

JUNE 7, 2024

www.bscgroup.com

Select Board
17 Main Street
Lunenburg, MA
RE: 925 Massachusetts Avenue – Property Assessment

Dear Select Board members,

Through a MassDevelopment Real Estate Technical Assistance Grant, BSC Group has been retained to help the Town explore options for the reuse of the property located at 925 Massachusetts Avenue ("the Site"). As you may be aware, the property is a former gas station that the Town acquired through tax title in 2020.

The project involves a baseline assessment of redevelopment options for the Site after considering the known soil contamination issues, small size of the property, location in the Village Center district, and the zoning bylaw requirements. BSC Group had an initial meeting with a member of the Architectural Preservation District Commission, Chair of the Planning Board, and other town officials including the Town Manager, DPW Facilities Director, Building Inspector, and Conservation Agent. BSC presented the preliminary concept plans to the Planning Board at their May 13, 2024, meeting and conducted a site visit with Town officials and MassDevelopment in March 2024.

BSC will be preparing a final report detailing the property characteristics, zoning requirements, market analysis, summary of the potential reuse options, and a draft Request for Proposal (RFP) for the Town's disposal of the property for reuse at a future date. A draft RFP is attached to this letter. The contents of the RFP should be considered a draft, and the evaluation criteria are suggestions which should be finalized once the Town has additional information and before it is formalized and released.

We are interested in hearing feedback from the members of the Select Board about the property before finalizing the report.

Site Constraints

- *Small size* – The parcel is 0.191 acres (8,276 square feet) created prior to the existence of the current zoning and the existing building does not meet the current required rear and side yard setbacks. Future uses and modifications of the site will require review by the Board of Appeals given this characteristic.
- *Parking* – Given the small size of the property, it will be challenging for a development to accommodate all the required parking pursuant to the Zoning Bylaw. Fortunately, the zoning does allow for shared parking arrangements to be considered where available parking can be used within 1,000 feet of the property. The final report will provide a preliminary assessment of the number of town-owned and privately owned parking spaces in the vicinity. A formal parking agreement will likely be required for future reuse.
- *Allowed uses* – The uses allowed in the Village Center Zoning District are determined based upon whether the existing building is renovated and reused, or a new building is constructed. Reuse of the building would allow for retail, commercial uses (such as an office), restaurant/café. A new building would be required to be a minimum of two stories and would be allowed to be mixed use (commercial on the first floor with residential above). The use as a duplex would be allowed, but a new building containing three or more units is prohibited.

- *Soil contamination* – The U.S. Environmental Protection Agency (EPA) has conducted significant investigations and remedial activities at the Site. These investigations have identified residual soil and groundwater contamination that must be addressed in order to achieve a Permanent Solution under Massachusetts Department of Environmental Protection's (MassDEP's) regulations. Through an EPA Targeted Brownfields Assessment, the Underground Storage Tankss, floor drains, a lift, gasoline pumps, and the former canopy were removed. EPA identified residual soil and groundwater contamination at the Site and is conducting ongoing groundwater monitoring through the end of 2024.
- *Building condition* – The overwhelming response of the Planning Board review was support for the reuse of the existing building. There are several other examples of former gas stations being converted to new uses including small retail, office space, and small restaurants/caf  type establishments. However, the condition of the building in terms of its ability to be renovated is not known. It may not be possible for the building to be renovated, in which case the option for new construction would need to exist.

Opportunities

- *Location* – The location of the property at the edge of the Village Center is an asset. Through the Town's current Master Plan process, there is strong community support for adding retail and restaurants within this area. It is feasible to anticipate the construction of a new sidewalk along Massachusetts Avenue to reach this site.
- *Town-owned* – The Town's ownership of the property will allow for control over the future use of the property through the RFP/disposition process. This presents an opportunity to make an informed decision based on the constraints and opportunities of the property to seek a certain type of project.
- *EPA support* – The Town is currently benefiting from the involvement of the EPA to remediate the site. The more remediation that can be completed will better position the Town to seek a developer who will acquire the property.

