must provide a sufficient rate of return on the cost of development. While it is not the primary focus of this study to investigate the potential financial performance of various development scenarios, it is important to assess the overall economics of the properties.

To redevelop the Town Center properties, we estimate that hard and soft costs combined would range from \$150–\$230 per square foot for commercial (closer to the lower value) and low-to-medium quality residential space (closer to the higher value). Based on these estimates, the potential development would have to command rents in the high teens for new commercial development, which would mean the development would most likely be retail or office.

Residential rents of \$2 per square foot are needed to support development of new apartments. While this exceeds typical residential rents in Millis, these rents are for housing stock that is older and is out of date. Modern construction with higher efficiency and quality may obtain rents closer to this range. Allowing higher-density residential development will help to lower development costs per unit, providing more flexibility in terms of design, community space and other amenities. Alternatively, a specialized residential development such as an assisted living facility might provide more value.

## Zoning

Zoning provides the framework for development potential. In any city or town, it is one of the most powerful municipal tools for land use and economic development. In Millis' case, since it does not own the Town Center properties, it is a critical lever to shape development outcomes on these parcels. The Final Town Center Properties Feasibility Study will include a complete zoning analysis. Below, we provide an outline of existing zoning regulations and key issues associated with them.

The current zoning for the Town Center properties includes:

- Commercial (C-V) district, which covers a 200-400-foot strip of the Ann & Hope property along Route 109.
- Industrial (I-P) district, which covers the remainder of the Ann & Hope property and the GAF parcel.
- Zone A Groundwater Protection District overlay, which covers the GAF property and part of the Ann & Hope property.<sup>12</sup>
- Zone II Groundwater Protection District overlay, which includes both parcels.

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<sup>12</sup> It is unclear whether Zone A regulations would apply to the Ann & Hope property. We will need the Town's guidance on interpreting the Zoning Map.

- Millis Center Economic Opportunity District East (MCEOD-E), which includes both parcels.

The arrangement of two base and three overlay districts create a confusing regulatory environment for the Town Center properties. Though some development constraints may be by-passed by using the MCEOD-E, this overlay district creates its own barriers to redevelopment. Below we outline some of the major issues with the current zoning.

- The overall assemblage of zoning districts is confusing and unclear.
- The MCEOD-E provides for retail or housing either in vertical or horizontal mixed-use form. However, all development is subject to a special permit from the Planning Board. This makes it excessively challenging to permit applicable development projects.
- To access the benefits of the MCEOD-E (which include more flexible dimension standards and exceeding the groundwater protection district lot coverage standards, which are extremely low) a development *must* propose mixed-use development. This means that one project must include two or more of the allowed uses. It does not allow for a situation where one developer might build a commercial building on a section of one of the parcels (after subdivision) and a residential use on another section. It also does not allow for single-use development on one of the Town Center properties, even though this might bring the benefits often associated with mixed-use development to the overall study area and surrounding neighborhood.
- Though the base district zoning could allow some feasible commercial and industrial development, these districts are subject to both Zone A and Zone II groundwater protection district standards. Though the Zone II standards are widely used throughout the state, the more stringent Zone A regulations may be obsolete. If so, they merely add another layer of confusion to the development process.
- Zone II standards limit lot coverage to 15% to 40% for residential or commercial/industrial development, respectively. The MCEOD-E offers relief from these requirements: they allow a developer to maintain the current lot coverage ratio if stormwater requirements are met; and they allow a developer to increase impervious coverage above 50% provided that the proponent creates an “off-site” recharge area.<sup>13</sup> However, these potential incentives may not be robust enough to justify their associated costs or overcome the discretionary nature of the MCEOD-E special permit process.

The next section, Development Scenarios, helps to show how different zoning configurations—including staying with the existing base zoning—relates to likely redevelopment alternatives.

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<sup>13</sup> For the Town Center properties, we estimate 97% impervious coverage for the GAF property and 40% for the Ann & Hope property.

## Development Concepts

In order to assess current market conditions and the viability of the current and suggested future zoning, the consultant team, in consultation with the property owners and the Town, has identified three development concepts. They are: Existing Zoning, Single, Intensive Uses, and Village Mixed Use. The concepts were established for the purpose of carrying out a market and site accommodation analysis that reflected both current site conditions and likely reuse alternatives given market conditions. The regulatory framework for an optimal redevelopment strategy should be reflected in the Town's zoning if revitalization of these properties is going to occur. Proposed zoning changes could combine elements of the various themes and/or allow flexibility for developers to determine the most marketable use and density.

