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Blueprint for success at Devens

Base closing rebound far ahead of schedule

Devens is a line item in the latest Government Accountability Office report assessing job recovery at 73 closed U.S. military bases.

The January report shows that nearly three-quarters of the 129,649 civilian jobs lost in four rounds of U.S. base closings announced since 1988 have been recovered, and that about 90 percent of more than a half-million acres of unneeded base property is being reused through sale or lease, with environmental cleanup issues delaying the transfer of the rest.

Some communities, Devens among them, have been more successful than others in restoring lost employment, especially those near urban centers. But, generally, the communities affected by military base closings are doing well when compared with average U.S. jobless rates and growth rates of per-capita income, the GAO said.

Overall, job recovery in individual base communities has been most affected by the strength of the economy, according to the GAO, which said that base closings have saved almost \$30 billion and will generate ongoing annual savings of \$7 billion.

Devens is one of 25 of the bases that have made up for all of the civilian jobs lost and, in fact, have added employment. It is an accomplishment worth looking at by communities still struggling with the effects of base closings and others that will learn in May that their bases are targeted under another round of Defense Department closings and realignments.

"I think, personally, that the closure of Fort Devens and what has happened has been a very positive event for the region," said William M. Burke, executive vice president for Devens and Military Initiatives at MassDevelopment, the quasi-public economic development agency that in 1996 took title to Fort Devens and its 4,400 acres in two counties and three towns.

Under state legislation passed in 1993, MassDevelopment was appointed to redevelop the base. The agency worked with

the U.S. Army, the towns of Ayer, Shirley and Harvard, and federal and state environmental regulators to develop a 40-year reuse plan for the base. Mr. Burke said the partnership was one of the key factors in the success of the base transition.

When Fort Devens closed, 15,000 military personnel left and 2,800 civilian jobs were lost. A 1999 GAO report on the effects of base closings examined community impacts at six bases, including Fort Devens. Local officials told researchers that retailers in the Fort Devens communities experienced reduced sales after the closing and that vacancy rates for apartments were in some cases as high as 65 percent, forcing landlords to cut rents.

Officials also said home prices decreased as much as 30 percent and new home construction stopped.

So much has changed. Most significantly, 77 companies have opened operations at Devens, creating 3,100 jobs toward a reuse-plan objective of 7,000 jobs within 40 years, Mr. Burke said. About 5.2 million square feet of space has been built or committed to out of a total capacity of 8.5 million square feet allowed under the reuse plan. "We are ahead of schedule in terms of new jobs and build-out of new construction or renovation and use of existing facilities," he said.

Two hundred and fifty residents have moved into 106 renovated homes, and Mr. Burke hopes that by late summer or early fall, construction will begin on 176 homes. The towns are also talking about whether to lift the 282-unit cap on housing at Devens. "That indicates the success of the redevelopment here, the jobs that have come here and the investment by the private sector," Mr. Burke said. "There is a general consensus more housing is needed and Devens is the place for it."

Infrastructure improvements include a \$16 million wastewater treatment plant and an upgrade of electrical service. The Devens Common town center is under construction and slated to open in March.

There is a new golf course, the Shriver Job Corps center, a branch of Mount Wachusett Community College, a public school, charter school, prison hospital, day care center, transitional shelters, food pantry, hotel and recreational facilities.

About \$118 million of \$200 million committed to Devens' redevelopment by the state has been spent on capital improvements and operations — money that has attracted \$480 million in private investment by such companies as Gillette, American Superconductor, Pharm-Eco

and Xinetics. The U.S. Army has spent about \$100 million on environmental cleanup along with money provided in the early 1990s to help develop the reuse plan, Mr. Burke said.

Devens also received \$5 million from the Economic Development Administration in support of infrastructure.

Barry W. Holman, author of the latest GAO Military Base Closures report, said successful recovery at a closed base depends on prevailing economic conditions and the ability of a community to quickly react and develop a plan of action.

"We know when a base closes there is economic trauma and a negative impact early on, but we are trying to take a longer view of what happens. Many communities fare better than the national average in terms of unemployment, growth in per-capita income and the replacement of jobs," he said.

Mr. Burke said he is frequently asked how Devens was able to achieve what it has. The reuse plan and culture that created it — the partnership — were critical, he said. Equally important was the \$200 million the state invested in the redevelopment, the decision to put MassDevelopment in charge (even providing municipal services), and to create a one-stop, expedited permitting process under one entity, the Devens Enterprise Commission.

"That drew the anchor tenant — Gillette — right at the start," he said.

Competitive utility rates (MassDevelopment buys natural gas and power wholesale from the Army), nearby highway and existing rail access, no personal property tax, land that can be purchased and low real estate taxes are also business draws.

The next milestone will be for Shirley, Ayer and Harvard to decide whether Devens should become the state's newest community. By November 2006, Mr. Burke expects there will be a ballot question in the communities on the future governance of Devens. "It could become a town, get subdivided back into the three towns or become something else," he said.

Devens' recovery from what so many communities fear is a death knell offers a blueprint of hope. But it also provides a powerful example of a successful shift — albeit underwritten by a lot of federal and state money — from a community whose economic vitality was based on government spending to one fueled by the private sector.

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