



September 8, 2008

Mr. Nolan Glantz  
Chairman  
Landlocked Parcel Study Committee

Dear Mr. Glantz:

Thank you for your on-going comprehensive review of Patriot Partners' conceptual development proposal for the landlocked parcel. As stated in the May Town Meeting warrant, the mission of the Landlocked Parcel Study Committee was to study Patriot Partners' proposal and determine if the Town should further explore our proposed development ideas.

Over the past three months, we believe that we've presented an environmentally and fiscally responsible conceptual design, which has been modified to respond to public feedback and the Study Committee's concerns. We've supplemented this proposal with extensive technical information, which supports preliminary concepts and should allow reasonable deliberation on the merits of the proposal.

As the Committee prepares its report for September Town Meeting, we would encourage you to present an overview of the factual and technical data, which would allow individual Town Meeting Members to better understand the proposal and evaluate the Committee's report. We would also encourage the Committee to request that the Board of Selectmen undertake further analysis of our proposal and determine whether it's in the best interest of the Town (financially and otherwise) to negotiate with Patriot Partners on a land sale and development agreement. To that end, we urge the Study Committee to stay involved to support the efforts of the Selectmen and to continue exploring our proposal.

As you've learned over the past three months, Patriot Partners' conceptual development ideas consist of creating access to significant areas of community-accessible public/open space and recreational facilities, preservation of natural resources, and development of a life sciences campus and a senior housing community. Our conceptual design plan consists of the following:

- Preservation of 20 acres of wetlands
- Access to 100 acres of public/open space and recreational areas. And if the Town so chooses, this area could include the following:
  - Ballparks and multi-purpose fields for football, soccer, lacrosse, field hockey, etc.
  - Community recreation center
  - Outdoor amphitheater
  - More than four miles of walking/biking trails

- Development of a senior housing campus by Erickson Retirement Communities with 38 acres dedicated as landscaped areas and green space within the development.
- Creation of a world-class life sciences campus with 12 acres of landscaped areas and green space within the development.

Prior to having the opportunity to present this conceptual plan to the community, we analyzed a variety of development options. Please see the attached **Addendum A** for a comprehensive chart outlining the options we considered. Based on this deliberation, we determined that the concept before the Study Committee embodies substantial benefits from an environmental, social and economic perspective.

### **Historical Costs and Potential Revenue Generation**

Subject to a court approved settlement agreement, the Town of Burlington has expended nearly \$13 million on the “taking” of the landlocked parcel. This figure does not take into account the lost tax revenues over the same time period. Additionally, we understand that Burlington residents will be asked to fund millions of dollars in capital expenditures over the next several years. We believe that our proposal creates a significant revenue-generating source for the Town to sustain Burlington’s high-quality services and maintain a lower tax rate for its residents.

If the Town chooses to work with Patriot Partners to develop the landlocked parcel, in addition to the one-time payment to the Town, which would be a commercially reasonable sales price in excess of the option price, Patriot Partners’ proposal would generate up to \$82 million in net tax revenue for Burlington in its first 10 years. Our proposal also includes immediate fiscal benefits. We would pay the Town \$1 million annually until the project’s tax revenues exceeded that amount. These funds could be available for the Town’s use in handling capital expenditures, which in turn, could alleviate the burden on residential property taxes.

Additionally, vehicular access to the site from Burlington may conservatively cost upwards of \$30 million. In order to build adequate infrastructure, which meets all local/state permitting requirements and handicap accessibility, we need economic engines, such as the life science campus and the Erickson Retirement Community. This commercial development is necessary to afford access to the site.

### **Senior Housing**

The senior housing component owned and operated by Erickson Retirement Communities offers an outstanding, independent living environment for Burlington seniors. This affordable, independent living senior community is geared toward middle-income residents with annual incomes starting at \$25,000. Based on our research, there are about 4,700 seniors in Burlington and approximately 87 percent of them own homes. We believe that most Burlington seniors who own homes and have a modest pension could afford to live at Erickson and would save money by doing so when compared to maintaining their existing residence.

### **Flexibility of Design**

As we've discussed with the Study Committee to date, Patriot Partners' conceptual plan is merely a compilation of our ideas. Our ideas are based on the studies we have conducted to determine the most appropriate uses for the land given the site constraints and market realities, while collaborating with the Town to identify its needs.

