



March 3, 2021

Lakeville Planning Board

RE: 43 Main Street Development Proposal

Dear Mark, Michele, Barbara, Peter and Jack,

First and foremost, on behalf of all of us at Rhino Capital Advisors LLC (“Rhino”), I wanted to thank you all for your hard work, genuine interest, and professionalism throughout this 43D process. It is a pleasure working with you and your colleagues in Lakeville, and we are excited to continue the process towards converting an environmentally contaminated, blighted, and dangerous site into an environmentally remediated, state of the art warehouse facility.

I would be remiss if I did not share how proud we have been of the efforts of Tyler Murphy and the development team he has assembled. The team includes best-in-class experts from highly respected firms such as VHB, Sanborn Head & Associates, and ARCO New England Construction. We trust you have found Tyler and his team to be attentive and helpful throughout this process. Tyler will continue to focus on the spirit of collaboration working with the Town of Lakeville on ensuring this development’s success, most notably the environmental clean-up over the next several months.

I wanted to take the opportunity to directly address the Board through the lens of the recent receipt of opposition letters, and what the results could look like absent this development. For the letters received, on an individual party basis, compared to the population of Lakeville, the breakout is as follows: opposition 0.35%, support 0.18%, questions 0.02%. Given the history of the property, and importance to the town as a whole, we feel it is important to evaluate the 63 unique submissions accordingly.

The concern of traffic is the most common theme. While the proposal of a 402,500 square foot building can seem intrusive, the projected impact is a 4-7% increase on peak hour traffic and the impact on traffic outside of peak hours is lower. This impact is almost exclusively on a 0.5 mile stretch from the site to I-495. In comparison to other businesses in the area (per ITE: McDonalds 2,260; Walgreens 1,582; Seasons Gas 2,766), the trip generation is projected to be much less at 682 trips per day. Interestingly, some residents have voiced support for mixed use developments. I will address the history (National Development), and its issues at a later point in the letter. Focusing purely on the traffic impacts that project had, the board approved 1,447 surface spaces generating **10,275 trips per day**. In contrast, we have officially received our first preliminary interest in the property from a potential tenant. The potential tenant suggested that they would have roughly 50 truck trips per day. As is known our projections are higher, and we follow the data per our traffic engineers, but it demonstrates that there is a great potential for this project to be less than projected. Any development of this site would create an increase in traffic.



On the basis of noise, the second most common theme, the impacts are limited to a smaller number of residents. Our study presented by Tech Environmental, who was the initial sound peer review selection by Environmental Partners, showed clear compliance with the MassDEP Noise Policy. The site will sit much lower than it is today, and be surrounded on the residential sides by a berm reaching 25'+ in areas with an 8' tall AcoustiFence on top of it. The costly addition of the AcoustiFence was made at the suggestion of an abutter, with the intent of being a good neighbor and providing residents with further protections. The results of that change were more dramatic than expected showing a major reduction for the closest abutters of the project (40% in some instances). On an hourly average, the sound increases over ambient are now equivalent to that of dBA level of breathing, or just above perceptible. The ambient level that the increase is measured against is also extremely conservative, as it represents the quietest 10% of every hour (L90). Any development of this site will have construction related and end use sound creation beyond what is currently there.

The history of the site is important to note, as it often tries to draw comparisons to our proposal. Some residents have brought forth the concept of mixed use, despite the lack of utility infrastructure making a project of this nature not feasible. The National Development proposal failed because there is no sewer infrastructure. In addition, mixed use projects generate far more trips (traffic) as mentioned previously; 10,275 per day. In 2005 the Town of Lakeville approved 1,447 spaces which is in direct conflict of the apparent trip generation concern presented by residents and the board today. Additionally, this site would draw over 45,000 gallons of water per day, compared with 6,045 our development projects. The hours of operation and noise of a mixed use project would also be close to 24/7. The noise is typically greater because the number of sound sources is greater. This type of project is in direct conflict with the concerns brought forth by residents. The most common connection that is made is Sysco. As is known, Sysco was a significantly more aggressive development, 260,000 SF larger across much more land. Additionally, it involved tractor trailer traffic through residential neighborhoods, which Rhino has agreed to prohibit at the request of abutters. Moreover, the presence of cold storage would have created more noise from the site. Rhino similarly has agreed to prohibit any cold storage on site. More importantly than the physical differences of these projects is the fact that the vote against the Sysco project was barely achieved. The vote was 727 against and 704 in favor. It is reasonable to postulate that if a similar style vote occurred for this project, given the far reduced impacts, it would be voted with an approval. Any development of this site would draw some level of opposition.