While the analysis focuses on the GAF and Ann & Hope parcels, we include the Herman Shoe building so that its impact on potential absorption can be understood. Structurally, the Herman Shoe building is more compatible with a range of marketable uses. However, the property faces a similar range of barriers and opportunities as the other study site properties.

Existing Conditions			
	GAF	Ann & Hope	Herman Shoe
Parcel size	11.8 acres 514,008 sf	19.65 acres 855,954 sf	1.94 acres 84,506 sf
% Impervious (approximate)	97% of site covered with buildings, bituminous concrete, paving	60% of site covered by buildings and parking area.	60% of site covered by buildings and parking area.
Current estimate open space (pervious surface)	15,000 sf.; 3% of site	344,000 sf.; 40% of site	34,000 sf.; 40% of site
Building description (type, area, condition)	One story stone, wood and concrete block mfg. plant of between 95,000-114,000 sf with concrete sheds, a variety of sized storage tanks, and silos, rail siding, parking lot.	One story, steel truss, concrete floor and metal siding building, columns 40' on center.	Four-story wood frame building. First floor has larger footprint than upper floors. Loading docks but very little parking associated with site.
Current Use	Vacant, under remediation	Retail Store 30,000 sf Distribution/Storage 52,000 sf Vacant 220,000 sf	Vacant; recent improvements include roof, siding & windows, sprinkler, heating system.
Zoning	One base Industrial District as well as three overlay districts (Town Groundwater Protection districts (Zone A and Zone II) and the Millis Center Economic	Two base (Industrial and Commercial) districts as well as three overlay districts (Town Groundwater Protection districts (Zone A (partial) and Zone II) and the Millis Center Economic Opportunity Overlay	Same as GAF.

	Opportunity Overlay district).	district).	
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For each of these concepts, a sketch site plan and development program has been identified.<sup>14</sup> The concepts reflect a likely zoning framework which would permit different densities and a mix of uses taking into account both current and projected market conditions as well as as-of-right and multifamily zoning densities in the area. Concept I would assume existing zoning. Concepts II and III would require modifications to the underlying and overlay zoning to permit the suggested development.

The development program for each concept is summarized in the Development Concepts summary matrix, below. The review committee, property owners and residents will need to consider what development program or mix of programs can be supported by the owners, residents, and Town officials.

A viable development option will also have to take into account the goals and desires of the current owners. The owner of the Ann & Hope parcel has continued to operate a discount home furnishing operation for many years. Continued retail use utilizing as much of the existing structures with some warehousing has seemed to be the preferred use

GAF, the longtime owner expects to market the property upon completion of remediation. The new owner would be expected to clear the site and seek town approval for a new use. Residential occupancy is currently considered by the present owner to be the highest and best re-use of the property.

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<sup>14</sup> See Appendix 1. Site plans were created by Bluestone Planning Group.



Development Scenarios Summary									
Features	1. Existing Zoning			2. Separated Uses			3. Village Mixed Use		
	Ann & Hope	GAF	Herman Shoe	Ann & Hope	GAF	Herman Shoe	Ann & Hope	GAF	Herman Shoe
Program	Reuse	Redev't	Reuse	Reuse/Redev't	Redev't	Reuse	Redev't	Redev't	Reuse
Use	Ret, WH	Ind	Off/Res	Ret	MF Res	Res/artist loft	Ret & MF Res	SF & TH Res	Off
Devel. Program	30,000 Ret, 270,000 WH	135,000 sf ind	48,000 sf artisan/manf space	170,000 sf (incl. A&H bldg.)	110-205 DUs; 500-1000 sf/du	30 DUs (1,500 sf/unit)	110,000 sf Ret, 72-108 DUs	110 DU (15 SF and 95 TH)	28,000 sf off; 20 DUs
# stories	1 floor	1 floor	Current	1 floor	2-3 floors	Current	2-3 stories MF Res	2 1/2-3 floors	Current
Density	Current (0.35 FAR)	0.26 FAR	0.56 FAR	0.2 FAR	10-17 DU/ac	0.56 FAR	11 to 17 DU/ac; 0.22 FAR for Ret.	10 du/ac	0.56 FAR
Parking spaces	Current*	200	Current or TBD***	685 **	165-305**	TBD***	440 sp. for retail; 108-162 sp. for res.	165	TBD***
% Imp.	60%	50%		50%	50%		50%	50%	
<p>Ret = Retail; Ind = Industrial; Off = Office; Res = Residential; SF = single-family residential; MF = multi-family residential; WH = warehouse; DU = dwelling units, TH= townhouse residential</p> <p>* Parking requirements are grandfathered as space is being re-tenanted, no additional parking required.</p> <p>** Residential parking is 1.5 spaces/units , Retail uses require 4 spaces/1,000 sf.</p> <p>*** Existing building has less than required parking. Expansion of parking area to meet current requirements will exceed allowable impervious surface under current zoning.</p>									

