



MA Developer Aims to Build New England's Largest Life-Sci Campus in Boston Suburb

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By [Alex Philippidis](#)

Some 15 miles northwest of Boston, a Framingham, Mass., developer is looking to build what would be New England's largest life-sciences campus in a town that has long wrestled with how to develop what is currently the state's largest undeveloped parcel.

Patriot Partners anticipates that life-sci companies currently based in Boston and Cambridge, Mass., will generate enough demand for new space over the next several years to make viable its campus plan for the Boston suburb of Burlington, near its border with Lexington.

In phases stretching about 10 years, Patriot envisions building up to 2 million square feet of research-and-development and biomanufacturing space on the southern portion of a Burlington-owned, 247-acre tract bordered to the east by Route 3, and to the south by Route 128. The tract lacks access to either highway, which is why it is commonly called the "landlocked parcel."

"There are some companies that are always going to want to be in Cambridge, or in [Boston's] Longwood Medical Area. But there are also a growing number of companies that, at some point, find that their scientists are living in the suburbs, or that their operating costs are such that an attractive suburban campus is appealing to them," Stephen Rice, a partner with Patriot Partners, told *BioRegion News* last week. "We're highly confident that the demand will be there over time."

On July 21, Rice and other Patriot representatives formally presented the developer's plan to Burlington's nine-member Landlocked Parcel Study Committee. That committee, set to hold meetings Aug. 11 and 25, will study the project and issue a recommendation to the town's two decision-making bodies, the five-member Board of Selectmen and a 108-member elected board of citizens, called the Representative Town Meeting.

If the committee supports the project, Patriot will submit formal applications to the town Planning Board and other boards. The developer and town officials will also have to negotiate a price for the land. The 247 acres include not only the proposed life-sci campus, but an up-to-2,000-unit senior-citizen housing development to be built by

Erickson Retirement Communities, plus stores and restaurants. The senior complex and stores would rise on the parcel's northern end, near Bedford.

"About a third of the site would be life science, about a third would be open space, and a third would be senior housing," Rice said.

Patriot is not asking the town for economic subsidies, though Rice would not rule out their use in the future "if there's a large, potential tenant sometime down the road that feels they need to be incentivized."

The Landlocked Parcel Study Committee is giving the project a first look at the suggestion of the RTM's moderator, Phillip Gallagher. The panel consists of five RTM members: Chairman Nolan Glantz; Thomas Conley; Shari Lynn Ellis; Richard Howard; Phyllis Roussell; Burlington Selectman Ralph Patuto; Albert Fay, chairman of the Burlington Planning Board; Terry McSweeney, vice chairman of the Burlington Board of Health; and Larry Cohen, chair of the Burlington Conservation Commission.

Robert Mercier, Burlington town administrator, said in an interview the committee will "at least listen to the proposal and determine if they felt if it would be a good idea for the town to pursue with more concrete proposals. It's at the very beginning stages.

"The magnitude of the project is of some concern to a lot of people, but that's the opening salvo. I think Patriot Partners understands that," Mercier said. "They know there would have to be adjustments to what they are originally proposing. And that's frankly the purpose of the committee being established."

He said the citizens committee is expected to deliver a preliminary report to the RTM in late September, with a more detailed report planned for January 2009.

The parcel has touched off disputes over its potential development for more than two decades. Burlington acquired the property in 1985 through eminent domain, then entered into a development agreement with an entity of the Canadian-based retail developer Cadillac Fairview, which at the time envisioned turning the site into a mall.

The plan triggered a court battle that ended in 1991 when the Washington Teachers' Retirement System was given a 20-year option to purchase the site — an option Patriot recently purchased, with development in mind.

Should the committee shoot down Patriot's concept and the option expire, Mercier told *BRN*, the town knows what it would do.

"We as a community are going to be looking to do something with that parcel. We would have no issue with just putting out a request for proposals nationally as to what people may want to do with the property," Mercier said. "It's a very valuable, strategically located piece of property."