The rural makeup of Lakeville is often noted by its residents. This is an interesting point as it somewhat subjective in nature but there are some relevant comparisons and facts to be drawn. This project will not be close to the largest warehouse type facility in Lakeville, nor will it be the most active. While the project is being proposed based on the Development Opportunities District, a portion of the underlying zoning is in fact business, and fits into an existing business area of town. Most importantly, the project will replace the abandoned and decrepit buildings on the site today that sit roughly 95' above street level. Our project lowers the mean grade of the site substantially, while constructing a building that is significantly lower than what is existing. At completion, the reduction of height between the building and the land should be roughly 56'. While we appreciate the desire to keep the fabric of Lakeville the same, we see a lower, screened, landscaped, environmentally remediated, and safe site to be a significant improvement to the fabric of the town. The current state of the site cannot be considered rural. Any



development of this site would be a modern commercial development, and therefore could draw concern from rurally focused individuals.

Safety has been raised as a concern, which is an especially important topic to address. However, it was surprising to learn the concern was over the future project, not the existing conditions. As was stated in one of the hearings, a member of Rhino, John O'Leary, had an unknown individual brandish a gun on him during a site walk. There are multiple videos on YouTube of young people entering the buildings and hanging over the edge of the 7-story nursing dormitory roof. The site has become known to those looking for ghost hunting thrills and is frequently broken into. Worst of all, it has become a haven for individuals to use drugs, mainly in the summer months. These individuals have been seen day after day parking at Walgreens and then heading into the buildings. The proposed development would provide a secure site, managed 24/7, that brings the building further from the property boundaries (more insulated) than the buildings stand today. Additionally, there will be berms and fencing to bolster that safety. Any development at this site would be an improvement over the current safety issues perpetuated at the existing site; a lack of development will only exacerbate these issues.

The last common theme we have interpreted from the letters is the environmental concern. On the same vein as safety, there are serious problems that our environmental consultants and MassDEP feel have reached an inflection point. The site cannot, and will not, continue to sit without any environmental cleanup. Since the MassDEP site visits, they have become aware of the extent of the issues. This was surprising to us given their proximity to the site, but shockingly they had not been through the property. The buildings interiors have deteriorated to the point that there are massive amounts of friable asbestos open across the buildings. The buildings are open to the elements, air flows and wind are carrying asbestos fibers into the air. Airborne asbestos presents the highest level of harm to people. Because of this, MassDEP mandated that the buildings be boarded up and sealed to help prevent this. At our own expense, we did some of this work, as the current owner refuses to do anything to contain the environmental issues. These efforts have failed as the buildings are in such a state of disrepair that there is no reasonable way to create permanent seals. MassDEP also mandated that all persons are prohibited from entering the buildings except licensed asbestos workers in full protective suits. Structural engineers have been through the buildings to ensure the safety of future asbestos workers. They have deemed the tallest building, the nurse dormitory, structurally unsafe for workers to be inside of. One of the inspectors for MassDEP stated this was the worst site he had seen in his entire career.

Continuing the environmental issues to the Solid Waste Disposal Area (SWDA), there have been comments that it is non-hazardous. There is an important distinction to draw here, as the definition of hazardous is set by the Resource Conservation and Recovery Act (RCRA). The SWDA does in fact contain high levels of lead, arsenic, and asbestos. The solid waste contains vials and other hospital materials whose contents are not accounted for. There is a public well head and multiple private wells in the vicinity of the SWDA. Testing has shown that thousands of cubic yards require Toxicity Characteristic Leaching Procedure (TCLP) demonstrating the ability, if not addressed, for contaminants to leech out of the landfill and into the surrounding area. In the interest of providing a much needed and necessary benefit to Lakeville, Rhino has volunteered to completely remove and remediate this area.