Conceptual site Plans

BSG has prepared two preliminary conceptual site plans for the property. They depict reuse of the existing building and a proposed new building relative to parking, landscaping, and general compatibility with the Village Center area. It is important for the Town to retain these two options (reuse of the existing building and new construction) since the condition of the existing building has not been evaluated to determine the feasibility of the structure's reuse. It is noted that in both reuse scenarios a reduction in the parking requirements or a shared parking agreement may be required.

Option 1 – illustrates the potential renovation of the existing approximately 2,050 square foot building for small retail/café/commercial use, a new parking area, landscaping, patio, and Low Impact Development (LID) stormwater area.

DRAFT FOR DISCUSSION



Precedent Examples



Option 2 – illustrates the potential construction of a new 2,320 square foot two-story, mixed-use building, a new parking area, landscaping, and a LID stormwater area.

DRAFT FOR DISCUSSION



Precedent Examples



Next steps

The Town's effort to date on revitalizing this site is tremendous. The completion of the work by the EPA to remove the underground storage tanks is significant. The property assessment report will help guide the Town and potential developers on preferred options for reuse.

To best position the Town to seek a developer to acquire the property, BSC is recommending the following steps:

1. Continue to work with EPA on monitoring and confirm an acceptable solution, if applicable.
2. Complete an evaluation of the existing building to determine the feasibility of renovation.
3. Complete an Abbreviated Notice of Resourced Area Delineation (ANRAD) to identify the location of any wetland resource areas.
4. Conduct and appraisal of the property to determine fair market value.

With this additional information the Town will be able to make an informed decision regarding the final RFP and disposition of the property.