‘Growing Critical Mass’

Patriot hopes to tap into the growing number of life-science companies seeking a cheaper Massachusetts alternative to the historically high rents in Boston and Cambridge. Those companies will likely account for the majority of tenants at the Burlington project, Rice said.

The developer has cited figures showing that since 2001, 27 biotechnology companies have moved to Waltham and Lexington, occupying some 1.69 million square feet of space. Of the 27 companies, 19 were from Cambridge.

“There’s a growing critical mass already moving to the suburbs, which may be a source of growth. There’s also the phenomenon of big pharma feeling the need to be represented here, and coming into the market, too,” Rice said.

Among examples of life-sci companies expanding outside Boston and Cambridge:

- **Bristol-Myers Squibb**, which is transforming 89 acres once occupied by the barracks of former US Army base Fort Devens into a \$750 million, 400,000-square-foot biologics-manufacturing plant now under construction. BMS projects the new facility will employ 350 people when it is completed in 2010; in return, the company won \$60 million in state and local incentives;
- **EMD Serono**, which has announced a \$50 million expansion of its research site in Billerica. The expansion is expected to account for half the 200-person job growth that the US affiliate of Geneva-based Merck Serono expects to yield in Massachusetts through 2012. EMD Serono will build a 125,000-square-foot addition to its 85,000-square-foot Billerica campus [see [BRN, April 21](#)];
- **Altus Pharmaceuticals**, which plans to move and consolidate operations from 125,000 square feet in three Cambridge sites during the third quarter, after signing a 10-year lease last year for 168,736 square feet within two buildings at the Hobbs Brook Office Park in Waltham. The maker of protein therapeutics for patients with chronic gastrointestinal and metabolic diseases would occupy an 83,000-square-foot office building and an 85,000-square-foot lab building in the city. In 2006, Altus came close to a deal for expansion space at Patriot’s Lexington Technology Park; and
- **ImmunoGen**, a developer of anti-cancer drugs, which has already relocated its headquarters from Cambridge to Waltham, where it signed a lease for 88,930 square feet of space at 830 Winter St.

Earlier this year, a unit of British-based Shire announced it would proceed with a \$394 million expansion in Lexington. Shire Human Genetic Therapies will more than double its Massachusetts workforce over the next eight years by adding 680 staffers to the 675 individuals it now employs in the state. Shire plans to fill more than a half-million square feet of lab and office space in the Patriot-owned Lexington Technology Park by renovating a 125,000-square-foot facility and building two additional structures on

development pads: a 200,000-square-foot space and a 170,000-square-foot space [see [BRN, Feb. 19](#); [Sept. 10, 2007](#)].

Shire has become a key tenant for Lexington Technology Park, a 100-acre campus whose 293,000 square feet once housed the corporate headquarters of aerospace and missile-defense company Raytheon until it relocated in 2003 to a 150,000-square-foot facility within the Waltham Woods office park in Waltham. Shire's expansion has not created spillover demand that would drive development of the Burlington project, Rice said.

Shire has yet to tell Patriot it will proceed with the final piece of the expansion — whether to give Patriot the go-ahead to build a roughly 200,000-square-foot manufacturing plant at the tech park.

Rice said asking rents in Burlington will not be much different from those at Lexington Technology Park, which now range in the mid-\$30s per square foot net. By contrast, according to Jones Lang LaSalle, second-quarter average asking rents for life-science space averaged \$53.51 per square foot in the region's most expensive sub-market of Cambridge, not accounting for higher electric and other operating costs. Newly built lab space can fetch as much as \$70 per square foot, however.

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Burlington has at least one selling point for biopharma and medical device employers — the presence within the town of the Lahey Clinic, a physician-led, nonprofit group practice with nearly 450 physicians and more than 4,000 nurses. Lahey has made the America's Best Hospitals list of *US News & World Report* 11 straight years for excellence in urology, while the clinic's

Cerebrovascular Disease Center is considered a regional leader in treating strokes and brain aneurysms.