Environmental remediation of this magnitude will need to be paired with a development of equally large scale. Any development of this scale will be met with opposition.

The cleanup goes beyond the buildings and the SWDA and carries into the site's wetland areas. The only direct impact to the wetlands is a 510 square foot area, which is impacted as a result of the removal of the SWDA. There are no other direct impacts to the wetlands themselves, though we are committed to cleaning up the immense amount of trash and debris that currently plague the wetland areas.

Although the majority of the letters focused on how a "yes" vote for the special permit would negatively impact Lakeville, most of the letters also detailed that the existing situation at the site was not acceptable. Therefore, I wanted to provide some more context on how a "no" vote for the special permit negatively impacts the town. Most notably that the existing situation will remain and will progressively get much worse.

Rhino does not own this property; however, we have the site under agreement with the current owner and we plan to acquire the site pending the approval of the special permit. This potential ownership creates a strong continued partnership with the Town of Lakeville and commitment to follow through with the conditions of this special permit. To date we have invested upwards of \$1.5 million towards this entitlement process, mostly attributable to the best-in-class engineers on our team. Although this investment has allowed us to get comfortable moving forward with the project, given we now fully understand the environmental remediation process for the site (estimated to cost \$10 million) we now have exhausted all our resources and have no more funds to put towards the entitlement effort. Said another way, if a "no" vote was to be the outcome, we would not be able to revise our plan and resubmit. We would be forced to move on to other projects and abandon any future efforts for this site.

That being said, we have the backing of a strong capital partner that will enable us to immediately begin the environmental remediation process, projected to be complete by the end of this summer. This backing is contingent upon obtaining the appropriate approvals from the Town of Lakeville. A "no" vote would result in this backing to evaporate.

In the real estate world, there is an unspoken "three strikes and you are out" rule. If this project is not approved, it will have been the third time the Town of Lakeville has denied development of this site. This would result in no other qualified developers spending significant pursuit dollars, which is necessary for a site like this. The existing owner has no intention of doing any environmental cleanup on this site, which is urgently needed. The end result would be an undevelopable, contaminated parcel with no path towards remediation. The \$10 million dollar issue, which would be far higher if completed by public entities, will remain on this site and continue to be a danger to the Town of Lakeville.

Rhino understands the complexity of the issue facing Lakeville, but also believes that the town officials are the most dedicated and caring individuals with whom we have ever worked. A hard decision is going to need to be made for this site in the near future. It is inherently, at its core, a site of contentious, difficult, and expensive issues. This will always result in differing opinions, regardless of the proposal.



Other bills being passed at the state level, namely, Ch. 113 “An act providing for capital facility repairs and improvement for the Commonwealth” outlines \$30 million for a mental health facility at this location. The Housing Choice Act of 2020 (House Bill 5250) allows for by-right dense housing in MBTA Communities (with an affordable component) for which the Town of Lakeville qualifies. Based on the site acreage of 49.3 this would allow for an estimated 800-1,000 40B units by-right. This amount of residential development would put a tremendous and likely detrimental strain on schools and other Town services. Neither of these options, the likely outcomes for the site, help quell the concerns presented by residents, and in fact, only exacerbate them.

We are not surprised or discouraged by the opposition to this project, as it is human nature to resist change. Our proposal creates a tax generating (requiring minor town services), environmentally clean, attractive, safe site that produces jobs and rids the landscape of invasive species. The 43D Priority Development designation of this site demonstrates the desire to move on from the current conditions, and we feel this proposal exceeds any reasonable expectation for this property.

In closing, we believe approving this project enables the Town of Lakeville to avoid a calamity related to the existing environmental conditions spiraling out of control. Our plan involves immediately remediating the site and having it fully clean by the end of the summer. Based on the information provided, we feel the right decision is clear.

If there is anything we can do or provide to the Planning Board leading up to your vote on this project please do not hesitate to reach out. We look forward to continuing to work together to fix this dangerous site.

Sincerely,

Michael E. Olson