



City of Westfield

PLANNING DEPARTMENT

Municipal Building - 59 Court Street - Westfield, Massachusetts 01085 - (413) 642-9307 - Fax (413) 568-6850

TRANSMITTAL

TO: City Council

FROM: Jay Vinskey, Principal Planner

DATE: October 6, 2021

RE: Data center project

Enclosed please find the Planning Board Report for Servistar Realties LLC pursuant to M.G.L. Chapter 121A, Section 6.

WESTFIELD PLANNING BOARD REPORT – SERVISTAR REALTIES LLC – DATA CENTER PROJECT
APPLICATION UNDER M.G.L. C.121A

October 5, 2021

Background and Process

This project is more specifically defined in the materials transmitted to the Planning Board and City Council by Mayor Donald F. Humason, Jr., in his communication dated August 10, 2021.

On Monday, October 4, 2021, an initial joint public hearing was held by the City Council and Planning Board during which the applicant presented a comprehensive summary of the project (following cancellation of that hearing originally scheduled for September 16). The hearing was properly noticed (posted, advertised and mailed to abutters and the applicant) on or before September 20, 2021. A copy of the notice as it was published in *The Westfield News* is included at right.

Pursuant to MGL Chapter 121A, Section 6, the Planning Board is to issue this advisory report and forward it to the City Council, who within ninety days of the public hearing, shall transmit its report to the Mayor. The Council may adopt this report in making its own findings. The Mayor then will certify the approval or disapproval of the project and send the report(s) to the Department of Housing and Community Development (“DHCD”) for certification.

Findings

The Planning Board voted (6-1) to APPROVE the application for this project and makes the following findings pursuant to MGL Chapter 121A, Section 6. These findings are based the Board’s expertise, the information submitted with the Mayor’s transmittal (dated August 10, 2021), and the supplemental information and testimony presented during the joint public hearing (held October 4, 2021).

1. The proposed project area is qualified under the statutory definition of “blighted open”, “decadent” or “substandard” area established in Section 1 of MGL Chapter 121A

The Planning Board finds that the Project Area qualifies under the statutory definitions for “blighted open” and “decadent”; defined as follows:

(September 20, 27, 2021)

**CITY OF WESTFIELD
NOTICE OF PUBLIC HEARING**

The Westfield City Council and Planning Board will hold a joint public hearing on October 4, 2021, at 6:00 PM in City Council Chambers, 59 Court St, Westfield, MA, to review an application submitted pursuant to M.G.L. c.121A by Servistar Realties, LLC, of One Boston Place-Suite 2600, Boston, MA, to construct 10 data center buildings totaling 2.74 million square feet on 155.49 acres at: 0 Ampad Rd. (Parcels 56R-96, 97, 98); 0 Egleston Rd (Parcels 56R-30, 47); 0 (Parcel 63R-3-2D) 10 & 15 Campanelli Dr.; 85, 81, 91, 97, 103, 115 & 191 Servistar Ind Wy.

A copy of the submitted application is available for inspection at the Planning Office, 59 Court St, Westfield, MA 01085, and online at: cityofwestfield.org/applications (Planning Board applications). Interested persons should appear at the designated place and time. Comment may also be submitted in advance, for receipt by 4PM on the hearing date, by mail to: Planning Office at above address, or by email to: j.vinskey@cityofwestfield.org

Per M.G.L. c.121A, §6C, any person aggrieved by the approval or disapproval of this project has 60 days within which to seek judicial review.

"Blighted open area", a predominantly open area which is detrimental to the safety, health, morals, welfare or sound growth of a community because it is unduly costly to develop it soundly through the ordinary operations of private enterprise by reason of the existence of ledge, rock, unsuitable soil, or other physical conditions, or by reason of the necessity for unduly expensive excavation, fill or grading, or by reason of the need for unduly expensive foundations, retaining walls or unduly expensive measures for waterproofing structures or for draining the area or for the prevention of the flooding thereof or for the protection of adjacent properties and the water table therein or for unduly expensive measures incident to building around or over rights of way through the area, or for otherwise making the area appropriate for sound development, or by reason of obsolete, inappropriate or otherwise faulty platting or subdivision, deterioration of site improvements or facilities, division of the area by rights of way, diversity of ownership of plots, or inadequacy of transportation facilities or other utilities, or by reason of tax and special assessment delinquencies, or because there has been a substantial change in business or economic conditions or practices, or an abandonment or cessation of a previous use or of work on improvements begun but not feasible to complete without the aids provided by this chapter, or by reason of any combination of the foregoing or other conditions; or a predominantly open area which by reason of any condition or combination of conditions which are not being remedied by the ordinary operations of private enterprise is of such a character that in essence it is detrimental to the safety, health, morals, welfare or sound growth of the community in which it is situated.