“As one of the communities around the ring road around Boston, we know that biotech and life sciences, that’s the energy in Massachusetts. That’s where the oomph is, the cachet is, and we know that. And we’ve been trying to develop our zoning to allow for it,” Mercier said. “We see where the emerging industry is, and we don’t want to miss out on that.”

To that end, he said, Burlington's Planning Board last week completed its approval of plans by the Gutierrez Co. to redevelop a 17-acre property, located across Route 3 from the landlocked parcel, into a three-building campus with 590,000 square feet of biopharma space, to be built in three phases.

The site was once occupied by the defense contractor M/A-COM, until corporate parent Tyco Electronics consolidated it with other units 14.5 miles north of Burlington in Lowell, Mass. Unlike Patriot's landlocked parcel, the Gutierrez property at 43 and 63 South Ave. has access to a major public street, nearby Middlesex Turnpike.

Dan Cordeau, an executive vice president at Jones Lang LaSalle's Boston office, said Gutierrez's project is one of two in Burlington that have completed approvals, and thus can draw life-sci tenants to the town much faster than Patriot's conceptual plan. "[Gutierrez] can get started right away. There are no intersection issues. They are prepared."

The second is the Northwest Park campus, where owner-developer Nordblom Co. has been approved for up to 2 million square feet of office space.

"It could, I can imagine, be converted to biotechnology space if somebody were interested in a large building," Cordeau said.

Nordblom also owns another Burlington commercial property, the former Sun Microsystems campus, that may soon house a growing medical device maker expected to construct its own building there. On July 17, the town planning board took up a request by Palomar Medical Technologies, a maker of laser and pulsed light systems for acne, hair removal, and other medical aesthetic treatments, for six special permits to allow construction of 180,000 square feet in two phases: a 130,000-square-foot building immediately, followed by a second building of 50,000 square feet some time in the future. The case was adjourned to Aug. 21.

As for Patriot, Cordeau added, "They're getting a lot of attention; everybody's talking about [their Burlington conceptual plan] everywhere I go. Considering what it is today, that's pretty remarkable because it's not much of anything today."

More than 30 miles south of Burlington in South Weymouth, Mass., developer LNR Commercial Property Corp. has proposed an industrial park for biotech manufacturers as part of a planned 2 million square feet of commercial space within its 1,442-acre SouthField mixed-use development planned by 2017 for the former South Weymouth Naval Air Station. The project includes 2,855 residences — 500 of them now under construction — as well as retail space, a sports complex, athletic fields, and possibly a hotel and movie studio.

Also in line for new life-science campuses are the cities of Boston and Cambridge themselves. The largest of the pending proposals is one in East Cambridge by Alexandria Real Estate Equities. The publicly traded real estate investment trust wants to build a \$1 billion, 1.5 million-square-foot laboratory-office complex in six buildings on 15 acres scattered over several properties it already owns off Binney Street, between Kendall Square and the CambridgeSide Galleria mall. The site would also include restaurants, underground parking, and four acres of undeveloped "open" space.

Alexandria's plans have run into local opposition, however, with the neighborhood group East Cambridge Planning Team urging the nine-member City Council not to change recently approved residential zoning for the REIT. Alexandria hopes to add the project to its Massachusetts portfolio of 4 million square feet in 40 properties.

Other projects include three by another San Diego-based REIT, BioMed Realty Trust, including the 705,000-square-foot Center for Life Science in Boston's Longwood Medical Area; a 420,000-square-foot space in East Cambridge; and a 277,761-square-foot space in Cambridge.

The pipeline of future urban projects will join a series of recently completed developments that have created several new options for companies pondering Cambridge or Boston. Those options contrast with the relative dearth of sites available in suburban areas such as Lexington and Waltham, Cordeau said.

“The Cambridge projects tend to do somewhat better, because if you think about the nature of the companies that take those very large facilities in Cambridge, they tend to be credit-worthy or financeable entities: Genzyme, Novartis, Merck, Vertex,” Cordeau said. “They are longstanding companies that say, ‘Yes, I’d like you to build 200,000 square feet for me. Get going.’ Whereas in a lot of the suburbs, a lot of the financeable companies have come out here and built their own buildings.”