Sincerely,

Jeff Bagg
Senior Planner



925 Mass Ave - Property
Assessment Update

Select Board - June 11, 2024



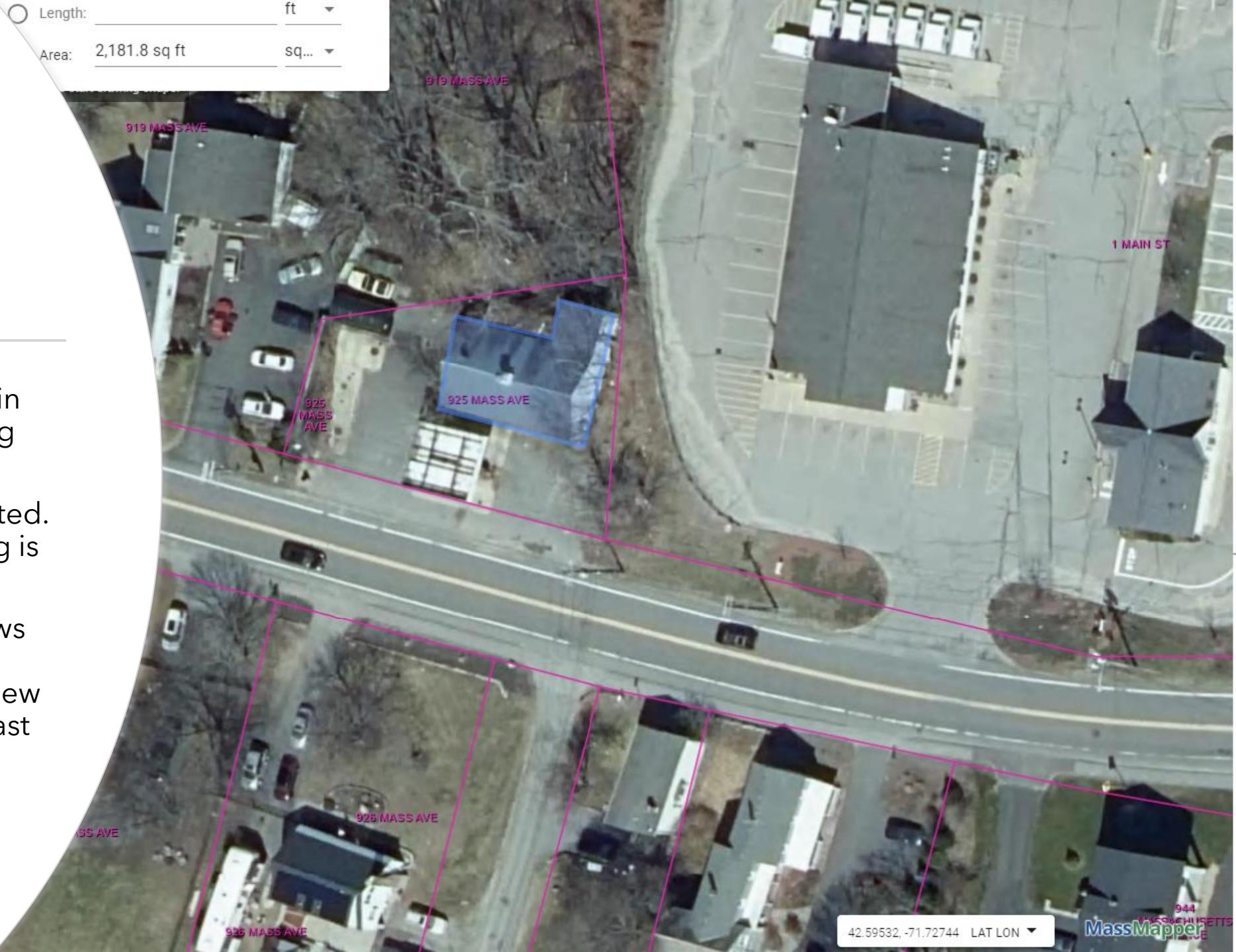
Introduction

- MassDevelopment awarded \$25,000 Real Estate Technical Assistance Grant.
- Conducted a site visit, met with Town officials and presented the preliminary options to the Planning Board.
- A final report detailing the opportunities and constraints of the site, market analysis and a draft RFP will be provided.



Site Constraints

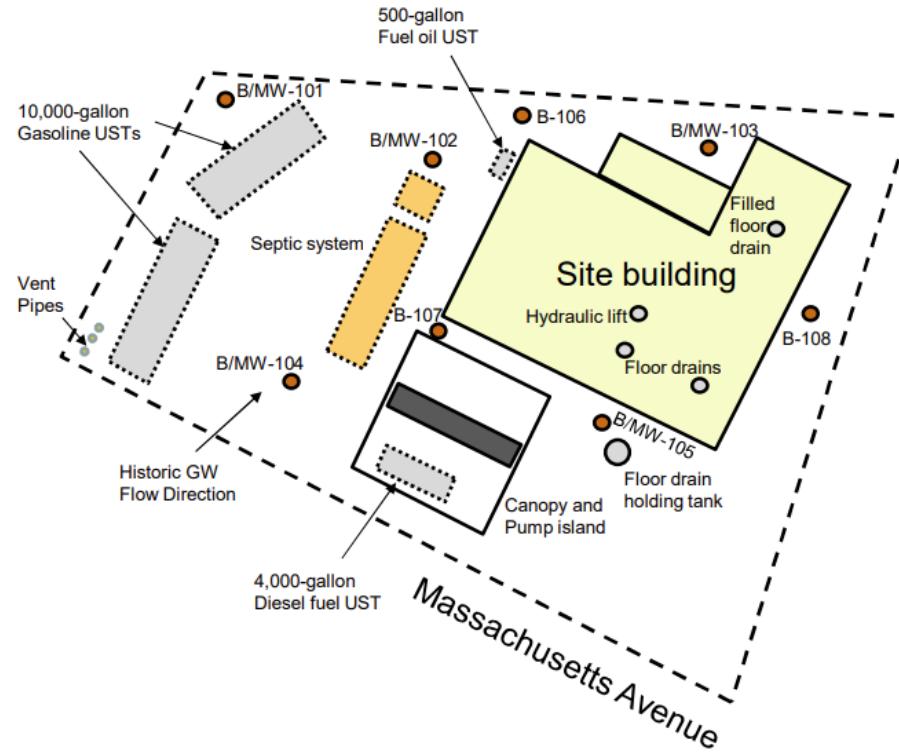
- Small parcel (8,276 sq. ft.) in the Village Center; building footprint is ~2,180 sq. ft.
- Parking onsite may be limited. Fortunately, shared parking is allowed within 1,000 feet.
- Village Center zoning allows for renovation as a small restaurant/café or retail. New construction must be at least two stories for mixed use.