"Decadent area", an area which is detrimental to safety, health, morals, welfare or sound growth of a community because of the existence of buildings which are out of repair, physically deteriorated, unfit for human habitation, or obsolete, or in need of major maintenance or repair, or because much of the real estate in recent years has been sold or taken for non-payment of taxes or upon foreclosure of mortgages, or because buildings have been torn down and not replaced and in which under existing conditions it is improbable that the buildings will be replaced, or because of a substantial change in business or economic conditions, or because of inadequate light, air, or open space, or because of excessive land coverage, or because diversity of ownership, irregular lot sizes or obsolete street patterns make it improbable that the area will be redeveloped by the ordinary operations of private enterprise, or by reason of any combination of the foregoing conditions.

Specifically, the Board finds the Project Area is a "blighted open area" and is a predominantly open which is detrimental to the sound growth of the City because it is unduly costly to develop it soundly through the ordinary operations of private enterprise by reason of the existing physical conditions, unsuitable soil, the unduly expensive measures incident to building around or over rights of way through the area, the diversity of ownership of plots and because there has been a substantial change in business and economic conditions due to the coronavirus pandemic.

The Board finds that the Project Area consists of sixteen (16) different parcels (parcel 56R-97 is unmapped) totaling approximately 162 acres (it should be noted that the project area expanded by the addition of one 6+ acre property at 77 Servistar Industrial Way (parcel 56R-101) since the original project submission). Most of the property is vacant open land. Three (3) of the parcels consisting of approximately 52.15 acres are comprised primarily of wetlands and portions of the Project Area are located in the Water Resource Protection District, which is an area identified as aquifer Zone II recharge area. These parcels totaling more than one third (1/3) of the Project Area have no planned development

in order to mitigate environmental impacts and protect drinking water. The remaining two thirds (2/3) of the Project Area is characterized by a diversity of ownership of plots, three (3) of which are subdivided portions of parcels, and irregular lot sizes that also contain wetlands in various areas making it very difficult and costly to develop.

The Board finds that the Project Area is surrounded primarily by industrial warehouse distribution centers and commercial buildings. The blighted and decadent area has an abundant amount of distribution centers and heavy 18 wheeler truck traffic that puts a strain on the local infrastructure causing damaged roads, potholes, traffic congestion and results in litter and garbage being discarded on the roadways in the area. The conditions in and around the Project Area have become detrimental to the safety, health, morals, welfare and sound growth of the community in which it is situated.

The Board finds that the vast majority of the Project Area has remained undeveloped despite being located in the Industrial A and Industrial Park Districts of the City where industrial development has been concentrated over the last decade. There are four (4) smaller commercial buildings that are located in the Project Area and will be demolished as part of the project development. Those buildings and their associated developed site areas total less than 7 acres.

The Board finds that at least three (3) previous development opportunities dating back more than a decade consisting of a natural gas electric power plant, another large Federal Express distribution center and the development of a portion of the Industrial Park for regional distribution and manufacturing firms that includes the Home Depot Distribution Center and the Preferred Freezer Warehouse and Distribution Center never materialized constitutes a blighted open area as they show that the Project Area is unduly costly to develop it soundly through the ordinary operations of private enterprise.

The Board also finds that the Project Area is also a “decadent area” because of the irregular lot sizes, some of which are partial lots, the diversity of ownership of the lots and the substantial change in business and economic conditions due to the coronavirus pandemic. The combination of these conditions and other conditions that have not been remedied by the ordinary operations of private enterprise have caused the predominantly open Project Area to become detrimental to the safety, health, morals, welfare and sound growth of the City in which it is situated.

