



Memorandum

Date: March 19, 2024

To: Town Office Feasibility Study Committee

From: Scott D. Charpentier, P.E.
Public Works Director

Subject: **Real Estate Report Summary**
Existing Town Building Redevelopment Study

The Town Office Feasibility Study scope of services requires the consultant “Provide revenue estimates for disposition of available town properties should they not be selected as the site for the new Town Hall.” The project Architect ICON Architecture’s subconsultant Abramson & Associates, Inc. provided the attached report dated March 12, 2024. This memorandum shall serve as brief summary of those findings.

63 Main Street

Office - The market for office space is suffering due to diminishing needs caused by work from home program. In addition, the location, center of Town away from direct highway access, and relatively lower space quality, renders this not a viable alternative.

Retail – The general building layout and location does not lend itself to retail redevelopment. Renovation costs would far outweigh any prospective rental revenue.

Residential – Financial modelling shows a market rate rental development is likely not feasible. The cost to renovate, operate, and maintain far exceeds the project market rate rental income.

Affordable Residential – The availability of substantial affordable housing and historic tax credits render this as the only likely redevelopment scenario. “While this would not be anticipated to yield any disposition revenues, annual property taxes in the range of \$90,000 - \$100,000.”

4 West Main Street

The existing building poses several redevelopment challenges, regardless of use. The 4 floors were configured into 3 story building. The result is unconventional windowsill elevation. Parking is limited and inconveniently located across a public way. The current building condition is poor and would require substantial renovation to become usable, even in its current configuration. The most viable redevelopment approach may be demolition and reconstruction with a more marketable layout.

Retaining ownership with rental of the first floor is the most likely short-term use, with the expectation the revenue will offset the cost for operations and maintenance.

Real Estate Report Summary

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11 Peirce Street

It is important to understand that the subject report contains only a cursory review of this property. A more detailed and in-depth analysis is required for the findings to be considered equally as thorough as that of the other two properties.

The current building configuration would likely require a specialty user such as a brew house or recreation type business such as children adventures. These are not mass-market businesses and may prove difficult to secure. The likely disposition would be demolition with residential (duplex) development. The current high cost of development, including borrowing, may result in low sale pricing.

Conclusion

- 63 Main Street most likely redevelopment is 100% affordable housing.
- 4 West Main Street most likely use is to retain ownership with first floor rental, or demolition and reconstruction.
- 11 Pierce Street most likely redevelopment will consist of demolition with a residential end use.