Site Constraints (con't)

- EPA has conducted significant investigations and actions including removal of the tanks, floor drains, gas pumps.
- EPA is conducting ongoing groundwater monitoring through the end of 2024.
- Building condition in terms of its ability to be renovated is not known*. The preference is for renovation but the Town must keep both options open.

*evaluation should be available soon



Base plan: 1997 Enstrat plan
Not to scale
Feature locations estimated based on historic plans and surface features

Figure 3: Site Plan

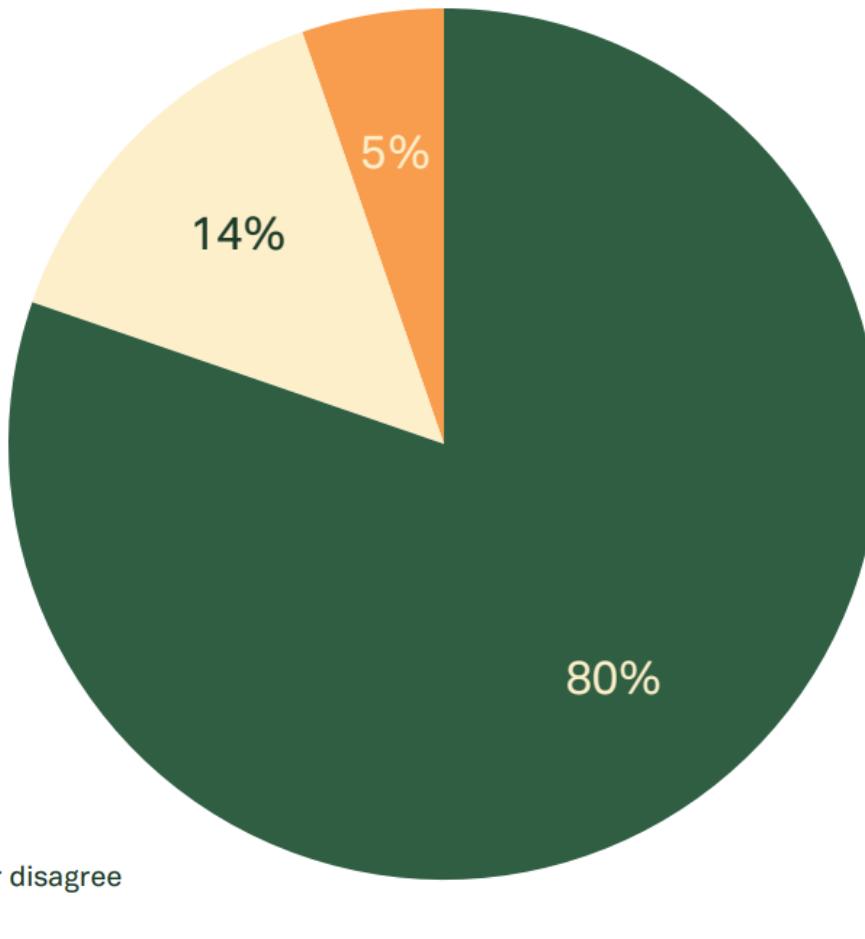
925 Massachusetts Avenue
Lunenburg, Massachusetts



Opportunities

- Town ownership allows some control over future use through the RFP/disposition process.
- Support from EPA and efforts to remediate will better position the town to seek a developer to acquire the property.
- Location is Village Center is an asset and based on the Master Plan efforts, there is strong community support for retail or restaurant/cafés.

We need to encourage small businesses to set up shop in Lunenburg



Conceptual Plans - Renovation

- Intended to illustrate potential options for reuse.
- Renovation of existing building for small retail/café/commercial use*
- Includes new parking area, landscaping, patio, and Low Impact Design (LID) stormwater

*contingent upon building evaluation



Conceptual Plans - Renovation

- A building conditions evaluation by a structural engineer has been arranged to occur soon. It will inform the Town about the feasibility of a developer being able to renovate the building.
- The exact characteristics of these properties were not evaluated but show examples of renovated service stations (Hardwick & Pepperell)



Conceptual Plans - New Construction

- Approximate new building footprint is 2,300 square feet.
- Minimum two stories, maximum 3 stories; 38 feet
- Shared parking allowed offsite w/in 1,000 feet via a legally binding agreement.