2. *The project is not in contravention of any zoning, subdivision, health or building ordinance or by-law or rules and regulations of the city or town*

The Planning Board finds that the project is not in contravention with any zoning requirements, ordinances, and regulations of the City of Westfield. Specifically, the Board finds that the City's Zoning Ordinance for Industrial A Districts makes provisions for a wide range of industrial and business uses, and the Zoning Ordinance for Industrial Park Districts seeks to ensure compatibility of development, both within the Industrial Park District and with adjacent uses which in the case of the Project Area includes the Industrial A District. The Project is ideally located within the City's two industrial districts, in the North Side of the City along the Route 10/202 corridor and in close proximity between Westfield-Barnes Regional Airport and the new Westfield Turnpike Industrial Park that the City is planning for development.

The Planning Board finds that the Project will be subject to the grant of non-use-related Special Permits under the City's Zoning Ordinance and will require a more detailed site plan approval and environmental review by the Planning Board (pending), as well as the Conservation Commission. However, the Planning Board expects that the project will be able to comply with all applicable zoning and other local requirements.

3. *The project does not conflict with the City's master plan, or if there is no master plan, with the local or regional plan, as appropriate*

The Planning Board finds that the project does not conflict with the City's 1962 Master Plan and in fact supports that document's vision to attract more "new industries" and be "willing to revamp some of its industrial areas and... continue to actively solicit new industry of high caliber."

Recognizing that the Master Plan is dated, the Board looked to a more recent comprehensive planning effort, the City's Open Space and Recreation Plan for years 2018 – 2025 (the "OSRP"). While the focus and intent of any OSRP is not akin to a master plan, a review of the OSRP offers historical context, identifies those areas less appropriate for development and sets broad goals and objectives related to open space and recreation. As such, finding no conflict with the OSRP, as the Board does, supports the project's consistency with broader planning efforts.

The OSRP indicates that Westfield is a regional commercial and industrial center with a number of major commercial and industrial businesses locating to the City since 2000. It also states that "[o]ver the past 25 years, the City's economic and employment growth have outpaced the population growth, an uncommon trend in the Pioneer Valley."¹ The OSRP also recognizes that the Project Area can be an ideal location for the data center development, insofar as it is consistent with past land use patterns. Specifically, it notes that that industrial development over the last decade has been concentrated on the North Side of the City, generally along the Route 10/202 corridor and near the Airport. *Id.* at 25. The OSRP goes on to state that, "[m]ost job growth within the community is centered around the City's north side, which is located close to the Massachusetts Turnpike and Interstate-91. Additionally, Westfield-Barnes Regional Airport and the Pioneer Valley Railroad serve as community assets that attract business investment and activity. Significant interest in development, primarily from warehousing and manufacturing interests continues along the Route 10/202/Southampton Road corridor and there remains available land for development in the area." *Id.* at 15. The OSRP also indicates the need for the developer of projects in this area to employ best management practices to mitigate any potential adverse effects which will be employed by the Project in every respect. *Id.* at 25. The Board finds the project will be so-mitigated, and expects reaffirmation and further detail regarding this finding to unfold as the Board's zoning review and local permitting is undertaken.

The Board finds that the OSRP does not identify the Project Area as a scenic or unique environment. Additionally, since the Zone II recharge (Water Resource Protection District) areas on the property (totaling approximately 35 acres) are proposed to remain undisturbed, as are land areas immediately adjacent to those Zone II portions, the Board finds the project development is not inconsistent with OSRP objective 1.3, which seeks to "preserve and protect undeveloped parcels in their natural condition in critical recharge areas (the Barnes Aquifer Zone II) and surrounding land." *Id.* at 87.

¹ City of Westfield Open Space and Recreation Plan 2018 – 2025, updated August 2018, at 7.