## Development Concept Descriptions

### Concept 1: Existing Zoning

The assumption is that the underlying industrial and commercial zoning will guide future re-use of the parcels. The current uses are grandfathered so that the parking requirements would not have to be met. Current open space would be maintained.

- The Ann & Hope buildings would continue to be tenanted under the current base zoning provisions, with retail and warehouse use as currently. The balance of current vacant space would be occupied with a limited recreation type use or additional warehouse operations. If existing zoning were modified to allow retail use by right, the existing buildings might be able to accommodate additional discount retailers. Existing open space and parking areas would be retained.

- The GAF building is demolished and the site redeveloped for industrial or office use in conformance with current parking requirements and 50% site coverage.
- The Herman Shoe building is reused as artisan/manufacturing space as allowable under existing zoning. Regulatory barriers (such as special permit and parking requirements) may need to be addressed in order to facilitate re-tenanting.

## Concept 2: Single, Intensive Uses

The market study has found that as the economy improves, concentrated single-use redevelopment of the parcels might be feasible. Commercial use under this theme would be concentrated along Route 109, strengthening the modern end of the town's commercial center. The north side of the train tracks would become higher density residential use that is compatible with the surrounding residential neighborhood, helping to support the vitality of the neighboring Town Center. The maximum allowed impervious coverage would remain at 50%. The underlying zoning would need to be changed to allow for these proposed uses as described below.

- The existing Ann and Hope retail and warehouse function would continue in approximately 55,000 square feet of the existing structure. The balance of the buildings would be demolished, allowing for the construction of three new free-standing retail stores of 30,000 – 50,000 square feet each, depending on building lay out. Parking as required in the Town's zoning bylaws (4 spaces/1000 square feet of development) would be provided along with a major open space on Main Street to provide a new "gateway entry town common" at the eastern end of the town center and also meet some of the impervious lot coverage requirements.
- A possible feature in this scenario is preservation of the landmark Clicquot Beverage factory chimney.
- The GAF parcel is proposed to be redeveloped as a multi-family housing complex. This might include some combination of assisted living and age restricted units to create a senior community of approximately 100 units, or it could be smaller condos or apartments for elderly housing at twice the density with closer to 200 units. The historic stone structure (GAF3) would, if possible, be preserved and incorporated into the building plan for this facility.
- The Herman Shoe building is renovated to provide thirty residential or artist loft units at approximately 1,500 square feet each, which might be for ownership or rental.

## Theme 3: Village Mixed Use

For this concept, new commercial development, is provided on the portion of the Ann & Hope site fronting on Route 109. There is moderate-density housing at the rear of the site, creating "horizontally integrated" mixed use. Development north of the train tracks on the GAF site would be limited to a residential use at a lower density than shown in Theme 2. The rail line is converted to a landscaped walking trail, which would help to strengthen the pedestrian connection between the east and west ends of the Town Center and the Charles River, and provide a reasonably attractive edge for the new housing on both

parcels to either side of the track. This plan also assumes that the underlying or overlay zones are modified to facilitate a more marketable mix of uses appropriate for the context of the study area

- The Ann & Hope site is redeveloped to have a mix of residential and commercial uses. The commercial (probably retail, but possibly medical office) would locate toward the front of the lot, and multi-family residences (for example, garden style apartments), would be located toward the back, and separated from retail uses by a buffer. The retail could be located in two 55,000 sq. ft. buildings. The residential units could be two- or three-story buildings, in nine clusters with approximate 72 to 100 total dwelling units.
- The GAF parcel is redeveloped as a residential area with one- to ten-family townhomes or small single family homeownership units a total approximately 100 dwelling units of market-rate housing. The historic structure may be preserved to house residential units or a community center. Given the limited density and location, no retail uses are proposed on the GAF site.
- The Herman Shoe building is reused as a mix of commercial (office) and residential space. The 18,000 square-foot ground floor could include retail or customer service associated with an office tenant, while the upper floors could accommodate about twenty dwelling units.