

Groth, Brian

From: Thomas Farrelly/USA <Thomas.Farrelly@cushwake.com>
Sent: Wednesday, March 31, 2021 6:48 AM
To: ~BoS
Cc: Coutu, Roger; Brett Gagnon; McGrath, Marilyn; Morin, Dave; Roy, Kara; Groth, Brian
Subject: Why Hudson Logistics Center design is the right path for Hudson's Future

Importance: High

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Dear Hudson Board of Selectmen,

Cushman & Wakefield is a global real estate services firm who opened its New Hampshire office 35 years ago. We immediately recognized Hudson's importance as a strategic location for economic development. To date C&W has attracted many corporations to Hudson including Mercury Systems, Comcast, GT Solar, Jacobs Engineering and most recently Quay Pharma. Our efforts have resulted in approximately 2,000 +/- high paying jobs. We are vested stakeholders in Hudson's long term continued economic success.

In 2016 C&W was approached by then Hudson Town Planner John Cashel who asked our advice on how Hudson could create jobs, enhance its economy and grow its tax base by attracting high quality companies. Hudson had been short-listed by United Technologies Corp/Pratt & Whitney (UTC/P&W) for a 600,000 SF logistics center, but UTC/P&W decided to locate in Londonderry instead. Mr. Cashel explained how disappointed the Hudson community was at the loss of this opportunity. John wanted to know why Hudson was passed over, and more importantly what could be done to improve Hudson's ability to compete. I explained the opportunity created by the rapidly changing supply chain trends globally and how logistics was exploding nationally. The development trend was for large foot print buildings with higher clear heights. UTC/P&W required a minimum 40-foot internal clear height equating to a 45-foot external clear height. Hudson had a 38-foot building height restriction. UTC/P&W preferred Hudson's close proximity to MA but was not willing to undergo the schedule delay or the

approvals risk of asking Hudson for a height variance to exceed the 38-foot restriction.

In an effort to improve Hudson's competitive position, John and I teamed with Michael Bergeron of the State of NH economic development office to present ideas to the Hudson Planning Board at 3 different work sessions. One recommendation included raising the building clear height to 50 feet which the Planning Board unanimously voted to pursue. A 2016 warrant article for 50-foot building height was created which increased the clear height in Sagamore Industrial Park only. The Planning Board approved the 2016 warrant article. Hudson residents voted overwhelming to the increased clear height with **2,521 (74%) Yes** votes and **846 (26%) No** votes.

In 2017 the Planning Board pursued a warrant article expanding the 50-foot clear height to several other undeveloped industrially zoned parcels including the Friel's 375 acre Green Meadow Golf Course. The Planning Board approved warrant article passed with overwhelming Hudson resident support to expand the acres in Hudson with 50 foot higher clear heights with **1,627 (70%) Yes** votes and **684 (30%) No** votes. These are two very decisive warrant article outcomes that clearly indicate Hudson residents support logistics development activity.

The economic development success the citizens of Hudson voted for, and the Planning Board worked to secure, has materialized in the Hudson Logistics Center proposal put forth by Hillwood. Hillwood proposes 2.6 million square feet in 3 buildings with 2.1 million square feet to be immediately built and occupied by Amazon. Amazon will create 1,400 new direct jobs offering full health insurance benefits including dental and college tuition reimbursement. These benefits will prove to be life changing for many local Families. Amazon's presence will also create 1,100 in-direct jobs. The combined job total will have a ripple effect helping many local Hudson based businesses thrive.

The Town of Hudson has successfully attracted Hillwood, one of the largest, most experienced and respected developers in the Country to build a logistics campus for Amazon, one of the largest most financially stable Companies in the world. Both Hillwood and Amazon have committed to investing hundreds of millions of dollars building this project in the Hudson community. The projected real estate

taxes will be \$5.4 million annually. Further, more than 60% of the 375-acre site will remain open green space. Hillwood has also offered Hudson a conservation easement to permanently conserve 120 of those acres, including a 250-foot wide buffer along the Merrimack river.

As a New Hampshire native and resident I understand the concerns of the abutters and greatly respect how hard the Planning Board, Board of Selectmen and Conservation Commission have worked for them by studying the issues and implement ways to greatly improve the project design in ways that protect the abutters interests.

C&W is no stranger to large projects in the area. We were the brokers on the Merrimack Premium Outlet Shops project and recall the abutters identical concerns and how the same Boards in Merrimack did such an amazing job working to protect abutters interests. During the approval process the project lived under an unrelenting opposition that used unfounded and misleading scare tactics, not to improve the project, but stop it outright. Stories included traffic being backed up for miles every weekend and Holiday and cars navigating through neighborhoods to get to the mall. Today the former opponents admit none of the feared outcomes ever materialized and the hard work by the Merrimack Boards resulted in a design that functions as promised and everyone is pleased with. C&W is working closely with the Friel Family as their real estate advisor to achieve a similar successful outcome for their Hudson site.

We commend the Hudson Boards for giving the abutters generous opportunity to comment about the proposed development plan. The feedback has been invaluable in making the project design better for all concerned. The Friel Family has owned and operated this property since 1960 and cares greatly about its legacy. The Friel's worked hard through those many years to provide quality Family recreational opportunities to the residents of Hudson. The Friel Family members look to the next chapter for this important site and are fully committed to a sale. The only real estate market segment with sustained demand is industrial. Retail and office are not an option. We understand it is difficult for those who oppose Hudson Logistics Center to consider that the Hillwood concept design as proposed just might be the very best outcome for the Friel site. Simply compare the proposed Hudson Logistics Center design to the nearby Sagamore Industrial Park

design which is far more representative of the how industrial parks in New Hampshire get developed. Sagamore Industrial Park has 52 buildings totaling 2.3 million square feet which took 20+ years to construct. Its vacancy is currently 3.2%. Hudson Logistics Center is 2.6 million square feet in 3 buildings. Picture the Sagamore Golf Course developed under the same multi-building design, with all 52 buildings at 40+ feet and individually owned! The only reason this won't happen at Hudson Logistics Center is the Amazon tenancy's size subsidizes Hillwood's ability to centralize the building footprint and keep more land untouched. The Hillwood and Amazon partnership on Hudson Logistics Center has resulted in a design where 120 acres will remain permanently undeveloped, in its natural state. No other park concept design will come close to offering the benefits the proposed design will, especially the generous buffer zones offered to the abutters. Importantly, we cannot overstate the importance of the construction period for the 2.1 million square feet for Amazon will be months instead of 20 years like Sagamore Industrial Park. A more recent example of what the Friel site's development would look like would be the nearby Pettingill Road site in Londonderry, now in year 6 of construction with no end in sight!

If there is anything the COVID 19 pandemic has taught us, it's the value and impact the global supply chain has on our quality of life and every household's ability to keep a supply of essential goods and food in your pantry. The presence of these logistics buildings will greatly benefit Families with good pay and benefits and enhance the region's economic strength, stability and safety. If another pandemic hits these jobs will remain secure and contribute greatly toward keeping the New Hampshire economy running.

The two warrant article clear height votes by Hudson residents clearly shows there is overwhelming Town wide resident support for this kind of logistics development.

Sincerely,

Thomas Farrelly

Thomas P. Farrelly, SIOR
Executive Director – New England Region
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