City of Brockton  Prospectus
City of Brockton - Prospectus

Boston Regional Economy

- **Economic Output**: #9/381 among regions in Gross Regional Product (GRP)
- **Innovative Capacity**: #1/50 among states in Bloomberg U.S. Innovation Index

TOD Opportunities

- Three commuter rail stops in Brockton, with 30-minute commute time to Downtown Boston and the Red Line
- Class A commercial rents of $15-$20 ($ p.s.f.) vs. $65 in Boston, $87 in Cambridge, and $42 on Route 128
- Market rate rents for new 2 BR product are $1,750 per month in Downtown

Workforce

- 450,000 college-educated workers within a 30-minute commute of Brockton
- 43% of 25-64 Y.O.s in Southeast MA have a BA/BS (U.S. avg. = 32%)

Financial Upside

- Among ~8,000 opportunity zones across the U.S., Downtown Brockton ranks among the top 1% for financial upside
- Brockton’s other opportunity zones rank in the top 14%, 11%, and 4% terms of estimated financial upside for residential investments (based on rent differentials between each opportunity zone and 20-mile radius around it)
Brockton is accessible to the key jobs-producing areas of Metro Boston:

- 30-minute commuter rail ride to Downtown Boston (rush hour)
  - this is the same or faster than commuting from parts of Cambridge and Boston to South Station using public transit
- 50-minute commuter rail + subway ride to Kendall / MIT (for under $300/month)
- 58-minute commuter rail + subway ride to Harvard Square
- 15 minute drive to Route 128 ("America’s Technology Highway") and I-495 from Downtown Brockton
The following incentives are ready to be leveraged for Brockton development and many overlap in downtown:

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<th>Incentive</th>
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| Housing Development Incentive Program (HDIP)  | State (City)                | • 25% tax credit, up to $2M on market-rate housing developments  
• Local-option RE tax exemption |
| District Improving Financing (DIF)            | State (City)                | • Dedicated funding for infrastructure and development priorities within district                                                        |
| Urban Revitalization Plan + Urban Renewal Authority | State (City)                | • Provides authority to municipalities to gain site control and assemble development sites in order to redevelop and revitalize decadent and blighted areas |
| Chapter 40R Smart Growth Zoning District      | State                       | • Allows for high density office, mixed use and residential development by right, with permitting completed in under 6 months              |
| Historic Rehabilitation Tax Credits          | State and Federal           | • 20% tax credit for qualified rehab. expenditures of qualified historic structure  
• 10% tax credit for qualified rehab. expenditures of building not certified as a historic structure, but built before 1936 |
| New Markets Tax Credits                       | Federal                     | • Federal tax credit for development projects that include a commercial component — such as mixed use, retail/office, performance space — for job creation and material improvement in the lives of residents of low-income communities |
| Opportunity Zones                             | Federal                     | • Temp. tax deferment on unrealized capital gains invested in RE and businesses within Opportunity Zones  
• Step-up in basis for capital gains reinvested in an Opportunity Fund for at least 5 years, increases for longer investment periods |
City of Brockton Prospectus
Momentum – Downtown Developments by Type

Downtown Developments by Type

- Recently Completed Projects (10)
- Under Construction (5)
- Pipeline, Permitted, and in Permitting Process (7)

Opportunity Zone Boundaries
Recently Completed Projects (10)

1.) Standard Modern
   24 mkt. rate units, 2-bed rent: $1,750
   Completed: 2018 (fully leased)
   Financing Tools: Historic Tax Cred. / HDIP/
   MassDevelopment Loan

2.) Vicente’s Supermarket
   32K sf. Supermarket
   Completed: 2015

3.) Enterprise Main
   52K sf retail/commercial space
   Completed: 2015

4.) Centre 50 and Enso Flats
   114 mkt. rate units, 2-bed rent: $1,600
   Completed: 2015

5.) WB Mason
   85K sf. Office
   Completed: 2016

6.) Station Lofts
   24 mixed income units,
   2-bed mkt. rent: $1,750
   Completed: 2014

7.) Brophy & Phillips Co.
   26K sf. Office
   Completed: N/A

8.) Registry of Deeds
   5K sf. Office
   Completed: 2018

9.) District Attorney Office
   32K sf. Office
   Completed: 2017

10.) Self Storage
   75K sf. Storage space
   Completed: 2018

Under Construction (5)

1.) 75 Commercial
   24 mkt. rate units, 1-bed rent: $1,400
   Est. Completion: 1Q 2019
   Financing Tools: Private Equity,
   Traditional Bank Financing

2.) 121 Main Street
   48 unit (workforce + market), & 3,000 sf. commercial space, 2-bed rent: N/A
   Est. Completion: 2020
   Financing Tools: LIHTC/HOME

3.) 47 W. Elm
   44 mkt. rate units, 2-bed rent: >$1,600
   Status: Breaking ground 2Q 2019

4.) Parking Garage
   414 Spots
   Est. Completion: 4Q 2019

5.) Registry of Deeds (Phase II)
   7K sf. Office
   Est. Completion: TBD

6.) 155 Crescent
   4-8 mkt. rate units, 2-bed rent: N/A
   Status: Plans approved

7.) Corcoran Mixed Use Development
   90 units planned (across two sites)

Pipeline, Permitted, in Permitting Process (7)

1.) 26 School
   Residential development, units TBD
   Status: Recently Purchased

2.) 93 Centre
   55 mkt. rate units
   Status: 40R permits issued

3.) 140 School
   24 mkt. rate units
   Status: Est. Const. Start 1Q 2020

4.) Ganley Building
   State Unemployment Office
   Status: Est. Const. Start 3Q 2019

5.) 155 Crescent
   4-8 mkt. rate units, 2-bed rent: N/A
   Status: Plans approved

6.) Trinity Financial
   103 mkt. rate units
   Status: 40R permits issued

7.) Corcoran Mixed Use Development
   90 units planned (across two sites)
Catalytic Development Sites

7 priority sites
22 other “2nd tier” sites in downtown

--- Opportunity Zone Boundaries
City of Brockton Prospectus
Assets – Catalytic Development Sites
(with Recently Completed Projects)

Catalytic Development Sites

7 priority sites
22 other “2nd tier” sites in downtown

- Recently Completed Projects (10)
- Opportunity Zone Boundaries
City of Brockton Prospectus
Assets – Catalytic Development Sites
(with Recent + Pipeline Projects)

Catalytic Development Sites

7 priority sites
22 other “2nd tier” sites in downtown

- Recently Completed Projects (10)
- Under Construction (5)
- Pipeline, Permitted, and in Permitting Process (7)
- Opportunity Zone Boundaries
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