For example, while we suggest using the 100 acres of public/open space for community accessible recreational amenities, this idea is just conceptual and the final decision will be the Town's. We look forward to working with the Town to address its recreational needs and to utilize this public/open space in the best possible way. We are ready and willing to come back to the drawing board with the Town when designing the fields, ballparks and recreation complex. Additionally, if the Town decides that these recreational uses would be better situated somewhere else in Town, we would work with the Selectmen to negotiate this as part of our development agreement.

### **Opportunity Now**

We believe that our proposal offers the Town an opportunity to work with a trusted, local developer that has a proven track record collaborating with community members to develop projects like Wayside Commons and Lexington Technology Park. By allowing the option to expire, the Town of Burlington runs the risk of entering into a lengthy and costly RFP process (with an uncertain result) and sacrificing the immediate benefits of Patriot Partners' proposal.

If Burlington wants to explore development options and ultimately build access to the parcel to allow for community accessible open space, the Town needs to consider and take advantage of several timing factors, each of which Patriot Partners is committed to working with the Town to address:

- Working with Nordblom/ Northwest Park and Gutierrez to ensure that roadway infrastructure improvements are coordinated and designed to alleviate traffic along Middlesex Turnpike and Route 3.
- Leveraging the state's life sciences bill that is allocating \$1 billion for economic development in the life sciences field as well as several other new initiatives. With several large-scale projects being developed, the state will recognize this area of Burlington as a critical mass of economic development and job creation. In turn, it may award the Town needed funding for roadway improvements and assist with infrastructure costs.
- Erickson Retirement Communities wants to build in the area and is committed to this location; however, this opportunity could pass with time. For example, in 1998, Erickson was interested in locating at the Weymouth Naval Air Base. However, the Town delayed the process and Erickson opted to develop Linden Ponds in Hingham, which has become the largest tax revenue producer in town and the premier retirement community on the South Shore.

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In conclusion, we appreciate your time and effort to date in studying our proposal for the landlocked parcel. In preparation for your report to Town Meeting, enclosed please find a compilation of all the materials we've presented to you this summer, organized according to your subcommittee topics.

At this time, we urge you to make a recommendation to Town Meeting to allow the Board of Selectmen to explore the sale of the landlocked parcel. As you are obviously aware, any proposed sale of this property would ultimately need to come back to Town Meeting for Town Meeting approval. As aforementioned, we encourage the Town to allow the Study Committee to continue to play a role in the process as we believe the information you've received first-hand will be invaluable to vetting our proposal down the road. Thank you for your consideration and we look forward to continuing our dialog with the Committee.

Sincerely,



Stephen Rice  
Principal, Patriot Partners



Joseph Zink  
Principal, Patriot Partners

CC: Landlocked Parcel Study Committee Members  
Robert Mercier, Town Administrator  
Philip Gallagher, Town Moderator

## Addendum A

<b>Possible Uses</b>	<b>Issues</b>
Open Space	<ul style="list-style-type: none"> <li>• No revenue generation for Town</li> <li>• No economic justification to incur the cost to provide access</li> </ul>
Retail	<ul style="list-style-type: none"> <li>• Burlington already has approximately 2 million SF</li> <li>• No market demand for additional retail beyond existing base and the 600,000 SF proposed for Northwest Park</li> <li>• Adds to traffic congestion</li> </ul>
Office	<ul style="list-style-type: none"> <li>• Burlington already has 6.8 million SF with 16.5 percent vacant and 4.49 million additional SF permitted/coming online.</li> <li>• Adds to traffic congestion</li> <li>• Tax revenues to the town are impacted by loss of value during downturns and high vacancies</li> <li>• Uncertain levels of future demand for more office space</li> </ul>
Single-Family Housing	<ul style="list-style-type: none"> <li>• Not economically sufficient to justify the cost of access and other infrastructure</li> <li>• Burdensome to Town services</li> </ul>
Conventional Multi-family Housing	<ul style="list-style-type: none"> <li>• High density is extremely burdensome to Town services</li> <li>• Market demand would dictate an extended build out which in turn would raise issues with the cost of access and infrastructure</li> </ul>
Senior Multi-family Housing	<ul style="list-style-type: none"> <li>• Known user that's ready to commence construction today.</li> <li>• Low impact on Town services</li> <li>• Very low traffic generation</li> <li>• Affordable, attractive living alternative for town residents</li> <li>• Jobs for town youth</li> <li>• Non-cyclical</li> </ul>
Life Science Campus	<ul style="list-style-type: none"> <li>• Lower traffic impacts than office or retail</li> <li>• High tax rates</li> <li>• Diversification of tax base</li> <li>• Professional, well-paid work force</li> <li>• Growth industry for MA targeted for economic incentives and support</li> </ul>