4. The project is not detrimental to:

a. The best interests of the public or the City

The Planning Board finds that three (3) previous development opportunities consisting of a natural gas electric generation facility, another distribution center and the development of a portion of the Industrial Park for regional distribution and manufacturing firms never materialized at the Project Area. The blighted Project Area has an abundant amount of distribution centers and heavy 18 wheeler truck traffic that puts a strain on the local infrastructure causing damaged roads, potholes, traffic congestion and results in litter and garbage being discarded on the roadways in the area. The Project is a state-of-the-art hyperscale data center campus consisting of ten (10) data center buildings totaling more than 2.7 million square feet of IT capacity at full buildout. This is accomplished in the challenging location by accumulating approximately 162 acres that can support the data center buildings while also mitigating wetland and environmental impacts. The Project will consist of high-tech, modern design buildings that will elevate the quality and character of the industrial location. The Project is the best use of the Project Area and has the potential to completely transform the City into the center of the high-tech, high-growth data center market in the Northeast.

b. The best interests of public safety and convenience

The Board finds that the project and its interconnected public infrastructure improvements are in the best interest of public safety and convenience. Specifically, the Board finds that the Project will require electric service, natural gas supply, fiber and water and the Applicant is expected to partner with the local municipal utility Westfield Gas and Electric ("WG&E") and the City for these services. WG&E is expected to receive substantial revenue from wholesale electricity services, natural gas supply, and a massive fiber buildout to support the Project. The City will also be supplying water to the Project, which will bring in incremental revenue to the Water Department. WG&E will have to extend its natural gas infrastructure to the Project Area that will be supported by the Project and expand natural gas availability to other customers in the area. Additionally, the Project will require a significant expansion of fiber services for the high-tech facility that will be provided by WG&E and its network providers. WG&E will be able to utilize its expanded capabilities and fiber network infrastructure to enhance its already very successful implementation of its Whip City Fiber services in the City and beyond. The substantial additional revenues from the Project will help WG&E enhance utility services and its Whip City Fiber services in the City while also reducing costs to the local community.

5. The project is consistent with the most suitable development of the City

The Board finds that at least three (3) previous development opportunities dating back more than a decade consisting of a natural gas electric power plant, another large Federal Express distribution center and the development of a portion of the Industrial Park for regional distribution and manufacturing firms that includes the Home Depot Distribution Center and the Preferred Freezer Warehouse and Distribution Center never materialized and there has been a failure to develop the Project Area. The Project will be a desirable state-of-the-art commercial data center campus that is expected to be built out in a phased approach offering significant long-term benefits to the City and the community.

The Planning Board finds that the project is directly in line with the goals of the Master Plan and the Open Space and Recreation Plan as identified in finding # 3. The superior quality of the Project is consistent with the most suitable development of the City. The Project will consist of high-tech, modern design buildings that will elevate the quality and character of the industrial location and has the potential to transform the City into the center of the high-tech, high-growth data center market in the northeast.

6. The project constitutes a public use and benefit

The Planning Board finds that the project constitutes a public use and benefit to the community. The Project is a ten (10) building data center campus that will be built out in a phased approach and will result in substantial property tax payments, jobs and economic development for the City. The total payments in lieu of taxes to the City are expected to be more than \$350 million over the forty-year term that can be used to help fund important public services including public education, parks and recreation services, police and fire departments, housing services, ambulance and emergency medical services, municipal courts, transportation services and public works including street improvements, water, sewers, maintenance and snow removal among others.

The Board finds that the Project is expected to produce approximately 1,800 construction jobs for each of the data center buildings, support over 1,200 indirect jobs in local community and produce over 400 full time, high paying jobs at the data center campus at full buildout. The Project will utilize the skilled workforce in the City and partner with local educational institutions to support the pipeline of high quality, well educated workers that the Project will need over the long-term. Additionally, the Project will offer a source of substantial new revenue to WG&E from wholesale electricity services, natural gas supply and a massive fiber buildout that will enhance its services to other customers in the community. The Project is also complimentary to the new Westfield Turnpike Industrial Park being developed by the City. The extensive jobs and economic development created by the Project and the growth of the ancillary businesses in the area needed to support the Project will also help the City realize its goals for the Turnpike Industrial Park to create up to approximately 1,100 permanent new jobs, 800 temporary construction jobs, and, at full buildout, annual property tax revenues in excess of \$1.3 million per year thereafter for the City.

However, the Board also finds that the public benefit could be better expressed by additionally realizing the specific amenities contemplated by MGL 121A, with same being secured through the 40-year Section 6A agreement.

7. The method of relocation is feasible, where applicable, and housing is available for displaced occupants.

The Board finds that this provision is not applicable as there are no existing dwelling units associated with the subject project.

Respectfully submitted,



William Carellas, Chair