Yet over the long term, Cordeau said, suburban campuses could be successful.

“There’s certainly a very large employment base out in the suburbs that is comparable to Cambridge, and as some of these companies in the suburbs grow and become financially viable, I don’t see why they wouldn’t want a building built in that beautiful Burlington type of environment,” he said.

However, hurdles for Patriot remain, among them the time it will need for securing approvals from officials and acceptance from life-sci companies. Those approvals include the town and state nods necessary for the landlocked parcel to be linked to public roads.

“The Burlington expansion, if all goes well, is going to be minimally three, four, five years before there’s anything under construction there,” Rice told *BRN*. “This is very preliminary. We think it’s the right use of this site, but we’ve got a long way to go. We’ve got to convince the town that that’s the case. There are a lot of infrastructural hurdles that have to be crossed, as far as gaining access to the site.”

One option for Patriot in surmounting those hurdles and funding road improvements for the project could be for the town of Burlington to tap into the Massachusetts Opportunity Relocation and Expansion Jobs program.

The program, known as MORE Jobs and enacted as part of an economic stimulus measure in 2006 by then-Gov. Mitt Romney, awards grants to local municipalities to help construct new infrastructure for projects that “result in the creation of a net increase of at least 100 new permanent full-time jobs in Massachusetts within 24 months upon receipt of grant,” according to state program guidelines, available [here](#).

Another possible funding source is the \$1 billion, 20-year, life-science initiative signed into law last month by Gov. Deval Patrick, officially titled *An Act Providing for the Investment in and Expansion of the Life Sciences Industry in the Commonwealth*.

According to the measure, available [here](#), half of the bill, \$500 million is set aside for the new Massachusetts Life Sciences Investment Fund, whose first purpose is “to stimulate increased financing for the expansion of research and development by leveraging private financing for highly productive state-of-the-art research and development facilities, equipment and instrumentation and by providing financing related thereto including, but not limited to, financing for the construction or expansion of such new facilities.”

Of the \$500 million set aside for the fund under the bill, \$299.5 million has already been earmarked toward infrastructure improvements for various life science-facility projects statewide [[BRN, June 16](#)].

On a new [web site](#) launched last week to promote its project, Patriot said the measure enhances its chances of creating a successful life-sci campus. “With the State Legislature’s recent passage of the \$1 billion life-sciences bill, world-class companies are currently incentivized to move to this region and continue to grow in Massachusetts,” Patriot stated.

“Located just 15 miles from downtown Boston and Cambridge, the proposed landlocked parcel campus will attract world-class life-science companies, which will retain a highly trained and professional workforce and create hundreds of new jobs for the region,” Patriot said on its web site. “The new life science campus will emphasize New England’s suburban charm, but provide the vibrancy of a modern technology and science center.”

The life-sciences campus would be Patriot Partners’ second project in Burlington in the past decade. In 2004, the developer completed the \$30 million, 16-acre Wayside Commons, an upscale outdoor retail mall or “lifestyle center” whose 190,500 square feet are configured to resemble a traditional New England town.

Patriot acquired the mall property, on Route 128, in 2002 from Raytheon for \$8.3 million, and later razed Raytheon’s old 207,000-square-foot lab-office building on the site.

“These developers have a history here — not a long one, but a good one. What they said they were going to do, they have done,” Mercier told *BRN*. “They are good people to work with, and we are pleased.”

Patriot hopes to receive the same support from town officials for its life sciences campus and senior housing plans for the landlocked parcel.

“Whenever we have developers and communities talking about bringing more properties online to serve his growing industry, it’s a good thing for Massachusetts and it’s a good thing for biotech,” Peter Abair, director of economic development for the Massachusetts

Biotechnology Council, told *BRN*. The council is an industry group with more than 500 members statewide.