Conceptual Plans – New Construction

- Approximate new building footprint is 2,300 square feet.
- Minimum two stories, maximum 3 stories; 38 feet
- Must be mixed use
- *Shared parking allowed offsite w/in 1,000 feet via a legally binding agreement.



Request for Proposal (RFP)

- An RFP is the formal method for a municipality to sell a property.
- The process to create and release an RFP is known as disposition and is regulated under MGL Chapter 30B.
- MassDevelopment has put together a guide for “effective disposal of surplus property”.



REALIZING THE DEVELOPMENT POTENTIAL OF MUNICIPAL SITES

A Guidance Manual for the Effective Disposal
of Surplus Municipal Property



Developed for MassDevelopment by Horsley Witten Group



925 Mass Ave - Draft Request for Proposal (RFP)

The RFP requests information from a potential developer:

- Development experience
- Concept design plans
- Preliminary development budget
- Schedule

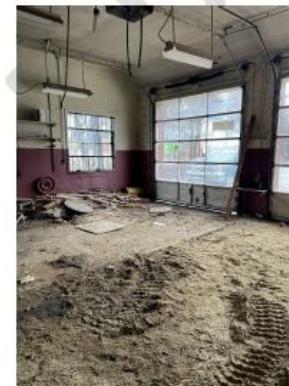
It will Include:

- A summary of the location, description of the property, zoning, and permitting requirements.
- Due diligence the Town can provide to remove uncertainty is better - such as resource area delineations, environmental testing, building conditions, etc.
- Evaluation criteria used to encourage the types of uses supported by the community.

Flexibility is important to allow for unknowns and new ideas.

Town of Lunenburg - 925 Massachusetts Avenue

Site photographs -



925 Mass Ave – Draft Request for Proposal (RFP)

The draft RFP includes evaluation criteria intended to support the renovation of the existing building, or the construction of new construction compatible with the Village Center, including criteria associated with:

- Use
- Renovation
- New Construction

Evaluation Criteria

The Evaluation Committee shall compare the proposals to the Evaluation Criteria in the following table.

Evaluation Criteria	Not Advantageous	Advantageous	Highly Advantageous
Use	Proposal does not contemplate any end use for the site, or end use is a high traffic generating use without inclusion of adequate parking accommodations.	Proposal includes a variety of options for end uses generally compatible with the location and with some parking accommodations.	Proposal provides specific end use compatible with the location with appropriate parking accommodations.
Renovation	Proposal does not include building renovations other than emergency repairs	Proposal includes some building improvements, but future build out is required by tenant	Proposal provides for renovation of building for a specific purpose and build out is included within project budget.
New Construction	Proposal includes a building size and/or design that is incompatible with the site and its surroundings; or proposal does not provide enough detail.	Proposal includes a two story mixed use building that appears to be compatible but additional information is necessary.	Proposal includes a two story mixed use building that is compatible with the site, its surroundings, and overall character of the Village Center.

925 Mass Ave – Draft Request for Proposal (RFP)

The RFP includes criteria associated with:

- Responsive Design
- Environmental
- Purchase Price

The RFP includes the creation of an evaluation committee established by the Town Manager including:

- Member of the Planning Board
- Member of the Select Board
- Building Commissioner
- Facilities Director
- Land Use Director

Responsive Design	Proposal does not significantly enhance the exterior of the site	Proposal provides some upgrades to the site and building but provides minimal landscaping, access improvements or stormwater management	Proposal provides for a fully renovated site including suitable privacy landscaping, streetscape improvements and enhanced LID stormwater management
Environmental	The proposal does not include any relevant information regarding a plan for meeting EPA requirements	The proposal provides some information and examples of options to proceed and meet EPA requirements	The proposal includes an experienced team and comprehensive plan to meet EPA requirements.
Purchase Price	Proposed purchase price is significantly less than market value	Proposed purchase price is less than market value related to required due diligence	Proposed price is the same as market value.

Next steps

This is an example; actual order of the steps may vary

